



MTC Administrative Guidance: Transit-Oriented Communities Policy

Guidance for Public Agency Staff Implementing
Metropolitan Transportation Commission Resolution No. 4530

Revised April 2026 (Version 1.2)

Table of Contents

- I. Background and Purpose 4
- II. TOC Policy Standards 5
- III. Policy Applicability 5
 - Types of Transit 5
 - Existing Transit 6
 - Planned Fixed-Guideway Stops/Stations Subject to the TOC Policy 6
 - Transit Extensions 7
 - Interregional Projects 8
 - Transit Tiers 8
 - Opt-In for Areas Not Served by Fixed-Guideway Transit Service 9
 - Exemption for Fixed-Guideway Stations Scheduled for Closure 9
 - Exemption for Stations with Service Two Days or Fewer per Week 9
 - Partial Exemption for Tier 4 TOC Areas Outside Urban Service Areas 9
 - TOC Area Geography 10
 - Overlapping TOC Areas 10
 - Multi-Jurisdiction TOC Areas 10
- IV. Documentation Submittal and Evaluation 11
 - Submission Deadline for OBAG 4 TOC Incentive Program 11
 - Documentation Submittal 11
 - MTC Review Process 11
 - TOC Policy Evaluation Framework 11
 - OBAG 4 TOC Incentive Program 11
- V. Guidance for TOC Policy Submission 12
 - Section 1: Density for New Residential and Commercial Office Development 12

Summary of TOC Policy Standards.....	12
Submitting Required Documentation	16
Section 2: Affordable Housing Production, Preservation, and Protection Policies and Commercial Stabilization Policies	26
Summary of TOC Policy Standards.....	26
Submitting Required Documentation	33
Section 3: Parking Management.....	33
Summary of TOC Policy Standards.....	33
Submitting Required Documentation	36
Section 4: Station Access and Circulation	39
Summary of TOC Policy Standards.....	39
Submitting Documentation	40
Appendix A: TOC Policy Housing and Commercial Stabilization Policy Standards	
I. Affordable Housing Production Policy Options.....	1
Production Policy 1: Inclusionary Zoning	2
Production Policy 2: Affordable Housing Funding	4
Production Policy 3: Affordable Housing Overlay Zones.....	5
Production Policy 4: Public Land for Affordable Housing	7
Production Policy 5: Ministerial Approval	10
Production Policy 6: Public/Community Land Trusts.....	12
Production Policy 7: Development Certainty and Streamlined Entitlement Process	14
II. Affordable Housing Preservation Policy Options.....	15
Preservation Policy 1: Funding to Preserve Unsubsidized Affordable Housing	16
Preservation Policy 2: Tenant/Community Opportunity to Purchase.....	17
Preservation Policy 3: Single-Room Occupancy (SRO) Preservation.....	18
Preservation Policy 4: Condominium Conversion Restrictions	20
Preservation Policy 5: Public/Community Land Trusts.....	21
Preservation Policy 6: Funding to Support Preservation Capacity	23
Preservation Policy 7: Mobile Home Preservation	24
Preservation Policy 8: Preventing Displacement from Substandard Conditions and Associated Code Enforcement Activities	26
III. Affordable Housing Protection Policy Options.....	28
Protection Policy 1: “Just Cause” Eviction	29
Protection Policy 2: No Net Loss and Right to Return to Demolished Homes	31
Protection Policy 3: Legal Assistance for Tenants	32
Protection Policy 4: Foreclosure Assistance	33

Protection Policy 5: Rental Assistance Program.....	35
Protection Policy 6: Rent Stabilization	37
Protection Policy 7: Preventing Displacement from Substandard Conditions and Associated Code Enforcement Activities	38
Protection Policy 8: Tenant Relocation Assistance	41
Protection Policy 9: Mobile Home Rent Stabilization	42
Protection Policy 10: Fair Housing Enforcement.....	44
Protection Policy 11: Tenant Anti-Harassment Protections.....	46
IV. Commercial Stabilization Policy Options.....	47
Commercial Stabilization Policy 1: Small Business and Non-Profit Overlay	48
Commercial Stabilization Policy 2: Small Business and Non-Profit Preference Policy	49
Commercial Stabilization Policy 3: Small Business and Non-Profit Financial Assistance Program.....	49
Commercial Stabilization Policy 4: Small Business Advocate Office	50
Appendix B: Jurisdictions by Funding Tier	
Appendix C: Adopted TOC Policy Evaluation Framework	
Appendix D: OBAG Cycle 4 TOC Incentive Program Guidelines	
Appendix E: Log of Revisions in Version 1.2 Administrative Guidance (April 2026)	

I. Background and Purpose

This document provides guidance to local jurisdictions on how to demonstrate consistency with the Metropolitan Transportation Commission (MTC)'s Transit-Oriented Communities (TOC) Policy ([MTC Resolution No. 4530](#)), adopted in September 2022 and revised in October 2023. Version 1.0 of the TOC Policy Administrative Guidance was published in September 2024. Version 1.1 of this guidance was published in May 2025 and contained minor revisions to clarify the criteria for stations subject to the TOC Policy and provide greater specificity regarding the consistency requirements across the four policy components: land use density, affordable housing, parking management, and station access.

Version 1.2 of this guidance reflects MTC's adoption of the TOC Incentive Program ([MTC Resolution No. 4754](#)) on February 25, 2026, including the TOC Evaluation Framework (see Appendix C) and One Bay Area Grant (OBAG) Cycle 4 TOC Incentive Program Guidelines (see Appendix D). Additional revisions incorporate feedback from local jurisdictions to increase clarity and flexibility and improve the administrability of TOC Policy standards for both local jurisdiction partners and MTC staff, while better representing policy goals and direction provided in MTC Resolution No. 4530. See Appendix E for additional details about these revisions.

The TOC Policy seeks to support the region's transit investments by ensuring communities around transit stations are places that not only support transit ridership, but are also places where all Bay Area residents can live, work, and access services. The TOC Policy originates from Plan Bay Area 2050 (PBA 2050), also known as the Regional Transportation Plan/Sustainable Communities Strategy, and addresses all four elements of the Plan—transportation, housing, the economy, and the environment. Consistency with the TOC Policy is voluntary for jurisdictions that want to advance the goals of PBA 2050 (and its successor, Plan Bay Area 2050+) or to be eligible and/or competitive for some MTC discretionary funding.

Four goals guide the TOC Policy and advance PBA 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 ½ mile from transit stops or stations.
- Support and build partnerships to create equitable transit-oriented communities within the San Francisco Bay Area.

OBAG funding cycles will consider funding revisions that prioritize investments in transit station areas that are subject to and consistent with the TOC Policy. With MTC Commission approval, MTC may consider consistency with the TOC Policy to evaluate applications for additional discretionary funding sources.

II. TOC Policy Standards

The TOC Policy consists of the following four elements:

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

The specific standards for each topic area are described in more detail below. Jurisdictions will be evaluated for consistency with all standards in each of the four topic areas for each TOC area¹ within the jurisdiction that is subject to the TOC Policy. For all topic areas, a jurisdiction may use an existing adopted policy or plan to meet the standards or, as needed, may adopt new policies/standards by the deadline for consistency with the TOC Policy (see section V. *Documentation Submittal and Review*, below, for more details). Where applicable, a jurisdiction may rely on jurisdiction-wide policies to demonstrate consistency for a TOC area.

III. Policy Applicability

Types of Transit

The TOC Policy applies to areas within ½ 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)

¹ A TOC area is the geography surrounding a fixed-guideway transit stop or station that is subject to the TOC Policy requirements. See “TOC Area Geography” in Section III. Policy Applicability for more information on how this specific geography is determined.

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)

- Bus rapid transit (BRT)³
- Ferries

The ½-mile radius around a transit station/stop applies even if the jurisdiction has adopted a Priority Development Area (PDA) whose boundaries are different.

A [map](#) and [list of the jurisdictions and stations](#) subject to the TOC Policy are available on MTC’s website.

Existing Transit

The TOC Policy applies to jurisdictions with existing fixed-guideway transit service stops and stations, as defined above. For jurisdictions with an existing stop/station, OBAG is currently the only funding source for which MTC will consider TOC consistency in its investment decisions. With Commission approval, MTC may consider consistency with the TOC Policy to evaluate applications for additional discretionary funding sources for enhancements or improvements to existing stops/stations.

Planned Fixed-Guideway Stops/Stations Subject to the TOC Policy

Fixed-guideway stations that are planned but not currently in service may need to demonstrate consistency with TOC Policy requirements by the deadline associated with the OBAG 4 TOC Incentive Program. This applies to planned stations meeting **any** of the following criteria:

- Project begins construction by January 1, 2025.
AND/OR
- Project allocated regional discretionary funding prior to July 1, 2027 for Project Delivery Phase 2 (Project Design and Early Right-of-Way Acquisition) or Project Delivery Phase 3 (Project Construction), as per the requirements of MTC Resolution No. 4530.
AND/OR
- Project has a [Major Project Advancement Policy](#) (MAP) Level of 1 or 2.

Additionally, planned stations meeting **both** of the following criteria are subject to achieving TOC Policy consistency by the deadline associated with the OBAG 4 TOC Incentive Program:

- Project has finished the environmental review phase, or completed equivalent planning analyses, with analysis based on defined station location(s). At their discretion, MTC staff may determine a station location is sufficiently defined to be subject to the OBAG 4 TOC Policy consistency deadline even if environmental review is not yet complete.

AND

³ The TOC Policy uses the definition of “bus rapid transit” (BRT) from [California Public Resources Code section 21060.2](#).

- Project is in “Bin 1” of the Plan Bay Area 2050+ Transportation Project List in either the Final Blueprint (as advanced into environmental phase) or the adopted Final Plan. Bin 1 encompasses projects expected to be operational by 2035.

Opt-In for Planned Fixed-Guideway Stops/Stations Not Subject to the TOC Policy

A planned station that does not meet the criteria above can choose to opt in to achieving consistency for the planned TOC area for the OBAG 4 cycle. To do so, the planned station must have a sufficiently defined station location as determined by MTC staff (e.g., the project has completed environmental review). Density and parking standards for planned TOC areas that opt in would be based on the anticipated level of transit service.

Transit Extensions

Note: *the information in this section may be revised further based on direction from the Metropolitan Transportation Commission in late spring 2026.*

“Transit extensions” refer to the creation of a new fixed-guideway transit system (rail, ferry, or bus rapid transit), or extension of an existing fixed-guideway transit system to a new station, stations, or terminals. Transit extensions include new infill stations on a fixed-guideway transit system, and major expansions of existing stations to accommodate a new fixed-guideway transit system or route.

The TOC Policy establishes different consistency expectations for transit extension projects seeking awards or allocations of regional discretionary capital funding⁴ based on the project’s delivery phase, as follows:

1. *Project Development/Environmental Review:* Project sponsors, and local jurisdictions as applicable, must provide a letter or resolution acknowledging that future allocation requests to MTC will be subject to the TOC Policy pursuant to later phases.
2. *Project Design and Early Right-of-Way Acquisition:* Jurisdictions must commit in writing to take steps toward achieving consistency by 2026 for the station area(s) seeking funding.
3. *Project Construction:* Jurisdictions do not need to submit a letter of commitment, but they should work with MTC staff to achieve consistency by 2026.

The transit extension project sponsor/implementing agency must include an acknowledgement or commitment letter or resolution, as applicable, in its request to

⁴ For the purposes of the TOC Policy, “regional discretionary funding” for transit projects includes the following fund sources: regional bridge tolls and associated programs (e.g., RM2 & RM3), Surface Transportation Block Grant Program (STBG), Congestion Mitigation Air Quality Improvement Program (CMAQ), Regional Transportation Improvement Program (RTIP), and Regional Exchange Program (MTC Exchange). This list is non-exhaustive and could be amended in the future if MTC exercises discretionary control over additional funding sources.

MTC for regional discretionary funding. Templates for the jurisdiction letters and resolutions are available on the [MTC TOC Policy website](#). See [Appendix 1 of MTC Resolution 4530](#) for more details about the requirements for transit extensions.

Beginning in 2026, these requirements will also apply to transit extension projects seeking MTC endorsement for federal or state discretionary capital funding.⁵

Interregional Projects

Interregional projects that trigger MTC's Interregional Project Funding and Coordination Policy (MTC Resolution No. 4399) shall be subject to the TOC Policy as set forth in this paragraph. For any portion of the project within MTC's jurisdiction, the project sponsor must satisfy the requirements for consistency as noted above for existing transit and transit extensions, as applicable. For portions of the project within the jurisdiction of another Metropolitan Planning Organization (MPO)/Regional Transportation Planning Agency (RTPA), the Interagency Agreement referenced in MTC Resolution No. 4399 must include a provision acknowledging the applicability of the TOC Policy, confirming consistency with the TOC Policy for the Bay Area portion of the project, and a commitment from the other MPO/RTPA to strive towards achievement of TOC Policy consistency for the portions of the project outside of the Bay Area. The other MPO/RTPA's commitment for non-Bay Area portions of the project should include, as practicable, an agreement to regularly report on the status of progress to meeting TOC Policy standards, to explain any challenges with achieving TOC Policy standards, and any steps that will be taken to overcome those challenges.

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

Density and parking management standards are defined by transit tier, while other standards are consistent across all tiers.

⁵ In the context of TOC Policy implementation, "endorsement" refers to when the MTC Commission acts to endorse projects seeking funding from other sources or when a project is added to the list of projects and programs included in MTC's Major Project Advancement Policy (MAP) or a change is made to a project's MAP Level.

Opt-In for Areas 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 standards for these areas.⁶ Station areas/stops where a jurisdiction is voluntarily consistent with the TOC Policy may be eligible for any future funding sources where the MTC Commission chooses to adopt TOC Policy consistency as a prerequisite for funding or a factor in prioritizing funding.

Exemption for Fixed-Guideway Stations Scheduled for Closure

Jurisdictions are exempt from the TOC Policy for existing fixed-guideway transit stations that are scheduled to close. For the purposes of the TOC Policy, a station is “scheduled to close” if the station closure is a component of a transportation project included within, or otherwise specified by, the Regional Transportation Plan that was most recently adopted prior to the beginning of the relevant OBAG cycle (e.g., Plan Bay Area 2050+ for OBAG 4). A primary goal of the policy changes needed to achieve TOC Policy consistency is supporting transit ridership, and these policies have limited impact if a station is scheduled to close.

Exemption for Stations with Service Two Days or Fewer per Week

Jurisdictions are exempt from the TOC Policy for existing fixed-guideway transit stations that have service two days or fewer per week if service is not proposed to be expanded to a greater number of days per week in the Regional Transportation Plan that was most recently adopted prior to the beginning of the relevant OBAG cycle (e.g., Plan Bay Area 2050+ for OBAG 4). Stations with limited service are less likely to be able to support the development and circulation patterns envisioned in the TOC Policy.

Partial Exemption for Tier 4 TOC Areas Outside Urban Service Areas

County governments are exempt from the residential and commercial office density standards for any portion of existing or planned Tier 4 TOC areas within the unincorporated county that are outside of the Urban Service Area. However, these jurisdictions are still subject to all other TOC Policy standards for these areas (housing policies, parking management, and station access). These areas are not yet envisioned to support dense development in local and regional plans, but other aspects of the TOC Policy remain important and beneficial to these communities. Access planning enables those who live or work nearby to use these stations more easily, while parking management policies ensure that development that does occur is transit supportive. Additionally, affordable housing policies safeguard against displacement of existing lower-income residents and support people from all backgrounds being able to live in neighborhoods served by transit.

⁶ 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.

TOC Area Geography

The ½-mile area is measured from a single point at the center of the stop or station. Where a station/stop includes infrastructure such as platforms, bus transfer facilities, and parking areas, a single centroid is identified rather than computing distance from multiple station entrances or property boundaries. Open water, rivers, canals, and other water bodies are excluded, which may result in the TOC area being an irregular shape rather than a perfect circle.

For more information on how the density and parking standards apply to TOC areas, see “Section 1: Density for New Residential and Commercial Office Development” and “Section 3: Parking Management” below.

A [map](#) and [list of the jurisdictions and stations](#) subject to the TOC Policy are available on MTC’s website.

Overlapping TOC Areas

In some cases, the ½-mile area around one stop/station may intersect with the ½-mile area around another stop/station, resulting in overlapping TOC areas. As a jurisdiction must demonstrate consistency for each TOC area separately, a parcel within an overlapping area will be considered in calculating the average zoning density as well as evaluating the parking standards for each of the overlapping TOC areas. If the overlapping TOC areas represent different transit tiers, parcels in the overlapping areas must meet the standards for the higher transit tier (i.e., Tier 1 is higher than Tier 2).

For jurisdictions with overlapping TOC areas, MTC will work with local staff to identify situations where TOC areas can be consolidated (e.g., along BRT or LRT corridors or in downtown areas) for aggregate analysis of TOC consistency.

Multi-Jurisdiction TOC Areas

A TOC area may encompass multiple jurisdictions. A jurisdiction is exempt from any TOC Policy standards if it contains 20 percent or less of the TOC area, as determined by MTC staff. A jurisdiction that comprises more than 20 percent of the TOC area is subject to all TOC Policy standards for its portion of the TOC area.

For the TOC Policy density standards, a jurisdiction is not responsible for zoning densities/intensities outside its boundaries, but it is responsible for the portion of the TOC area within its jurisdiction.⁷

⁷ Average zoning density calculation requirements are covered in Section V of this Guidance document.

IV. Documentation Submittal and Evaluation

Submission Deadline for OBAG 4 TOC Incentive Program

To ensure eligibility for funding from the OBAG 4 TOC Incentive Program, jurisdictions must submit documentation demonstrating consistency with TOC Policy standards by **5:00 p.m. on July 1, 2027**.

Documentation Submittal

MTC will accept submissions from jurisdictions to demonstrate consistency with the TOC Policy for each TOC area subject to the policy within the jurisdiction. Jurisdictions must use the [TOC Policy Submission Portal](#) developed by MTC. Jurisdictions may submit documentation on a rolling basis until the submission deadline. Questions about documentation submittal should be directed to TOCPolicy@bayareametro.gov.

MTC Review Process

To complete its review of a jurisdiction's 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 confirmation of its consistency status after MTC has completed its review of submitted documentation.

TOC Policy Evaluation Framework

On February 25, 2026, the Metropolitan Transportation Commission adopted the TOC Evaluation Framework which is intended to be used by jurisdictions and MTC to assess jurisdiction progress towards consistency with TOC Policy standards. The framework provides jurisdictions with clarity on expectations and progress while enabling MTC to track implementation consistently, compare outcomes, and inform future program decisions. The full Evaluation Framework, as adopted by the Commission on February 25, 2026, is available in Appendix C.

OBAG 4 TOC Incentive Program

On February 25, 2026, the Metropolitan Transportation Commission also adopted the OBAG 4 TOC Incentive Program Guidelines (see Appendix D) which contain adjustments to the TOC Evaluation Framework for OBAG 4 related to credit for the following standards:

- Allowable Maximum Residential Density
- Housing Protection Policy 2: No Net Loss and Right to Return to Demolished Homes
- Housing Protection Policies

V. Guidance for TOC Policy Submission

This section provides the guidance necessary to demonstrate consistency with MTC's TOC Policy standards. It is divided into four sections:

1. Zoning density and intensity standards for residential and commercial office development
2. Affordable housing production, preservation, and protection policies and commercial stabilization policies
3. Parking management policies
4. Station access and circulation standards

Section 1: Density for New Residential and Commercial Office Development

Summary of TOC Policy Standards

The TOC Policy seeks to ensure that local planning policies and zoning regulations enable new development within TOC areas to be built at sufficiently high densities to support transit ridership and increase the proportion of trips taken by transit. The mechanism for furthering this goal is that jurisdictions adopt minimum density and intensity requirements in TOC areas. Additionally, if a jurisdiction chooses to adopt maximum density and intensity policies, these allowable densities must be high enough to support robust transit-oriented development.⁸

To be consistent with the Policy, a jurisdiction does not need to plan or zone specific parcels for a particular land use or density. Rather, the Policy contains zoning density and intensity standards for areas where zoning allows new residential, office, or mixed-use development. The density standards represent an average taken across the TOC area, and the average density standards are based on the area's Transit Tier (see Tables 1 and 5).

The minimum density/intensity in a given zoning district where housing and/or commercial office uses are permitted may be below the TOC Policy thresholds (Tables 1 and 5), provided the average across the TOC area meets the standard.⁹ Cities that have adopted Form Based Codes without density standards can adopt minimum densities, minimum Floor Area Ratios (FARs), or minimum heights for future residential, commercial office, and mixed-use projects.

⁸ While the TOC Policy does not specify standards for building heights, local jurisdictions should not limit building heights such that new residential development at the densities specified by the TOC Policy becomes infeasible.

⁹ "Permitted" means the use is listed as a permitted use in the zoning regulations, with no use permit requirement.

A jurisdiction without minimum residential or commercial office zoning standards may use the minimums identified in an adopted General Plan, Specific Plan, or Area Plan to the extent the Plan requires that new development must occur at or above a minimum threshold. In the absence of such a requirement or zoning standard, a zone without a minimum density will be assigned a “zero” for the purposes of calculating the average for the TOC area. A minimum density value of zero for any zone in a TOC area will make it more difficult to achieve the minimum areawide averages. This is further explained in the methodology below.

To be consistent with the Policy, a jurisdiction does not need to adopt maximum allowable density/intensity standards. However, if a jurisdiction has adopted these standards, then the average of the maximum density/intensity allowed for residential or commercial office uses must meet or exceed the TOC Policy’s thresholds to be considered consistent with the Policy (Tables 3 and 7). See the section “General Guidance and Special Circumstances for Average Density and Intensity Calculations” below for more information about how state laws that preempt local zoning affect density calculations.

Areas Subject to Density/Intensity Standards

For the residential density calculations, only zoning districts that allow residential development as a permitted use (i.e., with no use permit requirement) are included. For the purposes of TOC Policy consistency, only residential uses that represent the most common forms of residential dwellings (i.e., single-family residences, duplexes, multi-family housing, and mixed-use development) are considered “residential development.”

For the commercial office intensity calculations, only commercial, residential, and mixed-use zoning districts that allow office as a permitted use are included. For the purposes of TOC Policy consistency, uses that are considered office include (but are not limited to) professional office, business office, government office, medical office, administrative office, commercial office, general office, etc.

Areas Eligible for Exclusion from Density/Intensity Standards

If a zoning district only permits less typical residential uses (e.g., ADUs, live/work units, transitional housing, etc.), this district will not be included in the average residential density calculations. Zones intended to conserve land for open space or agriculture may be excluded from residential density calculations even if these zones list residential development as a permitted use.

Industrial zoning districts in which offices are permitted uses may be excluded from commercial office intensity calculations at a jurisdiction’s discretion.

The Policy allows parcels with existing dwelling units to be excluded from the residential density and commercial office intensity calculations to minimize the risk of

displacement. However, a parcel may not be excluded if it was counted as a Housing Opportunity Site in the jurisdiction’s Housing Element and assumed to produce one or more units of housing.

For the TOC Policy, “existing dwelling units” are residential units that received a building permit prior to January 1, 2024. However, if a project has not received a certificate of occupancy by the beginning of the OBAG 5 cycle (anticipated in 2030), the parcel cannot be excluded from future TOC Policy cycles.

Note: Calculation of the average density includes parcels zoned to allow residential and/or commercial office development 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, conflicts with Airport Land Use Compatibility Plans, etc.

General Guidance and Special Circumstances for Average Density and Intensity Calculations

Parcels Bisected by the ½-Mile TOC Area Boundary

If a parcel is bisected by the TOC area’s ½-mile boundary, only the portion of the parcel within the ½-mile TOC area buffer is counted toward the weighted average density. At MTC staff’s discretion, the entirety of a bisected parcel can contribute to the TOC area’s weighted average density if local jurisdiction staff demonstrate the importance of the parcel for achieving TOC Policy goals.

Mixed-Use Districts: Parcels to Include

Parcels in mixed-use zoning districts that allow both residential and commercial office as permitted uses should be counted in calculations of average residential density and then again in calculations of average commercial office intensity for each TOC area. No assumptions about the mix of uses are necessary on mixed-use parcels—simply report the minimum and maximum density or FAR permitted by zoning in each case. In cases where zoning establishes lower minimum and maximum FARs for projects that are entirely office than it does for mixed-use or residential projects, the higher minimum and allowable maximum FARs may be used in the calculation of the average commercial office intensity.

Senate Bill 6 (2022, Caballero)/Assembly Bill 2011 (2022, Wicks)

[Senate Bill 6](#) and [Assembly Bill 2011](#) allow residential uses by right in some commercial zoning districts. For the purposes of the TOC Policy minimum and maximum average density calculations, residential uses should only be counted in a commercial zone if they are expressly listed as a permitted use in the zoning regulations. Jurisdictions are

encouraged to amend their zoning codes to list residential as permitted in those zones affected by SB 6 and AB 2011.

Assembly Bill 2923 (2018, Chiu)

[Assembly Bill 2923](#) establishes minimum zoning standards for residential development within ½ mile of major transit stops owned by BART. The law sets minimum residential densities, height requirements, and parking maximums, and limits local discretion to reduce development capacity below these thresholds. For purposes of TOC consistency, in cases where the zoning has not yet been amended to reflect AB 2923 requirements, jurisdictions may count the standards under AB 2923 in the average density calculations used to demonstrate consistency with applicable TOC Policy Density standards. Jurisdictions should clearly document when they are relying on AB 2923 densities.

Senate Bill 79 (2025, Wiener)

[Senate Bill 79](#) makes residential developments of five or more units an allowed use on sites zoned for residential, mixed-use, or commercial uses within ½ mile of specified transit stations in select counties. SB 79 establishes density, height, and floor area ratio (FAR) standards. The law preempts local zoning standards that are more restrictive than state requirements, while allowing jurisdictions to adopt zoning that exceeds these standards. See the OBAG 4 TOC Incentive Program Guidelines (Appendix D) which contain adjustments to the TOC Evaluation Framework for OBAG 4, including how SB 79 will be applied in TOC station areas.

Planned Unit Development or Planned Development (PD) Districts

For parcels in zoning districts where densities are determined through a subsequent project-level planning process (e.g., Planned Unit Developments), or were previously determined through such a process, the jurisdiction may use the densities and intensities in its General Plan. The jurisdiction also has the option of using any minimum and maximum densities/intensities that were established when the PD was created. To use a minimum density, the relevant Plan must require that development occur at or above the minimum.

Agreements with a Developer

If a jurisdiction has an agreement with a developer in place in the TOC area prior to February 25, 2026, and local staff are concerned about the impact of this agreement with regards to TOC Policy consistency, the jurisdiction should contact MTC staff for clarification. Note that jurisdictions will not be able to seek exceptions or exemptions for TOC Policy consistency for developer agreements entered into after February 25, 2026.

Overlay Zones

For parcels to which a base zone and overlay zone apply, a jurisdiction may include any supplemental density and intensity permitted by the overlay zone when calculating the

average maximum allowable density/intensity, provided the overlay permits the residential or office use as a permitted use in a non-discretionary way (comparable to the base zone). If an overlay establishes higher minimum densities than the base zone, the same allowance applies, and the overlay minimum may be used in calculating the average minimum density/intensity.

Incentive Zoning and Density Bonuses

If the jurisdiction can demonstrate that HCD allowed it to rely on the density available through incentive zoning in its certified Housing Element, the jurisdiction may rely on incentive zoning in the density calculations for the TOC Policy. For parcels subject to state density bonus law, the TOC Policy density standards apply to the base zoning (i.e., state density bonuses cannot be considered for meeting the TOC Policy's thresholds for minimum density or allowable maximum density).

Submitting Required Documentation

Demonstrating consistency with the TOC Policy includes four calculations of *average* density/intensity within the TOC area:

- Minimum zoning density required for zones allowing residential uses.
- If a jurisdiction has maximum residential density standards, the maximum zoning density for zones allowing residential uses.
- Minimum commercial office intensity (FAR) required for zones allowing office uses.
- If a jurisdiction has maximum commercial intensity standards, the maximum commercial office intensity (FAR) for zones allowing office uses.

MTC's TOC Policy Submission Portal is programmed to complete these calculations based on a jurisdiction's zoning data. A five-step process is outlined below for how the calculations are completed and how to determine density and FAR equivalencies if a zoning district does not use these metrics. Local jurisdictions may use this process to complete calculations outside the TOC Policy Submission Portal, but ultimately all zoning information and parcel exclusions must be submitted in the portal to ensure consistency across jurisdictions.

The calculations do not require determination of "buildout" in the TOC area. Rather, they only require calculation of the average minimum and maximum density/intensity allowed by zoning on eligible parcels. Moreover, determination of the average zoning density and intensity is intended only as a theoretical calculation to evaluate consistency with the TOC Policy. The average density/intensity calculations do not in any way preclude or discourage mixed-use development or non-office commercial uses, nor do they disallow or discourage the addition of residential or office uses to projects of other uses.

Step 1 is identifying the baseline set of zones or parcels to be used in the average density/intensity calculations for a TOC area. Steps 2 to 5 correspond to the

calculations of minimum residential density, maximum allowable residential density, minimum commercial office intensity, and maximum allowable commercial office intensity for those zones or parcels.

Step 1: Determine the Baseline Areas to be Included in the Calculations

- i. Identify all zoning districts in the TOC area where residential uses are a permitted use (i.e., no use permit is required). This includes single-family residential zones, multi-family residential zones, mixed-use zones where residential development is a permitted use, and non-residential districts that specifically identify residential development as a permitted use. Zones intended to conserve land for open space or agriculture may be excluded from the average residential density calculation, even where residential development is listed as a permitted use. If a zoning district only permits less typical residential uses (e.g., ADUs, live/work spaces, transitional housing, etc.), this district will not be included in residential density calculations.
- ii. Identify all zoning districts in the TOC area where commercial offices are a permitted use. This includes commercial and mixed-use zones where office is a permitted use, and any residential zones that allow 100 percent office uses (zones that only allow office as an ancillary use are excluded). Industrial zoning districts in which offices are permitted uses may be excluded from commercial office intensity calculations at a jurisdiction's discretion.
- iii. Calculate the net acreage in each zoning district in the TOC area. "Net" acreage means streets or un-zoned features within the zoning boundary are not counted. **Net acreage is automatically calculated in the TOC Policy Submission Portal.**
- iv. If a jurisdiction chooses to exclude parcels with existing residential dwelling units, prepare a list of parcels to be excluded (subtracted) from the eligible acreage. *However, if the parcel was counted as a Housing Opportunity Site in the jurisdiction's Housing Element and assumed to produce one or more units of housing, it may not be excluded.* For any excluded parcel, the jurisdiction must document the assessor parcel number, acreage, existing zoning, and existing land use. Most of this information can be exported from the TOC Policy Submission Portal by clicking on the "TOC Parcel Data" button on the map page. Additionally, the jurisdiction must use the map page in the TOC Policy Submission Portal to exclude these parcels from density calculations.
- v. Report the remaining net acreage in each eligible residential zone and each eligible commercial office zone, the sums of these acreages, and the percentage of the total eligible zones that each individual zone represents. **This information will be automatically calculated in the TOC Policy Submission Portal.**
- vi. Zoning districts included in the residential calculation may also be included in the office calculation, where applicable.

Step 2: Calculate the Average Minimum Residential Density Required by Zoning in the TOC Area

A jurisdiction must demonstrate that the average minimum zoning density in the TOC area meets the adopted TOC Policy standard for its transit tier shown in **Table 1**. A jurisdiction without minimum density standards may refer to the ranges in its General Plan or an adopted Specific or Area Plan that applies to the TOC area, to the extent the relevant Plan requires that development must occur at or above the minimum. Cities without minimum density standards (either in zoning or the General Plan, Specific Plan, or Area Plan as described above) must assign a “zero” to the applicable zones when calculating the TOC area average.

Table 1: Average Minimum Zoning Density Standards for Residential Development

Level of Transit Service	Average Minimum Zoning Density
Tier 1: Rail stations serving regional centers (i.e., Downtown San Francisco, Downtown Oakland, and Downtown San Jose)	100 units/net acre or higher
Tier 2: Stop/station served by two or more BART lines or BART and Caltrain	75 units/net acre or higher
Tier 3: Stop/station served by one BART line, Caltrain, light rail transit, or bus rapid transit	50 units/net acre or higher
Tier 4: Commuter rail (SMART, ACE, Capitol Corridor, Valley Link) stations, Caltrain stations south of Tamien, or ferry terminals	25 units/net acre or higher

Notes:

1. Tier 3 TOC areas in jurisdictions with 30,000 residents or fewer may use Tier 4 standards. For the OBAG 4 cycle, this applies to Tier 3 TOC areas in Belmont, Brisbane, Lafayette, Orinda, and San Carlos. January 1, 2025 population estimates from the [California Department of Finance](#).

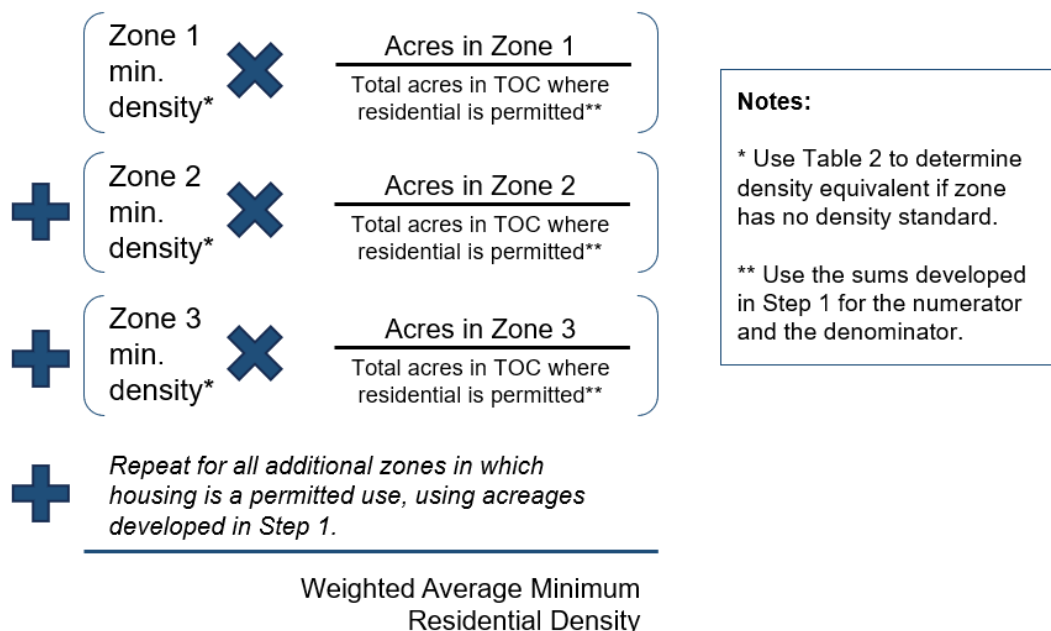
Table 2 is an equivalency table for zoning districts where housing is permitted but minimum density is expressed using floor area ratio (FAR) or height. The table allows jurisdictions using zones not measured in dwelling units per acre to convert to density equivalents so averages may be more accurately estimated. The equivalencies in Table 2 are “default” standards based on sample projects. Jurisdictions are encouraged to develop their own equivalency tables based on actual projects within their TOC area or nearby, subject to approval by MTC. MTC staff will automatically approve jurisdiction-developed equivalency tables or density calculation methodologies that were accepted by the California Department of Housing and Community Development (HCD) in a certified Housing Element from the 6th Cycle or later. However, the equivalency table may only be used if the FAR or height standards are legally required minimums, as described above for zoning districts that use a dwelling units per acre standard.

Table 2: Equivalency Table for Minimum Density Calculation (only for use in zones with no density standard)

<i>If there is no minimum density, but the minimum FAR required is...</i>	<i>...then use this equivalent for minimum density</i>	<i>If there is no minimum density or FAR, but the minimum height is...</i>	<i>...then use this for equivalent minimum density</i>
None	Zero	None	Zero
Less than 0.5	8 DUA	Less than 25'	12 DUA
Between 0.5 and 0.74	16 DUA	25' to 34.9'	35 DUA
Between 0.75 and 0.99	25 DUA	35' to 44.9'	55 DUA
Between 1.0 and 1.49	50 DUA	45' to 54.9'	75 DUA
Between 1.5 and 1.99	75 DUA	55' to 64.9'	100 DUA
Between 2.0 and 2.99	100 DUA	65' to 74.9'	125 DUA
Between 3.0 and 3.99	125 DUA	75' to 84.9'	150 DUA
Between 4.0 and 4.99	150 DUA	Add 25 DUA for each 10' from 85' upward	
Add 40 DUA for each 1.0 FAR from 5.0 upward			

Once a density or density equivalent has been assigned to each zone, the weighted average is determined. **Figure 1** illustrates the formula for this calculation. **This calculation is performed within the TOC Policy Submission Portal.**

Figure 1: Calculation of Average Required Minimum Residential Zoning Density



As shown in Figure 1, to calculate the average minimum residential zoning density for the TOC area, the total acres in each zone to be included (shown as Zone 1, Zone 2, etc.) is divided by the total acres in the TOC area where residential uses are permitted.

The sums developed in Step 1 are used for the numerator and the denominator, with any parcels excluded by the jurisdiction subtracted from these figures.

This result is then multiplied by the minimum density for that zone. If the zone has no density standard but does require a minimum FAR or minimum height, use Table 2 to determine the equivalent density. This process is repeated for each zoning district in the TOC area where residential uses are permitted, and the results for each zone are summed to result in the weighted average minimum residential density.

Step 3: Calculate the Average Maximum Residential Density Allowed by Zoning in the TOC Area

A jurisdiction must demonstrate that, if it has adopted a maximum residential density standard, the average maximum allowable residential zoning density in the TOC area meets or exceeds the adopted TOC Policy threshold for its transit tier shown in **Table 3**. See the OBAG 4 TOC Incentive Program Guidelines (Appendix D) which contain adjustments to the TOC Evaluation Framework for OBAG 4, including how SB 79 will be applied in TOC station areas.

Table 3: Average Maximum Zoning Density Threshold for Residential Development

Level of Transit Service	Threshold for Average Maximum Zoning Density
Tier 1: Rail stations serving regional centers (i.e., Downtown San Francisco, Downtown Oakland, and Downtown San Jose)	150 units/net acre or higher
Tier 2: Stop/station served by two or more BART lines or BART and Caltrain	100 units/net acre or higher
Tier 3: Stop/station served by one BART line, Caltrain, light rail transit, or bus rapid transit	75 units/net acre or higher
Tier 4: Commuter rail (SMART, ACE, Capitol Corridor, Valley Link) stations, Caltrain stations south of Tamien, or ferry terminals	35 units/net acre or higher

Notes:

1. Tier 3 TOC areas in jurisdictions 30,000 or fewer residents may use Tier 4 standards. For the OBAG 4 cycle, this applies to the Tier 3 TOC areas in Belmont, Brisbane, Lafayette, Orinda, and San Carlos. January 1, 2025 population estimates from the [California Department of Finance](#).
2. The allowable densities are consistent with PBA 2050 modeling for Strategy H3 (see [Forecasting and Modeling Report](#), pp. 44-45).

Table 4 is an equivalency table for zoning districts where housing is permitted but maximum allowable density is expressed using floor area ratio (FAR) or height. The table allows jurisdictions using zones not measured in dwelling units per acre to convert to density equivalents so averages may be more accurately estimated. The equivalencies in Table 4 are “default” standards based on sample projects. Jurisdictions are encouraged to develop their own equivalency tables based on actual projects within the TOC area or nearby, subject to approval by MTC. MTC staff will automatically

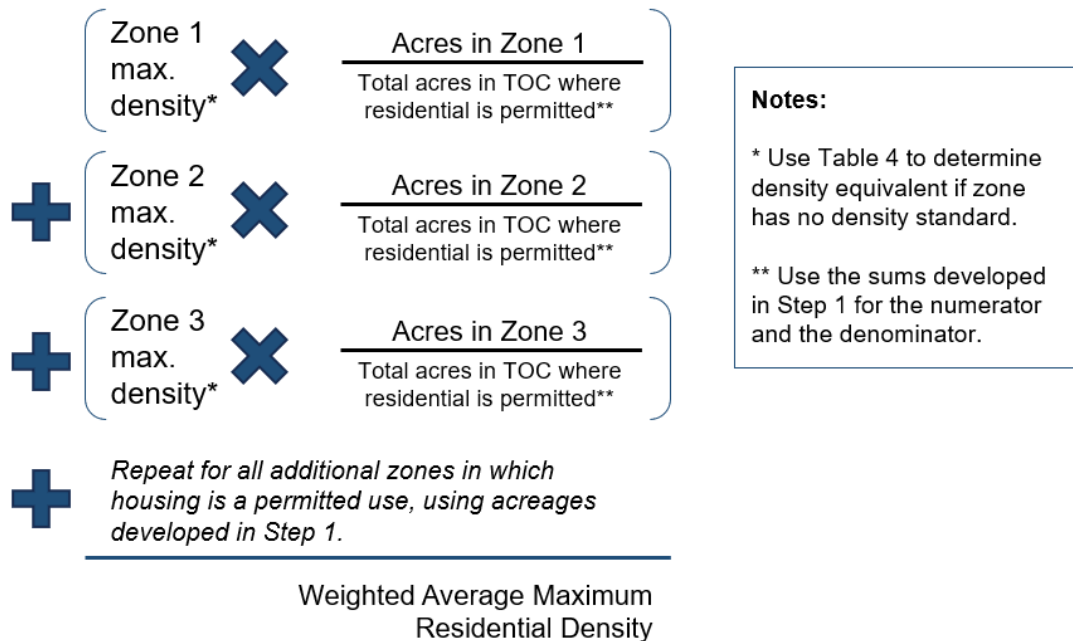
approve jurisdiction-developed equivalency tables or density calculation methodologies that were accepted by HCD in a certified Housing Element from the 6th Cycle or later.

Table 4: Equivalency Table for Maximum Density Calculation (only for use in zones with no density standard)

<i>If there is no maximum density, but the maximum FAR allowed is...</i>	<i>...then use this equivalent for maximum density</i>	<i>If there is no maximum density or FAR, but the maximum allowable height is...</i>	<i>...then use this for equivalent maximum density</i>
Less than 0.50	8 DUA	Less than 25'	12 DUA
Between 0.5 and 0.74	16 DUA	25' to 34.9'	35 DUA
Between 0.75 and 0.99	25 DUA	35' to 44.9'	55 DUA
Between 1.0 and 1.49	50 DUA	45' to 54.9'	75 DUA
Between 1.5 and 1.99	75 DUA	55' to 64.9'	100 DUA
Between 2.0 and 2.99	100 DUA	65' to 74.9'	125 DUA
Between 3.0 and 3.99	125 DUA	75' to 84.9'	150 DUA
Between 4.0 and 4.99	150 DUA	Add 25 DUA for each 10' from 85' upward	
Add 40 DUA for each 1.0 FAR from 5.0 upward			

Once a density or density equivalent has been assigned to each zone, the weighted average is determined. **Figure 2** illustrates the formula for this calculation. **This calculation is performed within the TOC Policy Submission Portal.**

Figure 2: Calculation of Average Maximum Allowable Residential Zoning Density



As shown in Figure 2, to calculate the average maximum allowable residential zoning density for the TOC area, the total acres in each zone to be included (shown as Zone 1,

Zone 2, etc.) is divided by the total acres in the TOC area where residential uses are permitted. The sums developed in Step 1 are used for the numerator and the denominator, with any parcels excluded by the jurisdiction subtracted from these figures.

This result is then multiplied by the allowable maximum density for that zone. If the zone has no density standard but does include maximum FAR or maximum heights, use Table 4 to determine the equivalent density. This process is repeated for each zoning district in the TOC area where residential uses are permitted, and the results for each zone are summed to result in the weighted average required allowable maximum residential density.

Step 4: Calculate the Average Minimum Commercial Office Space Intensity Required by Zoning in the TOC Area

A jurisdiction must demonstrate that the average minimum required zoning intensity for commercial office space in the TOC area meets the adopted TOC Policy standard for its transit tier shown in Table 5. Again, it is recognized that a jurisdiction may not have adopted minimum FAR standards (or minimum heights) for commercial office space in its TOC area. A jurisdiction without such standards may refer to the ranges in its General Plan or an adopted Specific or Area Plan that applies to the TOC area, to the extent the relevant Plan requires that development must occur at or above the minimum. Cities without minimum standards for FAR (either in zoning or the General Plan, Specific Plan, or Area Plan) must assign a “zero” to the applicable zones when calculating the TOC area average.

Table 5: Average Minimum Zoning Intensity Standards for Commercial Office Development

Level of Transit Service	Average Minimum Zoning Intensity for Commercial Office Space (FAR)
Tier 1: Rail stations serving regional centers (i.e., Downtown San Francisco, Downtown Oakland, and Downtown San Jose)	4 or higher
Tier 2: Stop/station served by two or more BART lines or BART and Caltrain	3 or higher
Tier 3: Stop/station served by one BART line, Caltrain, light rail transit, or bus rapid transit	2 or higher
Tier 4: Commuter rail (SMART, ACE, Capitol Corridor, Valley Link) stations, Caltrain stations south of Tamien, or ferry terminals	1 or higher

Table 6 is an equivalency table for zoning districts where minimum required intensity is expressed using height rather than FAR. Table 6 shows equivalent FARs for height limits ranging from zero to 75 feet. The equivalencies in Table 6 are “default” values based on sample projects. Jurisdictions are encouraged to develop their own equivalency tables based on actual projects within the TOC area or nearby, subject to approval by MTC.

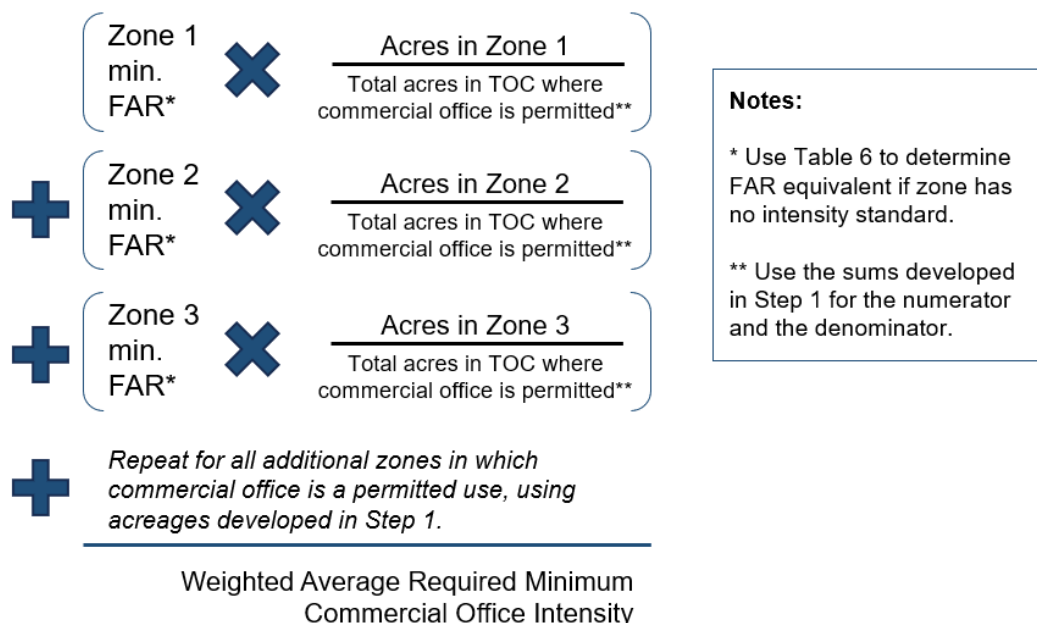
Table 6: Equivalency Table for Minimum Zoning Intensity for Commercial Office (only for use in zones with no Floor Area Ratio [FAR] standard)

<i>If there is no FAR standard, but the minimum height required is...</i>	<i>...then use this as the equivalent FAR</i>
None	0
Less than 25'	0.3
25' to 34.9'	1.0
35' to 44.9'	1.5
45' to 54.9'	2.0
55' to 64.9'	3.0
65' to 79.9'	4.0
80' to 99.9'	5.0
Add 1.0 FAR for each 15' from 100' upward	

Jurisdictions may have zoning districts in which mixed-use or residential projects are subject to higher minimum intensity standards than projects that are 100 percent office. For example, a zone may require a minimum FAR of 0.5 for a 100 percent office project but require at least 1.0 FAR for a residential or mixed-use project. In such instances, the higher minimum may be used in calculations. This recognizes the intent of the TOC Policy, which is to incentivize zoning that supports higher building intensity in TOC areas.

Once an FAR or FAR equivalent has been assigned to each zone, the weighted average is determined. **Figure 3** illustrates the formula used for this calculation. **This calculation is performed within the TOC Policy Submission Portal.**

Figure 3: Calculation of Average Minimum Required Commercial Office Zoning Intensity



As shown in Figure 3, to calculate the average minimum commercial office zoning intensity for the TOC area, the total acres in each zone to be included (shown as Zone 1, Zone 2, etc.) is divided by the total acres in the TOC area where office uses are permitted. The sums developed in Step 1 are used for the numerator and the denominator, with any parcels excluded by the jurisdiction subtracted from these figures.

This result is then multiplied by the minimum intensity for that zone. If the zone has no FAR standard but does have minimum heights, use Table 6 to determine the FAR equivalent. This process is repeated for each zoning district in the TOC area where office uses are permitted, and the results for each zone are summed to result in the weighted average required minimum commercial office intensity.

Step 5: Calculate the Average Maximum Commercial Office Space Intensity Allowed by Zoning in the TOC Area

A jurisdiction must demonstrate that, if it has adopted a maximum commercial office intensity standard, the average maximum allowable zoning intensity for commercial office space in the TOC area meets or exceeds the adopted TOC Policy threshold for its transit tier shown in **Table 7**.

Table 7: Average Maximum Zoning Intensity Threshold for Commercial Office Development

Level of Transit Service	Threshold for Average Maximum Zoning Intensity for Commercial Office Space (FAR)
Tier 1: Rail stations serving regional centers (i.e., Downtown San Francisco, Downtown Oakland, and Downtown San Jose)	8 or higher
Tier 2: Stop/station served by two or more BART lines or BART and Caltrain	6 or higher
Tier 3: Stop/station served by one BART line, Caltrain, light rail transit, or bus rapid transit	4 or higher
Tier 4: Commuter rail (SMART, ACE, Capitol Corridor, Valley Link) stations, Caltrain stations south of Tamien, or ferry terminals	3 or higher

Notes:

1. The allowable densities are consistent with PBA 2050 modeling for Strategy EC4 (see [Forecasting and Modeling Report](#), pp. 57-58).

Table 8 is an equivalency table for zoning districts where maximum allowable intensity is expressed using height rather than FAR. The equivalencies in Table 8 are “default” values based on sample projects. Jurisdictions are encouraged to develop their own equivalency tables based on actual projects within the TOC area or nearby, subject to approval by MTC.

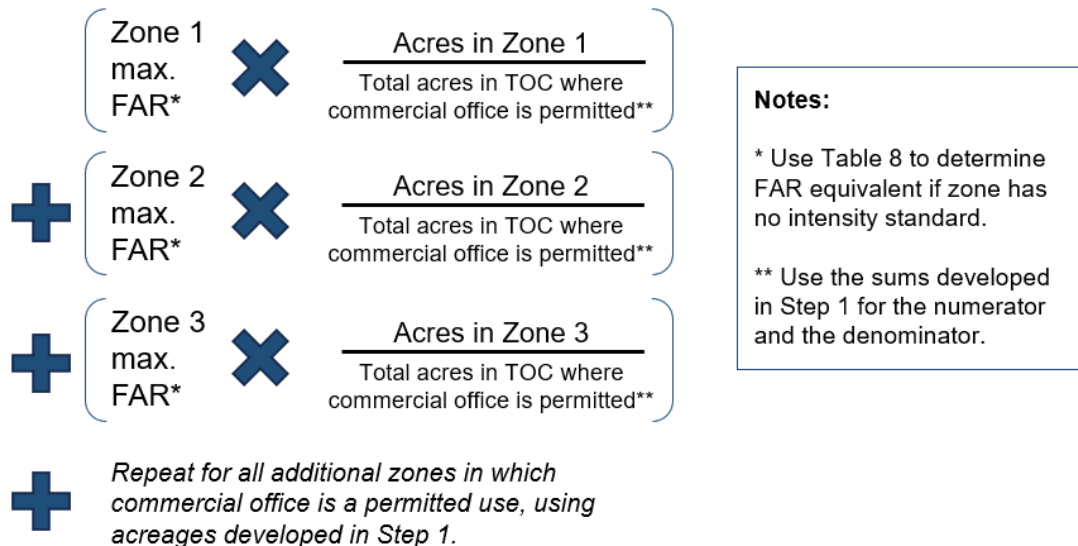
Table 8: Equivalency Table for Maximum Zoning Intensity for Office (only for use in zones with no Floor Area Ratio [FAR] standard)

<i>If there is no FAR standard, but the maximum height allowed is...</i>	<i>...then use this as the equivalent FAR</i>
Less than 25'	0.3
25' to 34.9'	1.0
35' to 44.9'	1.5
45' to 54.9'	2.0
55' to 64.9'	3.0
65' to 79.9'	4.0
80' to 99.9'	5.0
Add 1.0 FAR for each 15' from 100' upward	

Jurisdictions may have zoning districts in which mixed-use or residential projects are allowed a higher maximum intensity than projects that are 100 percent office. For example, a zone may allow a maximum FAR of 2.0 for a 100 percent office project but allow a 4.0 FAR for a residential or mixed-use project. In such instances, the higher maximum may be used in calculations. This recognizes the intent of the TOC Policy, which is to incentivize zoning that supports higher building intensity in TOC areas.

Once an FAR or FAR equivalent has been assigned to each zone, the weighted average is determined. **Figure 4** illustrates the formula for this calculation. **This calculation is performed within the TOC Policy Submission Portal.**

Figure 4: Calculation of Average Maximum Allowable Commercial Office Zoning Intensity



Notes:

- * Use Table 8 to determine FAR equivalent if zone has no intensity standard.
- ** Use the sums developed in Step 1 for the numerator and the denominator.

Weighted Average Maximum Allowable Commercial Office Intensity

As shown in Figure 4, to calculate the average maximum allowable commercial office zoning intensity for the TOC area, the total acres in each zone to be included (shown as Zone 1, Zone 2, etc.) is divided by the total acres in the TOC area where office uses are permitted. The sums developed in Step 1 are used for the numerator and the denominator, with any parcels excluded by the jurisdiction subtracted from these figures.

This result is then multiplied by the maximum intensity for that zone. If the zone has no FAR standard but does have maximum heights, use Table 8 to determine the FAR equivalent. This process is repeated for each zoning district in the TOC area where office uses are permitted, and the results for each zone are summed to result in the weighted average required allowable maximum commercial office intensity.¹⁰

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

Summary of TOC Policy Standards

A jurisdiction can fulfill the Affordable Housing and Commercial Stabilization standards by selecting from the menu of options in **Table 9** the policies that best meet local needs. No protection policy on the TOC Policy’s menu of options is given preference over another—all are evaluated on an equal basis. The protection policy options are intended to reduce displacement and ensure that existing residents benefit from transit-oriented growth; however, implementation of any option is subject to feasibility and alignment with the applicable policies, regulatory framework, and broader community considerations of the local jurisdiction, and should not be construed as expressing support for any particular approach.

To be consistent with the TOC Policy, 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.

A jurisdiction may receive credit with existing adopted policies, or as needed, adopt new policies by the applicable TOC Policy consistency deadline. **Appendix A** describes each of the policy options in more detail and outlines the specific minimum standards a jurisdiction’s policy must meet to be consistent with the TOC Policy. Consistency with TOC housing policy standards should be completed in conformance with relevant federal and state laws, including a jurisdiction’s duty to affirmatively further fair housing.

¹⁰ Maximum FAR (intensity) thresholds are based on the potential maximum for a given site; this may vary from site to site in areas where Precise Plans or Specific Plans are in effect.

For each “3Ps” policy selected, 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. This information will be submitted to MTC using the TOC Policy Submission Portal.

Table 9: 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 ³	Small Business and Non-Profit Preference Policy
3.	Affordable Housing Overlay Zones	Single-Room Occupancy (SRO) Preservation	Legal Assistance for Tenants ³	Small Business and Non-Profit Financial Assistance Program
4.	Public Land for Affordable Housing	Condominium Conversion Restrictions	Foreclosure Assistance ³	Small Business Advocate Office
5.	Ministerial Approval	Public/Community Land Trusts ¹	Rental Assistance Program ³	
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 ³	
11.			Tenant Anti-Harassment Protections	

Notes:

1. This policy may fulfill either the housing production or preservation standards, but not both.
2. This policy may fulfill either the housing preservation or protection standards, but not both.
3. This policy has adjustments for OBAG 4, see the OBAG 4 TOC Incentive Program Guidelines (Appendix D).

Geography for Policy Applicability

At minimum, policies must apply in TOC areas. Jurisdictions may choose to apply policies beyond the TOC area(s), which could include the entirety of the jurisdiction (i.e., adopting a jurisdiction-wide policy). Some policies detailed in Appendix A have additional, policy-specific geographic applicability considerations.

Limits on Housing Policies Eligibility to Meet TOC Policy Standards

As noted in MTC Resolution No. 4530, 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 standard for Production or Preservation policies, but not both.
- *Preventing Displacement from Substandard Conditions and Associated Code Enforcement Activities* can be used to meet the standard for Preservation or Protection policies, but not both.

References to State Laws

In some cases, the descriptions of housing policy options included in the TOC Policy refer to existing state laws. The laws listed may not represent all laws that are relevant to the policy topic. MTC may adjust the TOC Policy standards over time in response to any changes to state law. See the OBAG 4 TOC Incentive Program Guidelines (Appendix D) which contain adjustments for OBAG 4 related to state laws.

Policy Options With Funding Commitments

Several of the affordable housing policy options include a specified financial commitment. The minimum financial commitments reflect the fact that an effective housing program will have minimum staffing and related costs, below which meaningful impact is unlikely. The policy options that include a minimum funding commitment are:

- Production Policy 2: Affordable Housing Funding
- Production Policy 6: Public/Community Land Trusts
- Preservation Policy 1: Funding to Preserve Unsubsidized Affordable Housing
- Preservation Policy 5: Public/Community Land Trusts
- Preservation Policy 6: Funding to Support Preservation Capacity
- Preservation Policy 8: Preventing Displacement from Substandard Conditions and Associated Code Enforcement Activities (if choosing the option to create a loan/grant program for low-income property owners)
- Protection Policy 3: Legal Assistance for Tenants
- Protection Policy 4: Foreclosure Assistance
- Protection Policy 5: Rental Assistance Program

- Protection Policy 7: Preventing Displacement from Substandard Conditions and Associated Code Enforcement Activities (if choosing the option to create a loan/grant program for rental property owners)
- Protection Policy 10: Fair Housing Enforcement

Jurisdiction Tiers for Funding Amounts

In recognition of the variation in Bay Area jurisdictions' housing needs and funding capacity, there are seven different tiers of minimum funding thresholds for each policy option with a minimum funding commitment (if that policy is selected by the jurisdiction) in order to be considered consistent with the TOC Policy. The tiers are based on the jurisdiction's combined 2023-2031 RHNA for very low- and low-income units from the Final RHNA Plan adopted in 2021. See Appendix B for a list of the jurisdictions in each Funding Tier.

For the policies in the Protection category, the minimum funding amount by tier can be split among any two of the four policies, but the jurisdiction will only receive credit for one policy. For example, a Tier A jurisdiction could choose to spend \$30,000 on fair housing enforcement and \$70,000 on a rental assistance program, for a total of \$100,000. Alternatively, the jurisdiction could spend \$100,000 on a single policy, such as rental assistance. In either scenario, the jurisdiction would receive credit toward one policy for meeting the \$100,000 funding threshold for Protection policies.

Though Preservation Policy 6 (Funding to Support Preservation Capacity) includes a funding commitment, the minimum funding is not a set dollar amount that varies across the tiers listed above. Instead, jurisdictions seeking credit for this policy need to demonstrate their funding programs can support project management staffing at approximately 0.5 full-time equivalent (FTE).

Additionally, Preservation Policy 8/Protection Policy 7 (Preventing Displacement from Substandard Conditions and Associated Code Enforcement Activities) have multiple options to meet the standard, one of which is a loan/grant program for home repairs and addressing habitability issues in rental housing. Though these policy options require the jurisdiction to fund these programs, a minimum funding amount is not specified.

Guidelines for Demonstrating Funding Commitment

For any of the policies requiring a funding commitment, a jurisdiction must demonstrate there is a program with funding above the minimum threshold in order to be considered consistent with the TOC Policy. The minimum funding thresholds are based on a total amount of funding over a four-year period to roughly correspond to the four-year OBAG cycle.

Jurisdictions can demonstrate that they meet the minimum funding commitment by (a) identifying funding for a program/policy in a current one-year financial document (e.g., budget, contract, expenditure plan) that meets or exceeds one-quarter (25 percent) of the minimum threshold and/or (b) identifying a combination of past expenditures since January 1, 2023, and anticipated future funding through the end of 2029 that meet or exceed the full minimum threshold.

For example, if the minimum funding threshold for a program is \$100,000 and a jurisdiction has budgeted \$25,000 in the current one-year budget, the funding equals one-quarter (25 percent) of the full minimum threshold so the program funding meets the TOC Policy standard. If a different jurisdiction had a past two-year contract with a service provider for \$50,000 to administer the program in 2023 to 2024 and plans to enter into a new two-year contract with a service provider in 2027 and 2028 for \$50,000, the total funding during the period between the start of 2023 and the end of 2029 (\$100,000) equals the full minimum threshold so the program funding meets the TOC Policy standard.

Allowable Sources for Policies Requiring Funding

Funding for the program may come from any source administered by the local jurisdiction for which the program is an eligible use of funds. Potential funding sources could include, but are not limited to, commercial linkage fees, housing impact fees, taxes (such as an employee head tax or real estate transfer tax), local bond measures, successor agency funds, general fund allocations, local housing trust funds, county funds, state and federal funds passed through the jurisdiction, grants from philanthropic organizations, and private contributions from businesses or individuals. For policies representing investments in the physical production or preservation of affordable housing, in-kind contributions to developments in the form of fee waivers for building permit fees, impact fees, and other fees can be counted toward the required amount of local affordable housing funding with proper documentation. Staff hours are not eligible for consideration.

Option for Local Jurisdiction Collaboratives to Meet TOC Policy Standards

MTC will allow implementation of affordable housing and commercial stabilization policies through collaboratives that involve more than one jurisdiction partnering to manage policy implementation. Implementation through a collaborative is intended to reduce administrative costs for local jurisdictions and increase efficiency of program delivery. This option may be particularly beneficial for smaller jurisdictions (those in Tiers A to D above) or medium-sized jurisdictions (those in Tiers E and F above).

Implementing a policy through a collaborative generally does not change the minimum standards for each participating jurisdiction. However, a jurisdiction can receive a 10 percent reduction in the funding requirement for its individual financial contribution to collaborative implementation. For example, a city that transfers funds to its county to

administer a tenant rental assistance program can contribute 10 percent less than the funding threshold in Appendix B, as long as the county operates the program in accordance with the standards in Appendix A.

Target Policies for Collaboratives

MTC specifically anticipates that the policies below will benefit from collaborative implementation. However, jurisdictions may use a collaborative to implement any of the affordable housing and commercial stabilization policies, subject to MTC approval.

Production: 2. Affordable Housing Funding and 6. Public/Community Land Trusts

Preservation: 1. Funding to Preserve Unsubsidized Affordable Housing, 5. Public/Community Land Trusts, 6. Funding to Support Preservation Capacity, and 8. Preventing Displacement from Substandard Conditions and Associated Code Enforcement Activities

Protection: 3. Legal Assistance for Tenants, 4. Foreclosure Assistance, 5. Rental Assistance Program, 7. Preventing Displacement from Substandard Conditions and Associated Code Enforcement Activities, and 10. Fair Housing Enforcement

Commercial Stabilization: 3. Small Business and Non-profit Financial Assistance Program

Any jurisdiction intending to implement a TOC housing policy through a collaborative must provide MTC with documentation on the roles and responsibilities for the collaborative and jurisdiction, as well as a schedule of expected funding to the collaborative. MTC may request additional information on collaboratives.

Credit for County Housing Protection Programs

For OBAG Cycle 4, jurisdictions may receive credit towards consistency with the TOC Policy Housing Protection standards through participation in a program administered by the county. See the OBAG 4 TOC Incentive Program Guidelines (Appendix D) for more information.

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 standards of 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 standards for affordable housing policies.

Table 10 provides information on which Prohousing Designation policies correspond to the affordable housing production and preservation 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 consistency. Importantly, policies adopted for the Prohousing Designation would also need to meet the standards detailed in Appendix A of the TOC Policy Administrative Guidance.

Table 10: Overlap Between HCD Prohousing and TOC Policy Affordable Housing Production Policy Options

<i>Affordable Housing Policy Options for TOC Policy</i>	<i>Policy Options for HCD Prohousing Designation</i>
Production Policy 1: Inclusionary Zoning	Category 1K: Establishment of an inclusionary housing program requiring new developments to include housing affordable to and reserved for low- and very low-income households, consistent with the requirements of AB 1505 (Chapter 376, Statutes of 2017, Gov. Code, § 65850.01).
Production Policy 2: Affordable Housing Funding	Category 4A: Establishment of a housing fund or contribution of funds towards affordable housing through proceeds from approved ballot measures.
	Category 4B: Establishment of local housing trust funds or collaboration on a regional housing trust fund, which include the Jurisdiction’s own funding contributions. The Jurisdiction must contribute to the local or regional housing trust fund regularly and significantly. For the purposes of this Category, “regularly” shall be defined as at least annually, and “significant” contributions shall be determined based on the impact the contributions have in accelerating the production of affordable housing.
	Category 4G: Prioritization of local general funds to accelerate the production of housing affordable to Lower-Income Households.
	Category 4H: Directed residual redevelopment funds to accelerate the production of affordable housing.
	Category 4I: Development and regular (at least biennial) use of a housing subsidy pool, local or regional trust fund, or other similar funding source sufficient to facilitate and support the development of housing affordable to Lower-Income Households.
	Category 4J: Prioritization of local general funds for affordable housing.
Production Policy 3: Affordable Housing Overlay Zones	Category 1D: Density bonus programs that allow additional density for additional affordability beyond minimum statutory requirements (Gov. Code, § 65915 et seq.).

<i>Affordable Housing Policy Options for TOC Policy</i>	<i>Policy Options for HCD Prohousing Designation</i>
Production Policy 4: Public Land for Affordable Housing	Category 4E: 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 multiple housing types, including, for example, single-family, multifamily and mixed-use housing.
Preservation Policy 1: Funding to Preserve Unsubsidized Affordable Housing	Category 4C: Demonstration of regular use or planned regular use of funding (e.g., federal, state, or local) for preserving assisted units at-risk of conversion to market rate uses and conversion of market rate uses to units with affordability restrictions (e.g., acquisition/rehabilitation). For the purposes of this category, “regular use” can be demonstrated through the number of units preserved annually by utilizing this funding source.

Submitting Required Documentation

For each policy a jurisdiction selects to meet the minimum number required for TOC Policy consistency, the jurisdiction must provide a document or website link that provides the adopted policy or relevant municipal code section. The jurisdiction must also confirm that it meets the minimum standards established for each policy, which are described in more detail in Appendix A. Local jurisdictions must submit all documents and other relevant information in the TOC Policy Submission Portal.

Section 3: Parking Management

Summary of TOC Policy Standards

The purpose of the TOC Policy parking management standards 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.

Parking Management Standards for New Residential or Commercial Development

Parking management for new¹¹ residential or general and neighborhood-serving commercial development (e.g., office, retail, and service businesses) must meet the applicable standards for the relevant Transit Tier listed in **Table 11** below.

Table 11: TOC Policy Parking Management Standards

Level of Transit Service	<u>New Residential Development</u>¹²	<u>New Commercial Development</u>
Tier 1: Rail stations serving regional centers (i.e., Downtown San Francisco, Downtown Oakland, and Downtown San José)	Parking minimum requirements not allowed. Parking maximum of 0.375 spaces per unit or lower.	Parking minimum requirements not allowed. Parking maximum of 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	Parking minimum requirements not allowed. Parking maximum of 0.5 spaces per unit or lower.	Parking minimum requirements not allowed. Parking maximum of 1.6 spaces per 1,000 square feet or lower.
Tier 3: Stop/station served by one BART line, Caltrain, light rail transit, or bus rapid transit	Parking minimum requirements not allowed. Parking maximum of 1.0 spaces per unit or lower.	Parking minimum requirements not 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 ¹³	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 secure bicycle parking ¹⁴ space per dwelling unit. ¹⁵	Minimum of 1 secure bicycle parking space per 5,000 square feet for commercial office .

¹¹ Jurisdictions only need to apply the parking management standards to new development on vacant parcels and tear down/rebuild projects. These standards do not need to apply to renovations/alterations/additions to existing development.

¹² Residential developments permitted in commercial zones through [AB 2011 \(2022\)](#) should follow the applicable TOC standards for residential development, not commercial development.

¹³ The TOC Policy does not have a standard related to parking minimums for Tier 4 TOC areas. However, jurisdictions must comply with applicable state law prohibiting parking minimums, such as [AB 2097 \(2022\)](#).

¹⁴ Secure bicycle parking should follow the Association of Pedestrian and Bicycle Professionals' [Essentials of Bike Parking Guidelines](#) as well as HCD's forthcoming update to the California Green Building Standards Code, per AB 2863 (2022).

¹⁵ For a single building with more than 100 units, the jurisdiction can apply a ratio of one secure bicycle parking space for every four units to the number of units above 100. For example, a 140-unit building would need 110 bicycle parking spaces (100 + 0.25*40). Additionally, the jurisdiction can exempt developments with fewer than 10 units from bicycle parking requirements.

Level of Transit Service	<u>New Residential Development</u>¹²	<u>New Commercial Development</u>
All Tiers	Explicitly allow shared parking. ¹⁶	Explicitly allow shared parking.
All Tiers	Explicitly allow unbundled parking. ¹⁷	Explicitly allow unbundled parking.
All Tiers	<p>Adopt at least one of the five policies or programs from MTC/ABAG's Parking Policy Playbook listed below to address transportation demand management (TDM) and curb management in TOC areas (or applied jurisdiction-wide):</p> <ol style="list-style-type: none"> 1. TDM Policy for New Development: Require provision and enforcement of transportation demand management (TDM). 2. Curb Strategy/Management: Priority curb access based on variable need. 3. Parking Benefit District (PBD): Invest parking revenues into a PBD to fund streetscape, safety, and TDM programs. 4. Demand-Responsive Pricing: Price parking according to level of convenience and demand. 5. Priced Parking: Adding priced parking where it used to be free. 	

For parcels on which both residential and commercial development are allowed, the maximum allowable vehicle parking is the sum of the applicable maximum vehicle parking per dwelling unit and the applicable maximum vehicle parking per 1,000 square feet. The minimum bicycle parking required on these parcels is at least the sum of one secure bicycle parking space per dwelling unit plus one secure bicycle parking space per 5,000 occupied square feet for commercial office.

The TOC Policy's 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 standard, bicycle parking spaces should consider specifications that will also accommodate cargo and electric bicycles (e-bikes).

¹⁶ Shared parking means entities with underutilized parking can share their underutilized parking spaces with the public, local agencies, or other entities through formal agreements.

¹⁷ Unbundling parking means separating the cost of leasing a parking space from the sale or rental price of residential and commercial uses.

Geographic Applicability for TOC Policy Parking Management Standards

For the purposes of TOC Policy consistency, MTC staff will defer to local jurisdictions' interpretation of applicable state law (i.e., [Government Code Section 65863.2](#)) to determine which parcels are subject to the TOC Policy's parking management standards. In other words, the parcels in a TOC area that a jurisdiction has determined are subject to Government Code Section 65863.2 are also subject to all TOC Policy parking management standards described above.

Submitting Required Documentation

Parking Standards for New Residential or Commercial Development

To demonstrate consistency with the TOC Policy, a jurisdiction must document its parking requirements for new residential and commercial uses and its requirements for secure bicycle parking for new residential and office development in locations subject to the TOC Policy, citing the municipal code or ordinance codifying such requirements. Please use the TOC Policy Submission Portal to submit all required documentation.

Vehicle Minimum Parking Standards

To meet the TOC Policy's minimum parking standards, a jurisdiction has two options:

1. **Confirmation of Compliance with AB 2097:** Local jurisdiction staff can provide confirmation via the TOC Policy Submission Portal that their jurisdiction complies with AB 2097 (as codified in [Government Code Section 65863.2](#)). A jurisdiction that complies with AB 2097 meets the TOC Policy's standard related to minimum vehicle parking.
2. **Proof of No Parking Minimums:** A jurisdiction can provide an adopted ordinance that removes and/or prohibits minimum vehicle parking requirements for new development in Tier 1, Tier 2, and Tier 3 TOC areas, or cite relevant municipal code, overlay zone, or parking use table/chapter prohibiting such minimum vehicle parking requirements.

Vehicle Maximum Parking Standards

To meet the TOC Policy's maximum parking standards, a jurisdiction has two options:

1. **Adopt an overlay zone or updates to a parking use table or chapter:** A jurisdiction can provide an adopted ordinance that includes parking maximums for residential and commercial uses that meet TOC standards and that clearly defines the geography to which the standards apply. Defining the geography and maximum parking standards can be done by creating an overlay zone or by amending the jurisdiction's parking use table or chapter for development within TOC areas. As the TOC Policy parking maximum standards vary by Tier, a jurisdiction with multiple TOC areas may need to specify several combinations of geography/parking maximums.

A jurisdiction choosing this approach must provide municipal code citations for the adopted overlay zone or parking use table/chapter that clearly demonstrate that the vehicle parking maximums for residential and commercial uses meet TOC standards for the TOC area's Tier and that those standards apply to, at minimum, the entire ½-mile TOC area.

2. **Adopt an areawide cap that limits parking:** A jurisdiction can set an areawide cap on total parking buildout in line with the TOC standards. 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, as long as the total amount of new private off-street parking to be built does not exceed the TOC Policy's parking maximum standards.

A jurisdiction choosing this approach must provide any relevant plans or policies as well as calculations showing the approach will result in creation of the same or less new off-street parking than the TOC Policy's required parking maximum standards within the TOC area. The calculations should use assumptions about future buildout (e.g., from a recently completed plan and/or EIR) and the parking permitted in the district to allow for a comparison to the TOC Policy parking maximum standards. Jurisdictions should also consider how to monitor changes in parking supply and remaining capacity within the district over time.

With either approach, if the jurisdiction's parking maximums are not expressed as parking spaces per unit (e.g., instead there are parking maximums per bedroom), a jurisdiction may propose conversions or equivalencies for consistency with the TOC standards subject to MTC staff approval. This may include, but is not limited to, proposing an equivalency calculation that translates the local maximum into spaces per unit.

Importantly, only newly constructed parking spaces count toward the parking maximum for an area or development. Sharing parking in an area or across multiple developments does not count against the parking maximum because it encourages more efficient use of existing parking resources and reduces the need for new parking.

Assembly Bill 2923 (2018) establishes minimum zoning standards for residential development within a half mile of major transit stops owned by BART. The law sets minimum residential densities, height requirements, and parking maximums, and limits local discretion to reduce development capacity below these thresholds. For purposes of TOC consistency, in cases where parking requirements have not yet been amended to reflect AB 2923 requirements, jurisdictions may count the standards under AB 2923 towards consistency with applicable TOC Policy Parking standards.

Minimum Bicycle Parking Standards

To meet the TOC Policy’s standard related to minimum bicycle parking, a jurisdiction must provide municipal code citations for an adopted overlay zone or parking use table/chapter that clearly demonstrate that the minimum bicycle parking requirements for new residential and commercial office uses meet TOC standards for, at minimum, the entire ½-mile TOC area.

Unbundled Parking

To meet the TOC Policy’s standard related to unbundled parking, a jurisdiction must provide citations for the adopted plans, policies, and/or municipal code or ordinance that explicitly allows unbundled parking for new residential and commercial development.

Note: Jurisdictions located in Alameda County or Santa Clara County can meet the *residential* portion of this standard by providing confirmation via the TOC Policy Submission Portal that the jurisdiction complies with [California Civil Code Section 1947.1 \(AB 1317, 2023\)](#) – a state law mandating unbundled parking for new residential development within those two Bay Area counties.¹⁸ However, a jurisdiction choosing this approach must still submit documentation explicitly allowing unbundled parking for new *commercial* development.

Further detail on unbundled parking is provided in the [MTC/ABAG Parking Policy Playbook](#).

Shared Parking

To meet the TOC Policy’s standard related to shared parking, a jurisdiction can provide confirmation via the TOC Policy Submission Portal that the jurisdiction complies with California Government [Code Section 65863.1 \(AB 894, 2023\)](#).¹⁹ Alternatively, a jurisdiction can provide citations for the adopted plans, policies, and/or municipal code or ordinance that explicitly allows shared parking for new residential and commercial development.

Further detail on shared parking is provided in the [MTC/ABAG Parking Policy Playbook](#).

Complementary Policies for Parking Management

To meet the TOC Policy’s standard related to complementary policies for parking management, a jurisdiction must document and provide citations for the adopted plans, policies, and/or municipal code or ordinance for one or more of the policies or programs

¹⁸ For jurisdictions in Alameda County and Santa Clara County, [AB 1317 \(2023\)](#) requires unbundled parking in new residential developments with 16 or more units that are issued a certificate of occupancy after January 1, 2025. See [California Civil Code Section 1947.1](#) for more information.

¹⁹ [AB 894 \(2023\)](#) requires jurisdictions to allow entities with underutilized parking to share their underutilized parking spaces with the public, local agencies, or other entities, if those entities submit a shared parking agreement. See [California Government Code Section 65863.1](#) for more information.

from the [MTC/ABAG Parking Policy Playbook](#) listed below that apply either to the geographic area where the TOC Policy applies or jurisdiction-wide.

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

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 Standards

In coordination with transit agencies and other mobility service providers, community members, and other stakeholders, a jurisdiction must complete the following in all TOC areas in order to demonstrate consistency with the TOC Policy standards regarding station access and circulation:

- **Adopt a jurisdiction-wide Complete Streets Policy, following the guidance provided in the [OBAG 2 Complete Streets Policy Elements](#).**
- **Prioritize implementation of “All Ages and Abilities” active transportation projects on the regional [Active Transportation Network](#) (as stated in the [MTC Complete Streets Policy](#)²⁰) and/or active transportation projects from [Community Based Transportation Plans](#) (if applicable) within the TOC area.** Prioritization is demonstrated using a jurisdiction’s Capital Improvement Program (CIP) or other adopted plans/programs listing the jurisdiction’s implementation priorities.
- **Complete an access gap analysis and accompanying capital and/or service improvement program for station access** for destinations within a 10-minute walk (accounting for differences in travel speed and time for people who use wheelchairs or other mobility aids) and 15-minute trip via active transportation,

²⁰ See [MTC Resolution No. 4493](#).

shared mobility, and bus.²¹ This standard can be met as part of an existing specific or area plan, active transportation plan, transit agency station access 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/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 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 overlapping stops or stations have been consolidated into a single TOC area corridor (such as light rail and bus rapid transit facilities), Mobility Hub planning and implementation requirements may be met at a single stop/station within the corridor.²² For a TOC area within multiple jurisdictions, a jurisdiction is only responsible for meeting the mobility hub standards if the transit station itself is located within or adjacent to the jurisdiction's boundaries.

Submitting Documentation

Complete Streets

A jurisdiction with an adopted Complete Streets (CS) Policy is considered consistent with the TOC Policy complete streets policy standard. MTC has documented jurisdiction CS Policies through its One Bay Area Grant (OBAG) 2 Program, most recently compiled in 2015. If a jurisdiction has updated its CS Policy since 2015, it should upload the updated CS Policy to the TOC Policy Submission Portal.

Project Prioritization/Implementation

To demonstrate that it has prioritized implementation of active transportation projects within the TOC area, a jurisdiction must submit at least one of the following:

- Capital Improvement Program with relevant projects identified.

²¹ Generally speaking, this analysis should consider a three-mile radius around the station for access by all these modes. A 10-minute walk typically equates to a half-mile walk shed, while a 15-minute bike trip represents a one-and-a-half-mile bike shed.

²² MTC staff have identified areas where multiple overlapping TOC areas can be consolidated into a single TOC area corridor (e.g., along bus rapid transit and light rail corridors and in downtown areas of the three most populous cities) to enable streamlined, aggregated analyses and documentation for TOC Policy compliance. These corridors can be viewed on the [map of TOC areas](#) and in the [TOC Policy Submission Portal](#).

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

MTC staff have created a [template form](#), available in the TOC Submission Portal, to help local jurisdictions with organizing the required documentation. The completed form can be uploaded to the TOC Policy Submission Portal.

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 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 area, a jurisdiction may submit:

- Adopted active transportation, bicycle or pedestrian plan(s) that include recommended access improvements to/from the TOC 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 consistency 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 consistency in locations with overlapping TOC areas.

MTC staff have created a [template form](#), available in the TOC Submission Portal, to help local jurisdictions with organizing the required documentation. The completed form can be uploaded to the TOC Policy Submission Portal.

Mobility Hubs

To meet the Mobility Hub planning and implementation standard, jurisdictions must submit any current plans or projects that enhance the TOC 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 TOC area.

If the documents submitted to meet the access standards listed above contain plans for or implement these enhancements, they must be specifically noted to meet this Mobility Hubs standard; **OR**

List any current or prior funded application for MTC's Mobility Hub Program for the TOC area. Include the date of grant award.

MTC staff have created a [template form](#), available in the TOC Submission Portal, to help local jurisdictions with organizing the required documentation. The completed form can be uploaded to the TOC Policy Submission Portal.

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](#)

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](#)

Appendix A: TOC Policy Housing and Commercial Stabilization Policy Standards

Affordable housing policies are typically designed for specific income groups. MTC recognizes that different income and rent limits are imposed by different state and federal programs, and it is not the intent of the TOC Policy to create new standards. This document generally refers to policies intended to target “lower-income” and/or “moderate-income” households. For reference, state law ([Health and Safety Code, section 50079.5](#)) defines “lower-income” as households earning less than 80% of Area Median Income (AMI), and state law (Health and Safety Code, section 50093) defines “moderate-income” as households earning between 80% and 120% of AMI. Where the TOC Policy or this document discuss policies serving lower-income households, jurisdictions are free to design policies that serve any income group earning less than 80% of AMI, including very low-income (30% to 50% of AMI) and extremely low-income (0% to 30% of AMI) households. Similarly, policies serving lower- and moderate-income households can serve any income group below 120% of AMI.

I. Affordable Housing Production Policy Options

To be consistent with the TOC Policy, a jurisdiction must adopt **at least two** of the affordable housing production policies listed below:

- Production Policy 1: Inclusionary Zoning
- Production Policy 2: Affordable Housing Funding
- Production Policy 3: Affordable Housing Overlay Zones
- Production Policy 4: Public Land for Affordable Housing
- Production Policy 5: Ministerial Approval
- Production Policy 6: Public/Community Land Trusts (*This policy may fulfill either the housing production or preservation standards, but not both.*)
- Production Policy 7: Development Certainty and Streamlined Entitlement Process.

A jurisdiction may receive credit with existing adopted policies, or as needed, adopt new policies by the applicable TOC Policy consistency deadline. At minimum, policies must apply in TOC areas. Jurisdictions may choose to apply policies beyond the TOC area(s), which could include the entirety of the jurisdiction (i.e., adopting a jurisdiction-wide policy). See Section 2 of the guidance document for more information about these standards.

Production Policy 1: Inclusionary Zoning

Description from TOC Policy Resolution: Requires that 15% of units in new residential development projects above a certain number of units be deed-restricted affordable to low-income¹ 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 requires new residential construction projects to contribute to a jurisdiction's affordable housing stock. Inclusionary zoning 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 also helps 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 policy 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. An effective inclusionary zoning policy will establish affordability requirements and standards for affordable units, as well as provide incentives and compliance alternatives for developers.

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.²

TOC Policy Standards

To be consistent with the TOC Policy, a jurisdiction's inclusionary zoning policy must meet the following minimum standards:

¹ In some contexts, state and federal agencies use the term "low-income" to refer to the more specific category of households earning between 50% of AMI and 80% of AMI. However, the use of the term "low-income households" in MTC Resolution No. 4530 is assumed to be synonymous with the broader category of "lower-income," or all households below 80% of AMI.

² For more information about Assembly Bill (AB) 1505 (2017) and the state legal framework governing inclusionary zoning policies, see [this guidance provided by the California Department of Housing and Community Development](#).

- The policy must apply to newly constructed residential or mixed-use residential projects. The policy must apply to ownership and rental units.
- The policy may exempt properties with fewer than 11 units, student housing, 100% affordable housing, senior housing, or other special housing types.
- For rental units, the policy's affordability requirements must have an income mix of affordable units that averages out to 80% of AMI or less, with no affordable rental units available to households above 120% of AMI. For ownership units, the policy's affordability requirements must have an income mix of affordable units that averages out to 120% of AMI or less, with no affordable ownership units available to households above 150% of AMI. A policy with an income mix that does not meet this standard may still be considered consistent with the standard if the policy was based on a financial feasibility analysis completed within 24 months of the date that the inclusionary zoning policy was adopted that found that the income mix standard was not financially feasible.
- The policy must require at least 15% of units be deed-restricted affordable housing units. The policy may require less than 15% affordable units if:
 - The jurisdiction provides an analysis showing that an alternative requirement is economically equivalent to the 15% standard (for example, a policy that required fewer units at a deeper affordability level, such as 10% of units affordable to households earning less than 50% of AMI).

OR

 - A financial feasibility analysis (completed within 24 months of the date that inclusionary zoning policy was adopted) found that a 15% requirement was not financially feasible.
- The policy may require more than 15% affordable units.³
- Affordable units must have recorded documents that set binding maximum rent or price restrictions to ensure affordability. These requirements must restrict rents and sales prices to affordable levels as defined by the rules of any applicable state or federal affordable housing program. 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, inclusionary zoning 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 consistency with the TOC Policy, a jurisdiction with an in-lieu fee that typically results in a payment of less than \$100,000 per affordable unit, must provide a justification for why the fee will result in at least as many restricted affordable housing units as would be required of a project providing onsite units.

³ 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.

Submitting Additional Required Documentation

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

- If the inclusionary zoning policy requires less than 15% affordable units, provide a financial feasibility analysis showing a 15% requirement is not feasible for the jurisdiction's local market conditions. If a financial feasibility analysis was not completed, the jurisdiction may provide an analysis showing economic equivalency of the alternative standard (e.g., fewer units at deeper levels of affordability). MTC has developed a [spreadsheet illustrating the analysis of economic equivalency](#). Jurisdictions may fill in the template spreadsheet or create/commission a comparable analysis to show that the jurisdiction's requirements are comparable to the cost of providing 15% of rental units affordable to 80% of AMI and/or 15% or ownership units to 120% of AMI.
- If the policy allows payment of an in-lieu fee, provide documentation (e.g., municipal ordinance citation or program guidelines) demonstrating that the fee will typically exceed \$100,000 per required onsite affordable unit. MTC has developed a [spreadsheet to help determine whether an in-lieu fee is equivalent to at least \\$100,000 per required onsite affordable unit](#). If the in-lieu fee paid per affordable unit is typically less than \$100,000, the jurisdiction must provide an analysis showing the in-lieu fee will be sufficient to produce at least as many restricted affordable housing units as the number that would have been required for onsite compliance.
- A management plan that outlines procedures for annual monitoring to ensure residents are income-eligible and rents are consistent with program guidelines.

Production Policy 2: Affordable Housing Funding

Description from TOC Policy Resolution: 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, local financial support is a critical factor in securing outside subsidy. Without local funding, it can be difficult for projects to compete for the necessary state and federal funding. 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. Effective affordable housing funding programs will pool and disperse funds, which are made available to developers through a single application process.

TOC Policy Standards

To be consistent with the TOC Policy, a jurisdiction's affordable housing funding program must meet the following minimum standards:

- The jurisdiction must have a program with funding at or above the level identified in Appendix B. For more information about required funding amounts and sources, see section “Policy Options With Funding Commitments” of the TOC Policy Administrative Guidance.
- The program must establish a standard set of financing terms, including affordability requirements. The program’s affordability requirements must define affordable units as rental housing available to lower-income households earning 80% of AMI or less, and ownership housing to lower- and moderate-income households earning 120% of AMI or less. Jurisdictions should incentivize deeper levels of affordability where feasible or through offering additional incentives.
- Affordable units must have recorded documents that set binding maximum rent or price restrictions to ensure affordability. These requirements must restrict rents and sales prices to affordable levels as defined by the rules of any applicable state or federal affordable housing program. These restrictions must also ensure affordability for at least 55 years for rental housing and at least 45 years for ownership housing.

Submitting Additional Required Documentation

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

- A copy of the program’s financing terms if they are not included in an ordinance or other documents establishing the program. Financing terms must indicate the income limits/affordability levels and required affordability period, and the terms must identify a legal mechanism for enforcement of affordable housing requirements (e.g., deed restriction, regulatory agreement).
- Documents demonstrating the program meets the minimum funding threshold identified in Appendix B.

Production Policy 3: Affordable Housing Overlay Zones

Description from TOC Policy Resolution: 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. Zoning 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 incentivize affordable housing development to specific zones. In addition, jurisdictions can expedite the approval and permit processes for affordable housing projects. Unlike inclusionary zoning policies 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. 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.

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.⁴

SB 35 (2017) and SB 423 (2023)

[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.⁵

[SB 423 \(2023\)](#) expands some provisions of SB 35, such as applying SB 35 to previously exempted coastal zone areas that are already zoned for housing.

TOC Policy Standards

To be consistent with the TOC Policy, a jurisdiction's AHOZ policy must meet the following minimum standards:

⁴ 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](#).

⁵ For more information, see [this fact sheet on Senate Bill 35 prepared by the City of San Leandro](#).

- The AHOZ policy must offer incentives for projects with at least 15% affordable housing. The policy’s required share of affordable units must exceed any jurisdiction-wide inclusionary zoning requirements and what is otherwise incentivized by state law for any given income category. The policy could incentivize any higher proportion of affordable housing up to and including 100% (e.g., only provide incentives to 100% affordable projects).
- To incentivize greater shares of affordability than otherwise incentivized by State Law, the AHOZ policy must provide qualifying projects with greater development potential in the form of:
 - Density bonus: the policy must offset greater affordability with 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. Incentives or concessions could include ministerial approval, some other form of streamlining, or modifications to other planning code requirements. Incentives and concessions must result in an actual and identifiable cost reduction for the project.
- The policy’s affordability requirements must define affordable units as rental housing available to lower-income households earning 80% of AMI or less, and ownership housing to lower- and moderate-income households earning 120% of AMI or less. Jurisdictions should require deeper levels of affordability where feasible or through offering additional incentives.
- Affordable units must have recorded documents that set binding maximum rent and price restrictions to ensure affordability. These requirements must restrict rents and sales prices to affordable levels as defined by the rules of any applicable state or federal affordable housing program. These restrictions must also ensure affordability for at least 55 years for rental housing and at least 45 years for ownership housing.

Production Policy 4: Public Land for Affordable Housing

Description from TOC Policy Resolution: 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 (including surplus government agency property and tax delinquent/seized property) that can be repurposed for residential use and making it available to developers who commit to

creating and maintaining ongoing affordability.⁶ 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, 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. Effective actions to prioritize the reuse of publicly owned land for affordable housing will include creating an inventory of publicly owned sites, noticing practices aimed towards maximizing affordable housing development, and collaboration with other public agencies.

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 prior to selling it or entering into a ground lease with a development partner. Agencies that pursue mixed-income or affordable housing typically secure an exemption. If an agency does not seek an exemption it 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. If 90 days pass without reaching an agreement with one of these interested parties and the local agency pursues sale or lease to a project sponsor pursuing a project that includes 10 or more residential units, at least 15% of these units must be deed-restricted affordable. The Surplus Land Act also includes penalties for local agencies that violate the Act when disposing of surplus lands.

TOC Policy Standards

To be consistent with the TOC Policy, a jurisdiction must meet the following minimum standards for prioritizing the reuse of publicly owned land for affordable housing:⁷

- The jurisdiction must have a program or policy in the Housing Element that describes the redevelopment of publicly owned land for affordable housing.
 - In the absence of a Housing Element policy/program, the jurisdiction must adopt a public lands policy that includes a set of principles and standards for planning, leasing, and disposing of publicly owned land, as well as a program of implementation actions.
- The jurisdiction must provide evidence of a recent, ongoing, or planned housing development project on a public land site. Though jurisdictions should prioritize

⁶ For more information, see the brief [“Use of publicly owned property for affordable housing”](#) prepared by Local Housing Solutions.

⁷ Any publicly owned sites used to demonstrate compliance with these requirements do not need to be deemed surplus under the Surplus Lands Act.

affordable housing development on public land within the TOC area, a public lands project does not need to be within the TOC area to receive credit toward TOC Policy compliance.

- If the jurisdiction does not have an ongoing or planned public lands project, staff must demonstrate that at least one publicly owned parcel in the jurisdiction has been deemed suitable for affordable housing development.⁸
- The jurisdiction must demonstrate a commitment to prioritizing the reuse of publicly owned land for affordable housing beyond what is required to secure a Surplus Land Act exemption (25% of units affordable to lower-income households earning 80% of AMI or less). This commitment can be demonstrated in any of the following ways:
 - A policy or program in the Housing Element that explicitly commits to exceeding Surplus Lands Act affordability requirements for public land redevelopment in the jurisdiction.
 - A recent or ongoing redevelopment project on jurisdiction-owned land that provides more affordable units than required by the Surplus Lands Act.
 - A recent Request for Proposals, Request for Qualifications, Notice of Availability, or similar document seeking redevelopment of jurisdiction-owned land that includes terms that encourage greater affordability than is required by the Surplus Lands Act.
- Affordable units must have recorded documents that set binding maximum rent or price restrictions to ensure affordability. These requirements must restrict rents and sales prices to affordable levels as defined by the rules of any applicable state or federal affordable housing program. These restrictions must also ensure affordability for at least 55 years for rental housing and at least 45 years for ownership housing.
- Building on its Housing Element sites inventory and supplementary data provided by MTC/ABAG (if needed), the jurisdiction must create a comprehensive inventory of publicly owned sites to identify opportunities to produce affordable or mixed-income housing. 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). For more information about developing an inventory of publicly owned sites, see pages 9-11 of MTC/ABAG’s [Public Lands Playbook](#).
- The jurisdiction must demonstrate it has dedicated staff or consultant time for monitoring and advancing the public lands program, including periodic review and evaluation of the inventory of publicly owned sites suitable for affordable housing development, outreach to affordable housing developers, and updates to City Council/Board of Supervisors.

⁸ Jurisdictions should use the same standards as required by the Housing Element process for determining sites suitable for affordable housing development.

Submitting Additional Required Documentation

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

- A site inventory that meets the requirements described above.
- At least one of the following:
 - Documentation of a Housing Element policy/program for public land redevelopment that meets the standards described above.
- OR**
- An adopted public lands policy that meets the requirements described above.
- Evidence (such as an RFQ/RFP) of a recent, ongoing, or planned housing development project on public lands that meets the standards outlined above.
 - In the absence of an ongoing or planned public lands project, evidence that the jurisdiction has at least one publicly owned land site suitable for affordable housing development.
- Documentation of dedicated staff or consultant for monitoring and advancing the public lands program or project, including anticipated full-time equivalent (FTE).

Production Policy 5: Ministerial Approval

Description from TOC Policy Resolution: 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 subjective judgment by a public official or commission. A public agency or commission 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. Developments under ministerial approval are exempt from the California Environmental Quality Act (CEQA), which eliminates the costs and time for environmental review.⁹ 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.

Relevant State Laws

SB 35 (2017) and SB 423 (2023)

Jurisdictions that have not met their pro-rated Regional Housing Needs Allocation (RHNA) targets must offer a streamlined (ministerial) approval process for multi-family

⁹ For more information, see Caltrans’ overview of [Chapter 34 - Exemptions to CEQA](#).

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 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 policy.

[SB 423 \(2023\)](#) expands some provisions of SB 35, such as applying SB 35 to previously exempted coastal zone areas that are already zoned for housing.

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.¹⁰

TOC Policy Standards

To be consistent with the TOC Policy, a jurisdiction's ministerial approval policy must meet the following minimum standards:

- For projects with 11 or more units, the policy must do **ONE** of the following:
 - Grant ministerial approval to any project where at least 15% of units are deed-restricted affordable housing units.
- OR**
- Grant ministerial approval for projects whose share of affordable units exceeds any existing local inclusionary zoning requirements and provides more affordable housing units or deeper affordability than would be required under state density bonus rules (given the bonus density obtained by the project).
- The policy's affordability requirements must define affordable units as rental housing available to lower-income households earning 80% of AMI or less, and ownership housing to lower- and moderate-income households earning 120% of AMI or less. Jurisdictions should require deeper levels of affordability where feasible or through offering additional incentives.

¹⁰ 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.

- Affordable units must have recorded documents that set binding maximum rent or price restrictions to ensure affordability. These requirements must restrict rents and sales prices to affordable levels as defined by the rules of any applicable state or federal affordable housing program. These restrictions must also ensure affordability for at least 55 years for rental housing and at least 45 years for ownership housing.
- At minimum, jurisdictions must provide ministerial approval to projects with 11 or more units meeting the affordability standards described above. This does not preclude jurisdictions from applying ministerial approval to a broader range of projects, such as all multifamily housing regardless of affordability.
- Projects eligible for ministerial review cannot include more parking than is allowed by the parking space requirements outlined in Table 11 of MTC's TOC Policy Administrative Guidance.

Production Policy 6: Public/Community Land Trusts

Description from TOC Policy Resolution: 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 standards, but not both.

Purpose

Community Land Trusts (CLTs) are typically non-profit 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.^{11, 12}

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.^{13, 14}

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

¹¹ See Table 1. Literature Review Summary Table in [White Paper on Anti-Displacement Strategy Effectiveness](#) (Chapple and Loukaitou-Sideris, 2021).

¹² Chapple et al. 2022. [Examining the Unintended Effects of Climate Change Mitigation](#). Institute of Governmental Studies, UC Berkeley.

¹³ Local Housing Solutions. [Land Banks](#).

¹⁴ Center for Community Progress. [Land Bank FAQ's](#).

development of these types of cooperatives is often funded with a combination of private and public funds.¹⁵

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- and moderate-income households.¹⁶ 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.

TOC Policy Standards

To be consistent with the TOC Policy, a jurisdiction's affordable housing production funding program focused on public/community land trusts must meet the following minimum standards:

- The jurisdiction must have a program with funding at or above the level identified in Appendix B. For more information about required funding amounts and sources, see section "Policy Options With Funding Commitments" of the TOC Policy Administrative Guidance.
- The funding program must establish a standard set of financing terms, including affordability requirements. The program's affordability requirements must define affordable units as rental housing available to lower income households earning 80% of AMI or less, and ownership housing to lower- and moderate-income households earning 120% of AMI or less. Jurisdictions should require deeper levels of affordability where feasible or through offering additional incentives.
- Affordable units must have recorded documents that set binding maximum rent or price restrictions to ensure affordability. These requirements must restrict rents and sales prices to affordable levels as defined by the rules of any applicable state or federal affordable housing program. These restrictions must also ensure affordability for at least 55 years for rental housing and at least 45 years for ownership housing.
- The program's 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.

¹⁵ California Center for Cooperative Development. [Housing Co-ops](#).

¹⁶ Yelen, J. 2020. [Preserving Affordability, Preventing Displacement](#). Enterprise Community Partners.

- **NOTE:** A jurisdiction whose policy meets the minimum standards above cannot also count this policy for credit for Production Policy 2 (Affordable Housing Funding). However, if a jurisdiction has a funding program that meets the standards for Production Policy 2, and if this program additionally has set asides for public/community land trusts that meet the funding listed in Appendix B, then the program can also receive credit for Production Policy 6 (Public/Community Land Trusts). For example, a Tier A jurisdiction that has a production program with \$2,000,000 in funding would receive credit for both Production Policy 1 and Production Policy 6 if the program has a set aside for CLTs of \$1,000,000, as these amounts meet the \$1,000,000 minimum for both policies.

Submitting Additional Required Documentation

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

- A copy of the program’s financing terms if they are not included in an ordinance or other documents establishing the program. Financing terms must indicate the income limits/affordability levels and required affordability period, and the terms must identify a legal mechanism for enforcement of affordable housing requirements (e.g., deed restriction, regulatory agreement, etc.)
- Documents demonstrating the program meets the minimum funding threshold identified in Appendix B.

Production Policy 7: Development Certainty and Streamlined Entitlement Process

Description from TOC Policy Resolution: 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.¹⁷

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

¹⁷ For more information, see the brief [“Streamlined permitting processes”](#) prepared by Local Housing Solutions.

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.

Assembly Bill 130 and Senate Bill 131 (2025)

[Assembly Bill 130](#) and [Senate Bill 131](#) were signed into law as part of the 2025-2026 state budget. This legislation took effect immediately and has a wide range of impacts on environmental review, permitting, and other land use regulatory processes, with the intent of accelerating housing production and infrastructure development. Notably, these bills eliminated the statutory expiration dates for the Housing Crisis Act of 2019.

TOC Policy Standards

Since MTC adopted the TOC Policy in September 2022, state law has changed and there is no longer a sunset date for the Housing Crisis Act of 2019, which was originally established by SB 330 (2019) and SB 8 (2021). Accordingly, state law now requires that local jurisdictions provide the vested rights and five hearing limit provisions outlined in SB330 (2019, Skinner) without a sunset date. Therefore, local jurisdictions can receive TOC Policy credit for Production Policy 7 by providing confirmation in the TOC Policy Submission Portal that the jurisdiction complies with state law. Jurisdictions do not need to adopt any additional local ordinances.

II. Affordable Housing Preservation Policy Options

To be consistent with the TOC Policy, a jurisdiction must adopt **at least two** of the affordable housing preservation policies listed below:

- Preservation Policy 1: Funding to Preserve Unsubsidized Affordable Housing
- Preservation Policy 2: Tenant/Community Opportunity to Purchase
- Preservation Policy 3: Single-Room Occupancy (SRO) Preservation
- Preservation Policy 4: Condominium Conversion Restrictions
- Preservation Policy 5: Public/Community Land Trusts (*This policy may fulfill either the housing production or preservation standards, but not both.*)
- Preservation Policy 6: Funding to Support Preservation Capacity
- Preservation Policy 7: Mobile Home Preservation
- Preservation Policy 8: Preventing Displacement from Substandard Conditions and Associated Code Enforcement Activities (*This policy may fulfill either the housing preservation or protection standards, but not both.*)

A jurisdiction may receive credit with existing adopted policies, or as needed, adopt new policies by the applicable TOC Policy consistency deadline. At minimum, policies must apply in TOC areas. Jurisdictions may choose to apply policies beyond the TOC area(s), which could include the entirety of the jurisdiction (i.e., adopting a jurisdiction-wide policy). See Section 2 of the guidance document for more information about these standards.

Preservation Policy 1: Funding to Preserve Unsubsidized Affordable Housing

Description from TOC Policy Resolution: 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. Lower-income homeowners are also vulnerable to market pressures that can result in displacement and loss of affordable homes. 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. Effective public investments to preserve unsubsidized housing will have funds available to secure unsubsidized affordable housing (rental or ownership), eligibility criteria for receiving funds, regulatory restrictions to maintain affordability of preserved units, and an anti-displacement strategy for existing tenants.

TOC Policy Standards

To be consistent with the TOC Policy, a jurisdiction’s funding program to preserve unsubsidized affordable housing must meet the following minimum standards:

- The jurisdiction has at least one funding program where preservation of unsubsidized affordable housing is explicitly identified as an eligible use.
- The jurisdiction must have a program with funding at or above the level identified in Appendix B. For more information about required funding amounts and sources, see section “Policy Options With Funding Commitments” of the TOC Policy Administrative Guidance.
- The jurisdiction must establish criteria for borrower eligibility that require funding recipients to have experience with affordable housing preservation.

- The program must establish a standard set of financing terms, including affordability requirements.
 - For rental properties, the average rent for all units at each preserved property at the time of acquisition must be affordable to households earning no more than 80% of AMI. After acquisition, new residents must be income qualified and earn less than 120% of AMI, and the building must maintain an average income of no more than 80% of AMI. Existing residents of acquired buildings shall not be displaced, even if the household's income exceeds the AMI thresholds noted above.
 - All ownership units preserved as affordable housing (e.g., a single-family home acquired by a community land trust) must be sold to lower- and moderate-income households earning 120% of AMI or less.
 - Units acquired through the program must have recorded documents that set binding maximum rent or price restrictions to ensure affordability. These requirements must restrict rents and sales prices to affordable levels as defined by the rules of any applicable state or federal affordable housing program. These restrictions must also ensure affordability for at least 55 years for rental housing and at least 45 years for ownership housing.

Submitting Additional Required Documentation

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

- A copy of the program's eligibility and financing terms if they are not included in an ordinance or other documents establishing the program. These terms must indicate the criteria for borrower eligibility to ensure funding recipients have experience with affordable housing preservation, income limits/affordability levels and required affordability period, and the terms must identify a legal mechanism for enforcement of affordable housing requirements (e.g., deed restriction, regulatory agreement, etc.).
- Documents demonstrating the program meets the minimum funding threshold identified in Appendix B.

Preservation Policy 2: Tenant/Community Opportunity to Purchase

Description from TOC Policy Resolution: Policies or programs that provide tenants or mission-driven non-profits 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 non-profits sufficient time to compete to purchase a property. TOPA/COPA policies aim to prevent displacement of lower-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 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, a reasonable timeline to respond to the intent to sell, and an anti-displacement strategy for existing residents.

TOC Policy Standards

To be consistent with the TOC Policy, a jurisdiction's TOPA and/or COPA policy must meet the following minimum standards:¹⁹

- The jurisdiction can meet TOC Policy requirements with either a TOPA or COPA ordinance, or both.
- The TOPA/COPA ordinance defines eligible and exempt properties.
- The ordinance establishes the legal right of first refusal that gives tenants and/or non-profits 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

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

Description from TOC Policy Resolution: 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

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

¹⁹ The standards 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.”](#)

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

credit. In some cases, SROs are used as transitional housing for people who are in between more permanent housing arrangements.

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. 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.

TOC Policy Standards

To receive credit for this policy, a jurisdiction must have an existing supply of SRO buildings owned by private entities other than mission-driven non-profit organizations. Due to the heightened vulnerability of both SRO housing stock and the residents who occupy it, a jurisdiction with an adopted SRO preservation policy that applies to all at-risk SROs may receive credit for this policy even if none of the SRO buildings are located within TOC areas.

To be consistent with the TOC Policy, a jurisdiction's SRO preservation policy must meet the following minimum standards:

- The policy must limit the number of SRO units approved to be converted in a given calendar year to no more than 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 AMI or less.
- At the time of application for conversion of units, require applicants to produce a Tenant Relocation Assistance Plan spelling out tenant protections, benefits and required relocation payments for any temporarily or permanently displaced residents.
- 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 with a first right of refusal for new units. Rents for these tenants must be based on their incomes, though rents for their units could reset at 50% of AMI upon turnover. Developers also need to produce the Tenant Relocation Assistance Plan referenced above for any temporarily or permanently displaced tenants.
- If none of the at-risk SROs in a jurisdiction are located within a TOC area, then the jurisdiction must apply this policy jurisdiction-wide.

Submitting Additional Required Documentation

In addition to the standard submission requirements, a jurisdiction must submit documentation of the presence of SRO units owned by private entities other than mission-driven non-profit organizations that would be protected by the policy.

Preservation Policy 4: Condominium Conversion Restrictions

Description from TOC Policy Resolution: 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. 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.

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.

TOC Policy Standards

To be consistent with the TOC Policy, a jurisdiction's condominium conversion policy must meet the following minimum standards:

- Require 1-for-1 replacement of existing units with comparable rental units, when permitted by law. A program may allow or require replacement units be provided through payment of an in-lieu fee in an amount sufficient to mitigate the loss of rental housing that results from condominium conversions, in accordance with applicable law. Jurisdictions may allow the following exemptions to providing replacement units and/or paying the in-lieu fee:
 - 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 120% of AMI or less.

- Provide existing tenants the first right to purchase a unit at the same price offered to the general public consistent with the Subdivision Map Act.²¹
- At the time of application for conversion of units, require applicants to produce a Tenant Relocation Assistance Plan spelling out tenant protections, benefits and required relocation payments for any temporarily or permanently displaced residents.

Submitting Additional Required Documentation

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

- A brief written explanation describing how the jurisdiction determined the in-lieu fee amount, including a justification for why the fee is sufficient to mitigate the loss of rental housing.

Preservation Policy 5: Public/Community Land Trusts

Description from TOC Policy Resolution: 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 standards, but not both.

Purpose

Community Land Trusts (CLTs) are typically non-profit 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.^{22, 23}

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.^{24, 25}

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

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

²² See Table 1. Literature Review Summary Table in [White Paper on Anti-Displacement Strategy Effectiveness](#) (Chapple and Loukaitou-Sideris, 2021).

²³ Chapple et al. 2022. [Examining the Unintended Effects of Climate Change Mitigation](#). Institute of Governmental Studies, UC Berkeley.

²⁴ Local Housing Solutions. [Land Banks](#).

²⁵ Center for Community Progress. [Land Bank FAQ's](#).

development of these types of cooperatives is often funded with a combination of private and public funds.²⁶

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 lower-income households.²⁷ 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.

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

To be consistent with the TOC Policy, a jurisdiction’s affordable housing preservation funding program focused on public/community land trusts must meet the following minimum standards:

- The jurisdiction must have a program with funding at or above the level identified in Appendix B. For more information about required funding amounts and sources, see section “Policy Options With Funding Commitments” of the TOC Policy Administrative Guidance.
- The program’s funds must be reserved for CLTs and/or cooperatives to use for affordable housing preservation.
- The jurisdiction must establish criteria for borrower eligibility that require funding recipients to have experience with affordable housing preservation.
- The funding program must establish a standard set of financing terms, including affordability requirements.
 - For rental properties, the average rent for all units at each preserved property at the time of acquisition must be affordable to households earning no more than 80% of AMI. After acquisition, new residents must be income qualified and earn less than 120% of AMI, and the building must maintain an average income of no more than 80% of AMI. Existing residents of acquired buildings

²⁶ California Center for Cooperative Development. [Housing Co-ops](#).

²⁷ Yelen, J. 2020. [Preserving Affordability, Preventing Displacement](#). Enterprise Community Partners.

shall not be displaced, even if the household's income exceeds the AMI thresholds noted above.

- All ownership units preserved as affordable housing (e.g., a single-family home acquired by a community land trust) must be sold to lower- and moderate-income households earning 120% of AMI or less.
- Units acquired through the program must have recorded documents that set binding maximum rent or price restrictions to ensure affordability. These requirements must restrict rents and sales prices to affordable levels as defined by the rules of any applicable state or federal affordable housing program. These restrictions must also ensure affordability for at least 55 years for rental housing and at least 45 years for ownership housing.
- **NOTE:** A jurisdiction whose policy meets the minimum standards above cannot also count this policy for credit for Preservation Policy 1 (Funding to Preserve Unsubsidized Affordable Housing). However, if a jurisdiction has a funding program that meets requirements for Preservation Policy 1, and if this program additionally has set asides for public/community land trusts that meet the funding amounts listed in Appendix B, then the program can also receive credit for Preservation Policy 5 (Public/Community Land Trusts). For example, a Tier A jurisdiction that has a preservation program with \$800,000 in funding would receive credit for both Preservation Policy 1 and Preservation Policy 5 if the program has a set aside for CLTs of \$400,000, as these amounts meet the \$400,000 minimum for both policies.

Submitting Additional Required Documentation

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

- A copy of the program's eligibility and financing terms if they are not included in an ordinance or other documents establishing the program. These terms must indicate the eligibility, income limits/affordability levels and required affordability period, and the terms must identify a legal mechanism for enforcement of affordable housing requirements (e.g., deed restriction, regulatory agreement, etc.)
- Documents demonstrating the program meets the minimum funding threshold identified in Appendix B.

Preservation Policy 6: Funding to Support Preservation Capacity

Description from TOC Policy Resolution: 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. Effective policies to support preservation capacity will commit to multi-year funding dedicated for CBOs and CLTs.

TOC Policy Standards

To be consistent with the TOC Policy, a jurisdiction's funding to support preservation capacity must meet the following minimum standards:

- The jurisdiction must have a dedicated funding program that supports capacity building for CLTs and CBOs for housing preservation work. Funding must enable project management staffing at approximately 0.5 full-time equivalent (FTE).
- The jurisdiction must define eligibility for financial awards to CLTs and CBOs.
- Funding for the program can come from any source that allows supporting staff capacity as an eligible use of funds. Potential funding sources could include, but are not limited to, local housing trust funds, county funds, state and federal funds passed through the jurisdiction, grants from philanthropic organizations, and private contributions from businesses or individuals.
- If a jurisdiction establishes a preservation funding program that meets requirements for Preservation Policy 1 (Funding to Preserve Unsubsidized Affordable Housing) and/or Preservation Policy 5 (Public/Community Land Trusts), the jurisdiction can use this program to also receive credit for Preservation Policy 6 (Funding to Support Preservation Capacity) if the program additionally has a set aside for capacity building that meets the requirements listed above.

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 at 0.5 FTE.
- A copy of the program's eligibility criteria if they are not included in an ordinance or other documents establishing the program.
- Documents demonstrating the jurisdiction has past expenditures, existing funding, or budgeted funds for the program.

Preservation Policy 7: Mobile Home Preservation

Description from TOC Policy Resolution: 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. 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. An effective Mobile Home Preservation policy or program will either limit conversions through zoning rules or provide significant relocation assistance for park residents in the event of a closure.

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 residents. 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.

TOC Policy Standards

To receive credit for this policy, a jurisdiction must demonstrate there is at least one mobile home park (as defined by California's [Mobile Home Park Act](#)) within the jurisdiction. Due to the heightened vulnerability of mobile home parks and the residents who occupy them, a jurisdiction with an adopted mobile home preservation policy that applies to all mobile home parks may receive credit for this policy even if none of the parks are located within TOC areas. If none of the mobile home parks are located within a TOC area, then the jurisdiction must apply its policy jurisdiction-wide.

To be consistent 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.
 - The zoning district or overlay zone should limit the permitted uses to mobile home parks and mobile homes. Any commercial uses in the zone should be ancillary to the operations of mobile home parks and/or in service of mobile home park residents.

- **Optional:** 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 policy’s affordability requirements must define affordable units as rental housing available to lower-income households earning 80% of Area Median Income (AMI) or less, and ownership housing to lower- and moderate-income households earning 120% of AMI or less. Jurisdictions should require deeper levels of affordability where feasible or through offering additional incentives.
 - Affordable units must have recorded documents that set binding maximum rent or price restrictions to ensure affordability. These requirements must restrict rents and sales prices to affordable levels as defined by the rules of any applicable state or federal affordable housing program. These restrictions must also ensure affordability for at least 55 years for rental housing or 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.
 - At the time of application for conversion of units, applicants must be required to produce a Resident Relocation Assistance Plan spelling out tenant protections, benefits and required relocation payments for any temporarily or permanently displaced residents.
2. **Adopt a Mobile Home Closure Ordinance** that requires relocation assistance and conditional approval after public hearings.
- The ordinance must require owners to produce at the time of application a Resident Relocation Assistance Plan, Conversion Impact Report, or similar document spelling out tenant protections, benefits, and required relocation payments for any displaced residents.

Submitting Additional Required Documentation

In addition to the standard submission requirements, a jurisdiction must submit documentation of the presence of at least one mobile home park within the jurisdiction.

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

Description from TOC Policy Resolution: 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 standards, 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. An effective program which prevents the loss of housing stock due to code issues provides public support to landlords and low-income homeowners to maintain their properties.

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, 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.

TOC Policy Standards

To be consistent 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. **Establish 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.

- Prior to making repairs, the property owner must complete a tenant habitability plan describing how they 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 must include offering a nearby available unit at same rent (if landlord owns other properties), paying for moving expenses, and providing relocation assistance to pay for the cost of temporary housing.
 - As a condition of receiving amnesty for fines and fees, the property owner must agree to continue renting to the existing tenant after repairs are complete with reasonable limits on rent increases for that tenant.
2. **Create a low-or no-interest loan or grant program** to support lower-income property owners, seniors, and people with disabilities with making repairs or modifications to their residential properties.
- Funding for the program can come from any source that allows home rehabilitation as an eligible use of funds. Potential funding sources could include, but are not limited to, local housing trust funds, county funds, state and federal funds passed through the jurisdiction, grants from philanthropic organizations, and private contributions from businesses or individuals.
 - Funding recipients must be below 80% of AMI.
 - The program must define other eligibility requirements for receiving a loan or grant, eligible uses for funds, and loan/grant amounts.

Submitting Additional Required Documentation

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

- A template of the tenant habitability plan or a document outlining details that must be included in such a plan if a jurisdiction is selecting the amnesty program for unpermitted units.
- The home rehabilitation program's eligibility requirements and financing terms if a jurisdiction is selecting this option.

III. Affordable Housing Protection Policy Options

To be consistent with the TOC Policy, a jurisdiction must adopt **at least two** of the tenant protection/anti-displacement policies listed below:

- Protection Policy 1: "Just Cause" Eviction
- Protection Policy 2: No Net Loss and Right to Return to Demolished Homes
- Protection Policy 3: Legal Assistance for Tenants
- Protection Policy 4: Foreclosure Assistance
- Protection Policy 5: Rental Assistance Program
- Protection Policy 6: Rent Stabilization

- Protection Policy 7: Preventing Displacement from Substandard Conditions and Associated Code Enforcement Activities (*This policy may fulfill either the housing preservation or protection standards, but not both.*)
- Protection Policy 8: Tenant Relocation Assistance
- Protection Policy 9: Mobile Home Rent Stabilization
- Protection Policy 10: Fair Housing Enforcement
- Protection Policy 11: Tenant Anti-Harassment Protections.

No protection policy on the TOC Policy’s menu of options is given preference over another — all are evaluated on an equal basis. The protection policy options are intended to reduce displacement and ensure that existing residents benefit from transit-oriented growth; however, implementation of any option is subject to feasibility and alignment with the applicable policies, regulatory framework, and broader community considerations of the local jurisdiction, and should not be construed as expressing support for any particular approach.

A jurisdiction may receive credit with existing adopted policies, or as needed, adopt new policies by the applicable TOC Policy consistency deadline. At minimum, policies must apply in TOC areas. Jurisdictions may choose to apply policies beyond the TOC area(s), which could include the entirety of the jurisdiction (i.e., adopting a jurisdiction-wide policy). See Section 2 of the guidance document for more information about these standards.

See the OBAG 4 TOC Incentive Program Guidelines (Appendix D) which contain adjustments to the TOC Evaluation Framework for OBAG 4 related to credit for protection policies through participation in a program administered by the county and credit related to Protection Policy 2 (No Net Loss and Right to Return to Demolished Homes).

Protection Policy 1: “Just Cause” Eviction

Description from TOC Policy Resolution: 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.²⁸ 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 state law 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. 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.

Relevant State Law

AB 1482 (Tenant Protection Act of 2019) and SB 567 (2023)

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. [SB 567 \(2023\)](#) modified the protections provided by AB 1482 by creating new requirements for landlords seeking to carry out two types of “no-fault” evictions: evictions for substantial remodels of units and owner move-in evictions. SB 567 also makes landlords who violate the Tenant Protection Act liable in civil court for damages and provides mechanisms for the Attorney General, city attorney, or county counsel to enforce the law.

TOC Policy Standards

To be consistent with the TOC Policy, a jurisdiction’s just cause ordinance must meet the following minimum standards:

- The ordinance must not have a sunset date.
- The ordinance must require landlords to file notices of termination of tenancy with a designated local government agency, such as a rent program/board or other city department.
- The ordinance must make the failure to file these notices with a designated agency an affirmative defense for a tenant in an eviction case.

Additionally, the ordinance must also expand on other aspects of statewide just cause protections in at least **ONE** of the following ways:

1. **Limit the legally recognized causes for eviction:** The “at-fault” and “no-fault” just causes for eviction allowed by state law can be found in [California Civil Code Section 1946.2\(b\)](#). If choosing this option, a jurisdiction’s just cause policy must include fewer just causes for eviction or define them with greater restrictions to increase protections for tenants.

²⁸ Chapple, K. et. al. (2022). [Housing Market Interventions and Residential Mobility in the San Francisco Bay Area](#). Federal Reserve Bank of San Francisco.

- 2. Expand the types of housing and tenancies covered by just cause protections:** The protections provided by state law 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 these protections. If choosing this option, 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 and/or with no minimum period of tenancy to qualify.

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

Description from TOC Policy Resolution: 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.

Based on direction from the February 25, 2026 Commission meeting, as reflected in MTC Resolution No. 4574, jurisdictions are precluded from receiving TOC Policy credit for Housing Protection Policy 2 (No Net Loss and Right of Return) given changes in state law (AB 130, 2025) that achieved the policy outcomes outlined in the TOC Policy. See the OBAG 4 TOC Incentive Program Guidelines (Appendix D).

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.²⁹ 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.

Assembly Bill 130 and Senate Bill 131 (2025)

[Assembly Bill 130](#) and [Senate Bill 131](#) were signed into law as part of the 2025-2026 state budget. This legislation took effect immediately and has a wide range of impacts on environmental review, permitting, and other land use regulatory processes, with the intent of accelerating housing production and infrastructure development. Notably, these bills eliminated the statutory expiration dates for the Housing Crisis Act of 2019.

Protection Policy 3: Legal Assistance for Tenants

Description from TOC Policy Resolution: 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. An effective tenant legal assistance program will include eligibility criteria, a definition of the legal services provided, dedicated funding, and outreach.

²⁹ For more information on “protected units” defined by state law, see [California Government Code Section 66300\(d\)\(2\)\(F\)\(vi\)](#).

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

TOC Policy Standards

To be consistent with the TOC Policy, a jurisdiction's tenant legal assistance program must meet the following minimum standards:

- The jurisdiction must have a program with funding at or above the level identified in Appendix B. For more information about required funding amounts and sources, see section "Policy Options With Funding Commitments" of the TOC Policy Administrative Guidance.
 - The required funding amount by tier can be split among any two of the four Protection policies requiring funding, but the jurisdiction will only receive credit toward one policy. For example, a Tier A jurisdiction could choose to spend \$30,000 on fair housing enforcement and \$70,000 on a tenant legal assistance program, for a total of \$100,000. Alternatively, the jurisdiction could spend \$100,000 on tenant legal assistance. In either scenario, the jurisdiction would receive credit toward one policy for meeting the \$100,000 funding threshold for Protection policies.
- The program's funding terms 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 lower-income tenants.
- A jurisdiction must contract with one or more legal services organizations to provide legal assistance and representation for cases involving eviction and other eligible tenant issues.
- 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 contracted or will contract with one or more legal services organizations.
- A link to a website where the jurisdiction has made information available about legal services for residents.
- Documents demonstrating the program meets the minimum funding threshold identified in Appendix B.

Protection Policy 4: Foreclosure Assistance

Description from TOC Policy Resolution: 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 non-profit organizations. An effective foreclosure assistance program will provide stable annual operating support to qualified partners to support homeowners facing foreclosure.

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](#) provided financial assistance for homeowners who fell behind on housing payments or property taxes during the COVID-19 pandemic because of COVID-related hardships..

TOC Policy Standards

To be consistent with the TOC Policy, a jurisdiction's foreclosure assistance program must meet the following minimum standards:

- The jurisdiction must have a program with funding at or above the level identified in Appendix B. For more information about required funding amounts and sources, see section "Policy Option With Funding Commitments" of the TOC Policy Administrative Guidance.
 - The required funding amount by tier can be split among any two of the four Protection policies requiring funding, but the jurisdiction will only receive credit toward one policy. For example, a Tier A jurisdiction could choose to spend \$30,000 on foreclosure assistance and \$70,000 on a rental assistance program, for a total of \$100,000. Alternatively, the jurisdiction could spend \$100,000 on foreclosure assistance. In either scenario, the jurisdiction would receive credit toward one policy for meeting the \$100,000 funding threshold for Protection policies.

- A jurisdiction must contract 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 direct financial assistance (loans, grants, or other investment), loan modification services, legal services, foreclosure counseling, and proactive, targeted outreach to eligible households.
- 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 contracted or will contract with one or more foreclosure assistance organizations.
- A link to a website where the jurisdiction has made information available about foreclosure assistance for residents.
- Documents demonstrating the program meets the minimum funding threshold identified in Appendix B.

Protection Policy 5: Rental Assistance Program

Description from TOC Policy Resolution: Provide a dedicated funding source and program for rental assistance to low-income³¹ 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.³² For these reasons, rental assistance programs providing low-income tenants with emergency funds for rent are effective at preventing eviction and stopping displacement.³³ In addition to one-time assistance to prevent eviction, some rental assistance programs provide short-term assistance (e.g., six months to one year) to help residents experiencing homelessness become rehoused and achieve stability. Effective rental assistance programs provide one-time or short-term financial

³¹ In some contexts, state and federal agencies use the term “low-income” to refer to the more specific category of households earning between 50% of AMI and 80% of AMI. However, the use of the term “low-income households” in MTC Resolution No. 4530 is assumed to be synonymous with the broader category of “lower-income,” or all households below 80% of AMI.

³² Badger, Emily. (2019). [Many Renters Who Face Eviction Owe Less than \\$600](#). The New York Times.

³³ Chapple, K. et. al. (2022). [Housing Market Interventions and Residential Mobility in the San Francisco Bay Area](#). Federal Reserve Bank of San Francisco.

support to lower-income tenants at greatest risk of experiencing eviction and homelessness.

TOC Policy Standards

To be consistent with the TOC Policy, a jurisdiction's tenant rental assistance program must meet the following minimum standards:

- The jurisdiction must have a program with funding at or above the level identified in Appendix B. For more information about required funding amounts and sources, see section "Policy Options With Funding Commitments" of the TOC Policy Administrative Guidance.
 - The required funding amount by tier can be split among any two of the four Protection policies requiring funding, but the jurisdiction will only receive credit toward one policy. For example, a Tier A jurisdiction could choose to spend \$30,000 on fair housing enforcement and \$70,000 on a rental assistance program, for a total of \$100,000. Alternatively, the jurisdiction could spend \$100,000 on rental assistance. In either scenario, the jurisdiction would receive credit toward one policy for meeting the \$100,000 funding threshold for Protection policies.
- 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 lower-income tenants (with incomes at 80% AMI or less), but jurisdictions can choose to restrict assistance to income groups below this threshold (e.g., incomes below 50% AMI). Jurisdictions may also decide to target specific 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.).
- Rental assistance can be distributed directly by the jurisdiction, or the jurisdiction can contract with non-profits and/or community-based organizations to administer the funds.
- 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 contracted or will contract with one or more rental assistance providers.
- A link to a website where the jurisdiction has made information available about rental assistance available for residents.

- Documents demonstrating the program meets the minimum funding threshold identified in Appendix B.

Protection Policy 6: Rent Stabilization

Description from TOC Policy Resolution: 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.³⁴ 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.³⁵ 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.³⁶ 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. An effective rent stabilization ordinance will define a maximum annual rent increase and create mechanisms for local enforcement.

Relevant State Laws

[AB 1482 \(Tenant Protection Act of 2019\) and SB 567 \(2023\)](#)

[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. [SB 567 \(2023\)](#) makes landlords who violate the Tenant Protection Act liable in civil court for damages and provides mechanisms for the Attorney General, city attorney, or county counsel to enforce the law.

³⁴ Chapple, K. et. al. (2022). [Housing Market Interventions and Residential Mobility in the San Francisco Bay Area](#). Federal Reserve Bank of San Francisco.

³⁵ PolicyLink. [“Rent Stabilization.”](#)

³⁶ 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.

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

TOC Policy Standards

To be consistent with the TOC Policy, a jurisdiction’s rent stabilization ordinance must meet the following minimum standards:

- The ordinance must not have a sunset date.
- 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. If the jurisdiction chooses, the ordinance may apply to additional housing types, such as duplexes.
 - The ordinance may allow for exemptions for special housing types (e.g., deed-restricted affordable housing, student housing, assisted living facilities).
- A rent stabilization ordinance must limit maximum annual rent increases to be less than those allowed under state law (see Relevant State Laws section above for more information).³⁷
- 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.³⁸

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 7: Preventing Displacement from Substandard Conditions and Associated Code Enforcement Activities

Description from TOC Policy Resolution: Policies, programs, or procedures designed to minimize the risk of displacement caused by substandard conditions including through

³⁷ The maximum annual rent increases allowed under state law are defined in [California Civil Code Section 1947.12](#),

³⁸ While state law provides some mechanisms for enforcement by the Attorney General and/or city attorney if a landlord raises rent in excess of the legally allowed increase, local administrative bodies like rent boards can provide more easily accessible processes for tenants to dispute rent increases that exceed legally allowed maximums.

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 standards, 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. An effective program which prevents displacement due to code enforcement protects tenants from displacement when renovations are mandated by code enforcement actions by requiring plans for maintaining habitability and providing public support to landlords on the condition that they provide additional tenant protections.

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, 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.

TOC Policy Standards

To be consistent 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. **Offer grants or interest-free loans** to landlords to repair substandard or other dangerous/inadequate conditions in exchange for anti-displacement protections for tenants.
 - Funding for the program can come from any source that allows repairs of residential units as an eligible use of funds. Potential funding sources could include, but are not limited to, local housing trust funds, county funds, state and federal funds passed through the jurisdiction, grants from philanthropic organizations, and private contributions from businesses or individuals.
 - Prior to making repairs, the property owner must complete a tenant habitability plan describing how they 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 must include offering a nearby available unit at same rent (if landlord owns other properties), paying for moving expenses, and providing relocation assistance to pay for the cost of temporary housing.
 - As a condition of receiving the grant or loan, the property owner must agree to continue renting to the existing tenant after repairs are complete with reasonable limits on rent increases for that tenant.
 - Jurisdictions may set income qualifications for landlords to receive this funding.
2. **Implement a rental escrow program** where tenants experiencing persistent habitability issues receive rent reductions and rental payments are deposited into an escrow account until code violations are addressed.
 - Prior to making repairs, the property owner must complete a tenant habitability plan describing how they 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 must include offering a nearby available unit at same rent (if landlord owns other properties), paying for moving expenses, and providing relocation assistance to pay for the cost of temporary housing.
 - The tenant has the right to reoccupy the unit after repairs are complete.
 - While rental funds are in escrow, the landlord can request access to them only for repairs, tenant relocation assistance, and other qualifying expenses.
 - The rental escrow program must clearly define the circumstances in which a tenant can safely withhold or reduce rent without fear of eviction.
3. **Require 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 must include offering a nearby available unit at same rent (if landlord owns other properties), paying for moving expenses, and providing relocation assistance to pay for the cost of temporary housing.
- The tenant has the right to reoccupy the unit after repairs are complete.

Submitting Additional Required Documentation

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

- The rehabilitation grant/loan program’s eligibility requirements and financing terms if a jurisdiction is selecting this option.
- A template of the tenant habitability plan or a document outlining details that must be included in such a plan.

Protection Policy 8: Tenant Relocation Assistance

Description from TOC Policy Resolution: 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.³⁹ 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. An effective relocation assistance policy includes clear definitions of tenant eligibility and required minimum compensation from landlord.

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](#)

³⁹ U.S. Department of Housing and Urban Development (HUD), [Comprehensive Housing Affordability Strategy \(CHAS\) ACS tabulation, 2013-2017 release](#).

- [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](#)

TOC Policy Standards

To be consistent with the TOC Policy, a jurisdiction’s relocation assistance policy must meet the following minimum standards:

- Landlords must make relocation payments for all no-cause or no-fault evictions.⁴⁰
- Jurisdictions can choose to limit assistance to lower-income tenants (those at 80% of AMI or less) or lower- and moderate-income tenants (those at 120% of AMI or less).
- The amount of relocation assistance must be equal to at least three months’ fair market rent, unless another law (e.g., local, state, federal) requires a higher minimum amount.

Protection Policy 9: Mobile Home Rent Stabilization

Description from TOC Policy Resolution: 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 mobile home resident rents the actual mobile home, either from the mobile home owner or the mobile home park. 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 residents. In some communities, mobile home parks comprise a significant portion of unsubsidized affordable housing, and these neighborhoods are increasingly being acquired by speculative investors.⁴¹ 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. An effective mobile home rent stabilization ordinance will

⁴⁰ 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.

⁴¹ 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.

include a limit on annual rent increases and processes for ensuring compliance with the policy.

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 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.

AB 1482 (Tenant Protection Act of 2019) and SB 567 (2023)

[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 date of January 1, 2030. Notably, rent increase limits defined by this law do *not* apply to mobile homes.

TOC Policy Standards

To receive credit for this policy, a jurisdiction must demonstrate there is at least one mobile home park (as defined by California’s [Mobile Home Park Act](#)) within the jurisdiction. Due to the heightened vulnerability of mobile home parks and the residents who occupy them, a jurisdiction with an adopted mobile home rent stabilization policy that applies to all mobile home parks may receive credit for this policy even if none of the parks are located within TOC areas. If none of the at-risk mobile home parks in a jurisdiction are located within a TOC area, then the jurisdiction must apply this policy jurisdiction-wide.

To be consistent with the TOC Policy, a jurisdiction’s mobile home rent stabilization ordinance must meet the following minimum standards:

- The maximum annual rent increase allowed by a local mobile home rent stabilization ordinance must be less than the maximum rent increase defined in [California Civil Code Section 1947.12\(a\)](#). This law defines a maximum allowable rent increase as no more than 5% plus the local Consumer Price Index (a measure of the inflation rate) or 10%, 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:

- Documentation of the presence of at least one mobile home park within the jurisdiction.
- 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

Description from TOC Policy Resolution: 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.”⁴² 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.⁴³ 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.

⁴² 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.

⁴³ For more information on disparities in housing needs, see [ABAG's Housing Needs Data Packets](#).

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.

TOC Policy Standards

To be consistent with the TOC Policy, a jurisdiction's fair housing enforcement policy/program must meet the following minimum standards:

- The jurisdiction must have a program with funding at or above the level identified in Appendix B. For more information about required funding amounts and sources, see section "Policy Options With Funding Commitments" of the TOC Policy Administrative Guidance.
 - The required funding amount by tier can be split among any two of the four Protection policies requiring funding, but the jurisdiction will only receive credit toward one policy. For example, a Tier A jurisdiction could choose to spend \$30,000 on fair housing enforcement and \$70,000 on a tenant legal assistance program, for a total of \$100,000. Alternatively, the jurisdiction could spend \$100,000 on fair housing enforcement. In either scenario, the jurisdiction would receive credit toward one policy for meeting the \$100,000 funding threshold for Protection policies.
- A jurisdiction must contract with one or more fair housing service providers to serve its constituents and provide fair housing enforcement. Alternatively, the jurisdiction can establish its own fair housing testing and enforcement program with staff who 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
- The jurisdiction must make information available for the public on its website regarding the fair housing services available to assist residents.

Submitting Additional Required Documentation

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

- Documents demonstrating the jurisdiction has contracted or will contract with one or more fair housing enforcement organizations, if applicable.

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.

- A link to a website where the jurisdiction has made information available about fair housing services for residents.
- Documents demonstrating the program meets the minimum funding threshold identified in Appendix B.

Protection Policy 11: Tenant Anti-Harassment Protections

Description from TOC Policy Resolution: 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. An effective tenant anti-harassment ordinance defines prohibited harassing behaviors and mechanisms for enforcement.

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.

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.

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.

TOC Policy Standards

To be consistent with the TOC Policy, a jurisdiction's tenant anti-harassment policy must meet the following minimum standards:

- The tenant anti-harassment policy 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 unreasonable restrictions on 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 policy must state that the city or county attorney as well as the impacted tenant may bring a civil action or request an injunction in response to harassment.
- The policy must establish penalties for landlords found to be in violation, including fines, attorneys' fees, and punitive damages. The policy shall also define a violation of the ordinance as an affirmative defense for a tenant in an eviction proceeding.
- The policy 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

To be consistent with the TOC Policy, a jurisdiction must adopt **at least one** of the commercial stabilization policies listed below:

- Commercial Stabilization Policy 1: Small Business and Non-Profit Overlay Zone
- Commercial Stabilization Policy 2: Small Business and Non-Profit Preference Policy

- Commercial Stabilization Policy 3: Small Business and Non-Profit Financial Assistance Program
- Commercial Stabilization Policy 4: Small Business Advocate Office

A jurisdiction may receive credit with existing adopted policies, or as needed, adopt new policies by the applicable TOC Policy consistency deadline. At minimum, policies must apply in TOC areas. Jurisdictions may choose to apply policies beyond the TOC area(s), which could include the entirety of the jurisdiction (i.e., adopting a jurisdiction-wide policy). See Section 2 of the guidance document for more information about these standards.

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

Description from TOC Policy Resolution: 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.

TOC Policy Standards

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

- 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.

Submitting Additional Required Documentation

In addition to the standard submission requirements, a jurisdiction must submit a copy of the policy’s eligibility criteria and description of protections and/or benefits provided, if they are not included in the ordinance or other documents establishing the program.

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

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

Description from TOC Policy Resolution: 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 owners or managers of applicable commercial spaces 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.

TOC Policy Standards

To be consistent with the TOC Policy, a jurisdiction's small business and non-profit preference policy must meet the following minimum standards:

- Jurisdictions must define "small business" and "community-serving non-profit" to establish the minimum requirements to qualify for preference.
- Establish a preference policy that prioritizes small businesses and non-profits when selecting new tenants by offering them the right of first offer. Jurisdictions may apply such a policy on publicly-owned properties, as part of the entitlement process for a new development, as a condition of a small business support program, or in other applicable circumstances.

Submitting Additional Required Documentation

In addition to the standard submission requirements, a jurisdiction must submit a copy of the policy's eligibility criteria and preference details, if they are not included in the ordinance or other documents establishing the program.

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

Description from TOC Policy Resolution: 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 any 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.

TOC Policy Standards

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

- Jurisdictions must define "small business" and "community-serving non-profit" to establish the minimum requirement to qualify for financial assistance.
- The jurisdiction must have a program with funding that provides financial assistance to stabilize small businesses and non-profits located in the TOC areas. The jurisdiction could choose to offer this assistance to businesses and non-profits in additional areas as well.
- Provide technical assistance and up-to-date information online regarding funding opportunities and deadlines.

Submitting Additional Required Documentation

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

- A copy of the eligibility criteria and program details if they are not included in the ordinance or other documents establishing the program.

Commercial Stabilization Policy 4: Small Business Advocate Office

Description from TOC Policy Resolution: 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.

TOC Policy Standards

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

- 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 jurisdictional staff member or an outside contractor. Outside contractors could be a staff member of the nearest Small Business Center (SBC) or Small Business Development Center (SBDC)⁴⁹ In the case of an outside contractor, the jurisdiction must have dedicated staff oversight.

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](#).

Submitting Additional Required Documentation

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

- A copy of the eligibility criteria and program details if they are not included in the ordinance or other documents establishing the program.
- If an outside contractor is used as the point of contact, a description of the jurisdiction's approach for oversight of the contractor.

Appendix B: Jurisdictions by Funding Tier

Table 1 lists the jurisdictions in each funding tier and the jurisdiction’s minimum funding commitment for each policy selected that includes a funding commitment. *Note: All Bay Area jurisdictions are listed, although not all jurisdictions have TOC areas.*

For more information about required funding amounts and sources, see section “Policy Options With Funding Commitments” of the TOC Policy Administrative Guidance.

For the policies in the Protection category, the required funding amount by tier can be split among any two of the four policies, but the jurisdiction will only receive credit toward one policy. For example, a Tier A jurisdiction could choose to spend \$30,000 on fair housing enforcement and \$70,000 on a rental assistance program, for a total of \$100,000. Alternatively, the jurisdiction could spend \$100,000 on a single policy, such as rental assistance. In either scenario, the jurisdiction would receive credit toward one policy for meeting the \$100,000 funding threshold for Protection policies.

Table 1: Jurisdictions and Minimum Funding Commitment by Tier

Jurisdiction	Very Low- and Low- Income RHNA	Tier	Production 2 and Production 6	Preservation 1 and Preservation 5	Protection 3, Protection 4, Protection 5, and Protection 10
Yountville	30	A	\$1,000,000	\$500,000	\$100,000
Calistoga	50	A	\$1,000,000	\$500,000	\$100,000
Ross	54	A	\$1,000,000	\$500,000	\$100,000
Unincorporated Napa	61	A	\$1,000,000	\$500,000	\$100,000
Colma	69	A	\$1,000,000	\$500,000	\$100,000
Belvedere	77	A	\$1,000,000	\$500,000	\$100,000
Monte Sereno	83	A	\$1,000,000	\$500,000	\$100,000
Sebastopol	86	A	\$1,000,000	\$500,000	\$100,000
Cotati	94	A	\$1,000,000	\$500,000	\$100,000
Portola Valley	115	A	\$1,000,000	\$500,000	\$100,000
Rio Vista	120	A	\$1,000,000	\$500,000	\$100,000
Unincorporated Solano	130	A	\$1,000,000	\$500,000	\$100,000
Sonoma	131	A	\$1,000,000	\$500,000	\$100,000
Cloverdale	141	A	\$1,000,000	\$500,000	\$100,000
Woodside	142	A	\$1,000,000	\$500,000	\$100,000
Atherton	148	A	\$1,000,000	\$500,000	\$100,000
St. Helena	163	A	\$1,000,000	\$500,000	\$100,000
Dixon	175	A	\$1,000,000	\$500,000	\$100,000
Pinole	190	A	\$1,000,000	\$500,000	\$100,000

Jurisdiction	Very Low- and Low- Income RHNA	Tier	Production 2 and Production 6	Preservation 1 and Preservation 5	Protection 3, Protection 4, Protection 5, and Protection 10
Los Altos Hills	197	A	\$1,000,000	\$500,000	\$100,000
Fairfax	235	A	\$1,000,000	\$500,000	\$100,000
Hillsborough	244	A	\$1,000,000	\$500,000	\$100,000
Suisun City	255	A	\$1,000,000	\$500,000	\$100,000
Piedmont	257	A	\$1,000,000	\$500,000	\$100,000
East Palo Alto	260	A	\$1,000,000	\$500,000	\$100,000
Clayton	267	A	\$1,000,000	\$500,000	\$100,000
San Pablo	273	A	\$1,000,000	\$500,000	\$100,000
American Canyon	278	A	\$1,000,000	\$500,000	\$100,000
Half Moon Bay	285	A	\$1,000,000	\$500,000	\$100,000
Healdsburg	299	A	\$1,000,000	\$500,000	\$100,000
Tiburon	303	A	\$1,000,000	\$500,000	\$100,000
Sausalito	315	A	\$1,000,000	\$500,000	\$100,000
Corte Madera	336	A	\$1,000,000	\$500,000	\$100,000
Benicia	339	A	\$1,000,000	\$500,000	\$100,000
San Anselmo	398	A	\$1,000,000	\$500,000	\$100,000
Mill Valley	413	B	\$1,400,000	\$600,000	\$200,000
Morgan Hill	413	B	\$1,400,000	\$600,000	\$200,000
Oakley	440	B	\$1,400,000	\$600,000	\$200,000
Larkspur	459	B	\$1,400,000	\$600,000	\$200,000
Albany	486	B	\$1,400,000	\$600,000	\$200,000
Brisbane	500	B	\$1,400,000	\$600,000	\$200,000
Moraga	501	B	\$1,400,000	\$600,000	\$200,000
El Cerrito	526	B	\$1,400,000	\$600,000	\$200,000
Hercules	542	B	\$1,400,000	\$600,000	\$200,000
Martinez	551	B	\$1,400,000	\$600,000	\$200,000
Orinda	587	B	\$1,400,000	\$600,000	\$200,000
Windsor	607	B	\$1,400,000	\$600,000	\$200,000
Rohnert Park	629	B	\$1,400,000	\$600,000	\$200,000
Brentwood	634	B	\$1,400,000	\$600,000	\$200,000
Emeryville	710	C	\$2,000,000	\$700,000	\$200,000
Saratoga	715	C	\$2,000,000	\$700,000	\$200,000
Newark	732	C	\$2,000,000	\$700,000	\$200,000
Belmont	769	C	\$2,000,000	\$700,000	\$200,000
Petaluma	787	C	\$2,000,000	\$700,000	\$200,000
Los Altos	789	C	\$2,000,000	\$700,000	\$200,000
Pittsburg	812	C	\$2,000,000	\$700,000	\$200,000
Foster City	819	C	\$2,000,000	\$700,000	\$200,000

Jurisdiction	Very Low- and Low-Income RHNA	Tier	Production 2 and Production 6	Preservation 1 and Preservation 5	Protection 3, Protection 4, Protection 5, and Protection 10
Los Gatos	847	C	\$2,000,000	\$700,000	\$200,000
Pacifica	848	C	\$2,000,000	\$700,000	\$200,000
Pleasant Hill	892	C	\$2,000,000	\$700,000	\$200,000
Novato	898	C	\$2,000,000	\$700,000	\$200,000
Millbrae	906	C	\$2,000,000	\$700,000	\$200,000
Lafayette	943	C	\$2,000,000	\$700,000	\$200,000
Danville	1,028	C	\$2,000,000	\$700,000	\$200,000
Gilroy	1,054	C	\$2,000,000	\$700,000	\$200,000
Vallejo	1,059	C	\$2,000,000	\$700,000	\$200,000
Vacaville	1,081	C	\$2,000,000	\$700,000	\$200,000
San Bruno	1,109	D	\$3,000,000	\$900,000	\$300,000
San Carlos	1,164	D	\$3,000,000	\$900,000	\$300,000
Menlo Park	1,166	D	\$3,000,000	\$900,000	\$300,000
Campbell	1,186	D	\$3,000,000	\$900,000	\$300,000
Napa	1,214	D	\$3,000,000	\$900,000	\$300,000
Antioch	1,248	D	\$3,000,000	\$900,000	\$300,000
Fairfield	1,256	D	\$3,000,000	\$900,000	\$300,000
Unincorporated San Mateo	1,279	D	\$3,000,000	\$900,000	\$300,000
Unincorporated Santa Clara	1,305	D	\$3,000,000	\$900,000	\$300,000
Richmond	1,325	D	\$3,000,000	\$900,000	\$300,000
San Rafael	1,349	D	\$3,000,000	\$900,000	\$300,000
San Leandro	1,357	D	\$3,000,000	\$900,000	\$300,000
Union City	1,358	D	\$3,000,000	\$900,000	\$300,000
Burlingame	1,360	D	\$3,000,000	\$900,000	\$300,000
South San Francisco	1,373	D	\$3,000,000	\$900,000	\$300,000
Unincorporated Sonoma	1,608	E	\$4,000,000	\$1,200,000	\$300,000
Hayward	1,692	E	\$4,000,000	\$1,200,000	\$300,000
Dublin	1,710	E	\$4,000,000	\$1,200,000	\$300,000
Unincorporated Marin	1,734	E	\$4,000,000	\$1,200,000	\$300,000
Redwood City	1,758	E	\$4,000,000	\$1,200,000	\$300,000
Cupertino	1,880	E	\$4,000,000	\$1,200,000	\$300,000
Santa Rosa	1,919	E	\$4,000,000	\$1,200,000	\$300,000
Unincorporated Alameda	1,972	E	\$4,000,000	\$1,200,000	\$300,000
Concord	2,036	E	\$4,000,000	\$1,200,000	\$300,000

Jurisdiction	Very Low- and Low- Income RHNA	Tier	Production 2 and Production 6	Preservation 1 and Preservation 5	Protection 3, Protection 4, Protection 5, and Protection 10
Livermore	2,075	E	\$4,000,000	\$1,200,000	\$300,000
Daly City	2,105	E	\$4,000,000	\$1,200,000	\$300,000
Alameda	2,239	E	\$4,000,000	\$1,200,000	\$300,000
San Ramon	2,359	E	\$4,000,000	\$1,200,000	\$300,000
Palo Alto	2,452	E	\$4,000,000	\$1,200,000	\$300,000
Walnut Creek	2,611	E	\$4,000,000	\$1,200,000	\$300,000
Milpitas	2,655	E	\$4,000,000	\$1,200,000	\$300,000
Pleasanton	2,758	E	\$4,000,000	\$1,200,000	\$300,000
San Mateo	2,800	E	\$4,000,000	\$1,200,000	\$300,000
Unincorporated Contra Costa	3,266	F	\$8,000,000	\$2,400,000	\$400,000
Berkeley	3,854	F	\$8,000,000	\$2,400,000	\$400,000
Mountain View	4,370	F	\$8,000,000	\$2,400,000	\$400,000
Santa Clara	4,525	F	\$8,000,000	\$2,400,000	\$400,000
Sunnyvale	4,677	F	\$8,000,000	\$2,400,000	\$400,000
Fremont	5,736	F	\$8,000,000	\$2,400,000	\$400,000
Oakland	10,261	G	\$40,000,000	\$8,000,000	\$1,000,000
San Jose	23,775	G	\$40,000,000	\$8,000,000	\$1,000,000
San Francisco	32,881	G	\$40,000,000	\$8,000,000	\$1,000,000

Appendix C: Adopted TOC Policy Evaluation Framework

Transit-Oriented Communities (TOC) Policy Evaluation Framework

In September 2022, the MTC Commission adopted the Transit-Oriented Communities (TOC) Policy (MTC Resolution No. 4530) to better align regional transit investments with local land-use planning and decision-making. The policy aims to support well-connected, mixed-use communities around transit stations and corridors where residents can live, work, and access daily needs.

The TOC Policy Evaluation Framework is used to assess jurisdiction progress towards consistency with TOC Policy standards. The TOC Policy includes both quantitative and qualitative standards. To evaluate progress across this range of standards, the evaluation framework assesses individual TOC standards within a holistic, jurisdiction-wide context.

Framework at a Glance

The TOC Policy Evaluation Framework provides a weighted system to evaluate progress across all policy areas, offering a transparent method for tracking progress over time. While each component has a different number of *standards* and requirements, each *component* is weighted equally at 25 points, for a total possible score of 100 points.



Jurisdictions will receive a certain number of points for meeting each *standard*. Those will be added together for a total *component* (density, housing, parking, and station access) score which will be added together to provide a score for the station area. *Jurisdictions with multiple station areas will average station area scores for a total jurisdiction score.*



TOC Policy Evaluation Framework Scoring

Density

Minimum Density – Residential (DU/A)	Weight: 8 points	Tier 1	Tier 2	Tier 3	Tier 4	Score
Fully consistent		100	75	50	25	8
Substantial progress		85	65	45	20	6
Partial progress		75	55	40	15	4
Minimum Density – Commercial Office (FAR)	Weight: 2 points	Tier 1	Tier 2	Tier 3	Tier 4	Score
Fully consistent		4.0	3.0	2.0	1.0	2
Partial progress		3.00	2.25	1.50	0.75	1
Maximum Density – Residential (DU/A)	Weight: 12 points	Tier 1	Tier 2	Tier 3	Tier 4	Score
Fully consistent		150	100	75	35	12
Substantial progress		130	85	65	30	8
Partial progress		115	75	55	25	6
Maximum Density – Commercial Office (FAR)	Weight: 3 points	Tier 1	Tier 2	Tier 3	Tier 4	Score
Fully consistent		8.0	6.0	4.0	3.0	3
Substantial progress		6.80	5.10	3.40	2.55	2
Partial progress		6.00	4.50	3.00	2.25	1

Full: Meets or exceeds the standard; Substantial ~85% of required standard; Partial: ~75% of required standard

Housing

Production Policies (2)	Weight: 8 points	Score
Fully consistent: two adopted policies		8
Partial progress: one of the two required policies is adopted		4
Preservation Policies (2)	Weight: 8 points	Score
Fully consistent: two adopted policies		8
Partial progress: one of the two required policies is adopted		4
Protection Policies (2)	Weight: 8 points	Score
Fully consistent: two adopted policies		8
Partial progress: one of the two required policies is adopted		4
Commercial Stabilization Policy (1)	Weight: 1 point	Score
Fully consistent: meets or exceeds the standard		1

Parking

Minimum Auto – Residential	Weight: 2 points	Score				
Jurisdiction confirms that it prohibits minimums via AB 2097 compliance or code snippet		2				
Minimum Auto – Commercial	Weight: 2 points	Score				
Jurisdiction confirms that it prohibits minimums via AB 2097 compliance or code snippet		2				
Maximum Auto – Residential (spaces/unit)	Weight: 4 points	Tier 1	Tier 2	Tier 3	Tier 4	Score
Fully consistent		0.375	0.5	1.0	1.5	4
Partial progress		0.5	1.0	1.5	2.0	2
<i>Any parking maximum ratio</i>						1

Maximum Auto – Commercial (spaces/1,000 sq. ft.)	Weight: 4 points	Tier 1	Tier 2	Tier 3	Tier 4	Score
	Fully consistent	0.25	1.6	2.5	4.0	4
	Partial progress	1.6	2.5	4.0	5.0	2
	<i>Any parking maximum ratio</i>					1
Minimum Bicycle – Residential (spaces/unit)	Weight: 3 points					Score
Meets required minimum of 1 bike space per dwelling unit						3
0.50 to 0.99 bike space per dwelling unit						2
<i>Any minimum bike parking requirement for new residential development</i>						1
Minimum Bicycle – Commercial Office (spaces/5,000 sq. ft)	Weight: 3 points					Score
Meets required minimum of 1 bike space per 5,000 square feet						3
0.50 to 0.99 bike space per 5,000 square feet						2
<i>Any minimum bike parking requirement for new commercial office development</i>						1
Allow Unbundled Parking	Weight: 2 points					Score
Jurisdiction adopts the policy for both residential and commercial (<i>note: alternatively, jurisdictions in Alameda or Santa Clara counties can confirm AB 1317 compliance as well as adopt the policy for commercial</i>)						2
Jurisdiction adopts the policy for either residential or commercial only (<i>note: applies to jurisdictions in Alameda or Santa Clara counties confirming AB 1317 compliance without adopting the policy for commercial</i>)						1
Allow Shared Parking	Weight: 2 points					Score
Jurisdiction adopts policy for residential & commercial or confirms compliance with AB 894*						2
Jurisdiction adopts policy for residential <i>or</i> commercial and does <i>not</i> confirm compliance with AB 894*						1
Parking Management Policy	Weight: 3 points					Score
Jurisdiction has adopted three applicable policies						3
Jurisdiction has adopted two applicable policies						2
Jurisdiction has adopted one applicable policy						1

Station Access

Complete Streets Policy	Weight: 3 points	Score
Jurisdiction has adopted applicable policy		3
Prioritize or Implement Active Transportation Projects	Weight: 7 points	Score
Jurisdiction must have prioritized or implemented active transportation projects		7
Access Gap Analysis	Weight: 9 points	Score
All modes are addressed (walking, biking, and transit)		9
Only two modes addressed		6
Only one mode addressed		3
Mobility Hub Plan/ Project/ Application	Weight: 6 points	Score
Jurisdiction has adopted a mobility hub plan/project/application that meets TOC Policy requirements		6

Appendix D: OBAG Cycle 4 TOC Incentive Program Guidelines

Eligibility Threshold

Jurisdictions submitting information to MTC will be scored using the TOC Policy Evaluation Framework (Appendix C). Jurisdictions must achieve a minimum average score of **85 points jurisdiction-wide** to be eligible for the OBAG 4 TOC Incentive Program.

Adjustments to the TOC Evaluation Framework for OBAG 4

In accordance with MTC Resolution No. 4754 adopted by the Metropolitan Transportation Commission on February 25, 2026, the following adjustments to the TOC Policy Evaluation Framework will be applied for the OBAG 4 funding cycle:

Density Credit for Senate Bill 79 (2025)

Senate Bill 79 establishes statewide development standards that apply to housing projects within a half mile of qualifying transit stops in four Bay Area counties—Alameda, San Francisco, San Mateo, and Santa Clara. Although there are significant differences between SB 79 and the TOC Policy, SB 79's development standards are generally aligned with TOC goals related to *allowable maximum residential density*. As a result, on February 25, 2026 the Metropolitan Transportation Commission decided all TOC areas subject to SB 79 are awarded full TOC credit for the Allowable Maximum Residential Density standard.

Housing Protection Policies

On February 25, 2026 the Metropolitan Transportation Commission decided jurisdictions are precluded from receiving TOC Policy credit for Housing Protection Policy 2 (No Net Loss and Right of Return) given changes in state law (AB 130, 2025) that achieved the policy outcomes outlined in the TOC Policy.

On February 25, 2026, the Metropolitan Transportation Commission decided jurisdictions may receive credit for **one** of the two Housing Protection Policies needed to achieve consistency with the TOC Policy through participation in a qualifying county housing protection program. Under this approach:

- Participation in a county program may only count toward one Housing Protection Policy. To achieve full TOC consistency for the Housing Protection Policy standard, jurisdictions must adopt or implement a second TOC Housing Protection Policy locally.
- The total funding amount for the county program relative to the number of participating jurisdictions must meet or exceed the TOC jurisdictions' cumulative funding thresholds (Appendix B).

Jurisdictions participating in a county program should contact MTC staff at TOCPolicy@bayareametro.gov to confirm whether the program qualifies for TOC Housing Protection Policy credit.

Submission Deadline

Jurisdictions interested in participating in the OBAG 4 TOC Incentive Program must submit documentation demonstrating consistency with TOC Policy standards using the TOC Policy Submission Portal by **5:00 p.m. on July 1, 2027**.

Eligible Uses

TOC Incentive Program funds are subject to the requirements detailed in the OBAG 4 Project Selection and Programming Policies ([MTC Resolution No. 4740, Revised](#)) and can be used for any project type eligible for the OBAG 4 County Program.

Program Structure

As summarized in Table 1, TOC Incentive Program funding is available through a performance-based formula with the following features:

- **Formula factors:** jurisdictions with more TOC areas and larger populations are eligible for larger awards, reflecting the increased effort, expense, and impact of TOC Policy progress.
- **Minimum awards by size:** provides a clear incentive to jurisdictions.
- **Maximum awards by size:** helps distribute benefits widely.
- **Threshold adjustments (if needed):** if OBAG 4 TOC Incentive Program funds are insufficient to provide the minimum award amounts in Table 1 for each qualifying jurisdiction, or if there are excess funds remaining after assigning the maximum award amount in Table 1 for each qualifying jurisdiction, the Commission may consider adjustments to the TOC score threshold or other program elements.

Table 1: TOC Set-Aside Award Structure for Eligible Jurisdictions

Size Threshold	TOC Jurisdictions in This Category	Min Award	Max Award
6+ TOCs and/or 400k+ population	Oakland, San Francisco, San Jose	\$6M	\$8M
4+ TOCs and/or 200k+ population	Berkeley, Fremont, Livermore, Santa Clara, South San Francisco	\$4M	\$6M
3+ TOCs and/or 100k+ population	Alameda, Alameda County, Antioch, Concord, Contra Costa County, Daly City, Fairfield, Hayward, Mountain View, Novato, Palo Alto, Pleasanton, Richmond, San Leandro, San Mateo, Santa Rosa, Sonoma County, Sunnyvale, Vallejo	\$2M	\$4M
At least 1 TOC	Belmont, Belvedere, Brisbane, Burlingame, Campbell, Cloverdale, Colma, Cotati, Dublin, El Cerrito, Emeryville, Gilroy, Healdsburg, Hercules, Lafayette, Larkspur, Martinez, Menlo Park, Millbrae, Milpitas, Morgan Hill, Newark, Orinda,	\$1M	\$2M

	Petaluma, Pittsburg, Redwood City, Rohnert Park, San Bruno, San Carlos, San Rafael, Santa Clara County, Sausalito, Suisun City, Tiburon, Union City, Walnut Creek, Windsor		
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Note:

1. Existing or planned TOC stations may be subject to change. Illustrative award amounts are shown on a per-jurisdiction basis. Reflects January 1, 2025 population estimates from the [California Department of Finance](#).

Project Selection

Jurisdictions qualifying for the TOC Incentive Program must submit project applications totaling their award amount in the format and by the deadline established by MTC staff to be considered for OBAG 4 funding. Projects selected by the Commission will be added to Attachment B-1 of MTC Resolution No. 4740, Revised.

Appendix E: Log of Revisions in Version 1.2 Administrative Guidance (April 2026)

Version 1.2 of this guidance reflects the MTC Commission’s adoption of the TOC Incentive Program (MTC Resolution 4754) on February 25, 2026, including the TOC Evaluation Framework (see Appendix C) and One Bay Area Grant (OBAG) Cycle 4 TOC Incentive Program Guidelines (see Appendix D). Additional revisions incorporate feedback from local jurisdictions to increase clarity and flexibility and improve the administrability of TOC Policy elements for both local jurisdiction partners and MTC staff and to better represent the policy goals communicated in MTC Resolution 4530. This Appendix E provides a list of the key revisions made in Version 1.2.

Guidance Section	Description of Revision	Page
Document-wide	Removed references to TOC Policy compliance and requirements to clarify that local jurisdictions are not required to comply with the TOC Policy. Instead, MTC will evaluate local jurisdictions’ consistency with the standards contained within the TOC Policy.	—
III. Policy Applicability	Updated the definition of planned stations to include projects allocated regional discretionary funding prior to July 1, 2027 for Project Delivery Phase 2 (Project Design and Early Right-of-Way Acquisition) or Project Delivery Phase 3 (Project Construction) to be consistent with the MTC Commission’s adoption of the TOC Incentive Program (MTC Resolution 4754) establishing July 1, 2027 as the submission deadline for OBAG 4. Also updated to reflect final adoption of Plan Bay Area 2050+.	6
IV. Documentation Submittal and Evaluation – Submission Deadline	Updated the deadline from 2026 to July 1, 2027, for local jurisdictions to demonstrate consistency with the TOC Policy for eligibility for OBAG 4 funding to be consistent with the MTC Commission’s adoption of the TOC Incentive Program (MTC Resolution 4754).	11
IV. Documentation Submittal and Evaluation – Local Jurisdiction Resolution	Local jurisdictions are no longer required to submit a resolution adopted by the city council or board of supervisors confirming consistency with the TOC Policy when submitting their documentation. This change simplifies the documentation submittal process.	11
IV. Documentation Submittal and Evaluation – TOC Evaluation Framework	Explained that the MTC Commission adopted the TOC Evaluation Framework on February 25, 2026.	11

Guidance Section	Description of Revision	Page
IV. Documentation Submittal and Evaluation – OBAG 4 TOC Incentive Program	Explained that the MTC Commission adopted the OBAG 4 TOC Incentive Program Guidelines on February 25, 2026, which includes several adjustments to the TOC Evaluation Framework for OBAG 4.	11
V. Guidance for TOC Policy Submission – Section 1: Density for New Residential and Commercial Office Development	Clarified that jurisdictions can count the maximum density allowed under AB 2923 (2018) for the average density calculation when state law supersedes the baseline zoning for a parcel in the TOC area regardless of the underlying zoning.	15
V. Guidance for TOC Policy Submission – Section 1: Density for New Residential and Commercial Office Development	Explained that SB 79 (2025) supersedes local zoning standards and the OBAG 4 TOC Incentive Program Guidelines contain adjustments to the TOC Evaluation Framework related to SB 79 (Appendix D).	15
V. Guidance for TOC Policy Submission – Section 1: Density for New Residential and Commercial Office Development	Allowed jurisdictions to request flexibility on TOC standards for an adopted agreement with a developer that was in place prior to February 25, 2026, instead of limiting flexibility to agreements in place prior to January 1, 2024.	15
V. Guidance for TOC Policy Submission – Section 1: Density for New Residential and Commercial Office Development	Removed requirement to include addresses for parcels with existing dwelling units that are excluded from density calculations. This change simplifies the documentation submittal process.	17
V. Guidance for TOC Policy Submission – Section 2: Affordable Housing Production, Preservation, and Protection Policies and Commercial Stabilization Policies	Incorporated language from the MTC Commission’s action to adopt the TOC Incentive Program (MTC Resolution 4754) on February 25, 2026, to clarify that no protection policy on the TOC Policy’s menu of options is given preference over another—all are evaluated on an equal basis. The protection policy options are intended to reduce displacement and ensure that existing residents benefit from transit-oriented growth; however, implementation of any option is subject to feasibility and alignment with the applicable policies, regulatory framework, and broader community considerations of the local jurisdiction, and should not be construed as expressing support for any particular approach.	26, 29

Guidance Section	Description of Revision	Page
V. Guidance for TOC Policy Submission – Section 2: Affordable Housing Production, Preservation, and Protection Policies and Commercial Stabilization Policies	Removed restriction that prevented jurisdictions from receiving credit for more than one of the following Production policies: Production Policy 3 (Affordable Housing Overlay Zones); Production Policy 5 (Ministerial Approval); and Production Policy 7 (Development Certainty and Streamlined Entitlement Process). This change acknowledges that these policies differ in their implementation and the impact of each can be additive.	28
V. Guidance for TOC Policy Submission – Section 2: Affordable Housing Production, Preservation, and Protection Policies and Commercial Stabilization Policies	Removed Table 10 and renumbered subsequent tables.	29
V. Guidance for TOC Policy Submission – Section 2: Affordable Housing Production, Preservation, and Protection Policies and Commercial Stabilization Policies	For housing policies that involve a funding commitment, jurisdictions can now demonstrate that they meet the minimum funding commitment by (a) identifying funding for a program/policy in a current one-year financial document (e.g., budget, contract, expenditure plan) that meets or exceeds one-quarter (25 percent) of the minimum threshold and/or (b) identifying a combination of past expenditures since January 1, 2023, and anticipated future funding through the end of 2029 that meet or exceed the full minimum threshold. This change provides more flexibility in meeting the funding standard and reflects the varied nature by which these programs are funded at the local level.	29-30
V. Guidance for TOC Policy Submission – Section 2: Affordable Housing Production, Preservation, and Protection Policies and Commercial Stabilization Policies	Certain affordable housing policies require funding commitments which previously had restrictions on what funding sources could be counted. These restrictions have been removed, and jurisdictions may count any funds <i>administered</i> by the jurisdiction for which the applicable policy/program is an eligible use.	30
V. Guidance for TOC Policy Submission – Section 2: Affordable Housing Production, Preservation, and	Explained that jurisdictions may receive credit towards consistency with the TOC Policy Protection standards for OBAG 4 through participation in a program administered by the county and to see the OBAG 4	31

Guidance Section	Description of Revision	Page
Protection Policies and Commercial Stabilization Policies	TOC Incentive Program Guidelines (Appendix D) for more information.	
V. Guidance for TOC Policy Submission – Section 2: Affordable Housing Production, Preservation, and Protection Policies and Commercial Stabilization Policies	Updated Table 10, which lists the overlap between policy options in the state’s Prohousing Designation Program and the affordable housing options in the TOC Policy, to reflect the most recent requirements in the Prohousing Designation Program.	32
V. Guidance for TOC Policy Submission – Section 3: Parking Management	Removed the statement encouraging jurisdictions to adopt a resolution confirming compliance with AB 2097 (2022) regarding TOC Policy minimum parking standards. A jurisdiction may provide other forms of confirmation.	36
V. Guidance for TOC Policy Submission – Section 3: Parking Management	Clarified that jurisdictions can count the maximum parking allowed under AB 2923 (2018) towards consistency with the TOC Policy maximum parking standards.	37
V. Guidance for TOC Policy Submission – Section 3: Parking Management	Explained that jurisdictions in Alameda County and Santa Clara County can meet the TOC Policy’s standard for unbundled parking for residential development by confirming the jurisdiction complies with AB 1317 (2023).	38
V. Guidance for TOC Policy Submission – Section 3: Parking Management	Explained that jurisdictions can meet the TOC Policy’s standard for shared parking by confirming the jurisdiction complies with AB 894 (2023).	38
V. Guidance for TOC Policy Submission – Section 4: Station Access and Circulation	Clarified that mobility hub planning and implementation standards only need to be met at one stop/station within a TOC area corridor consisting of consolidated, overlapping TOC areas.	40
V. Guidance for TOC Policy Submission – Section 4: Station Access and Circulation	Clarified that a jurisdiction is only responsible for complying with mobility hub requirements if the transit station itself is located within or adjacent to the jurisdiction’s boundaries.	40
Appendix A: TOC Policy Housing and Commercial Stabilization Policy	Clarified that an inclusionary zoning policy does not need to meet the income mix standard if a financial feasibility study was completed. This change aligns with the intent communicated in TOC Policy Resolution	3

Guidance Section	Description of Revision	Page
Standards – Production Policy 1 (Inclusionary Zoning)	4530 that a lower percentage of inclusionary units may be adopted based on a financial feasibility analysis completed prior to policy adoption.	
Appendix A: TOC Policy Housing and Commercial Stabilization Policy Standards – Production Policy 3 (Affordable Housing Overlay Zones)	Removed restriction that prevented jurisdictions from receiving credit for more than one of the following Production policies: Production Policy 3 (Affordable Housing Overlay Zones); Production Policy 5 (Ministerial Approval); and Production Policy 7 (Development Certainty and Streamlined Entitlement Process). This revision acknowledges that these policies differ in their implementation and the impact of each can be additive.	6
Appendix A: TOC Policy Housing and Commercial Stabilization Policy Standards – Production Policy 4 (Public Land for Affordable Housing)	Revised to provide local jurisdictions with additional options for demonstrating a commitment to public lands redevelopment with greater affordability than is required by state law, consistent with how this policy option is defined in the TOC Policy (MTC Resolution No. 4530).	9
Appendix A: TOC Policy Housing and Commercial Stabilization Policy Standards – Production Policy 5 (Ministerial Approval)	Removed restriction that prevented jurisdictions from receiving credit for more than one of the following Production policies: Production Policy 3 (Affordable Housing Overlay Zones); Production Policy 5 (Ministerial Approval); and Production Policy 7 (Development Certainty and Streamlined Entitlement Process). This revision acknowledges that these policies differ in their implementation and the impact of each can be additive.	11
Appendix A: TOC Policy Housing and Commercial Stabilization Policy Standards – Production Policy 7 (Development Certainty and Streamlined Entitlement Process)	Removed restriction that prevented jurisdictions from receiving credit for more than one of the following Production policies: Production Policy 3 (Affordable Housing Overlay Zones); Production Policy 5 (Ministerial Approval); and Production Policy 7 (Development Certainty and Streamlined Entitlement Process). This revision acknowledges that these policies differ in their implementation and the impact of each can be additive.	15
Appendix A: TOC Policy Housing and Commercial Stabilization Policy Standards – Production	Revised to allow jurisdictions to receive TOC Policy credit for this policy option by confirming they comply with state law. Adoption of an additional local ordinance is no longer needed because the Housing Crisis Act of 2019 no longer has a sunset date.	15

Guidance Section	Description of Revision	Page
Policy 7 (Development Certainty and Streamlined Entitlement Process)		
Appendix A: TOC Policy Housing and Commercial Stabilization Policy Standards – Preservation Policy 3 (Single-Room Occupancy [SRO] Preservation)	Revised to provide local jurisdictions with more flexibility with the tenant protections, benefits, and relocation payments included in a Tenant Relocation Assistance Plan for any temporarily or permanently displaced tenants.	19
Appendix A: TOC Policy Housing and Commercial Stabilization Policy Standards – Preservation Policy 4 (Condominium Conversion Restrictions)	Revised to provide local jurisdictions with more flexibility with the tenant protections, benefits, and relocation payments included in a Tenant Relocation Assistance Plan for any temporarily or permanently displaced tenants.	21
Appendix A: TOC Policy Housing and Commercial Stabilization Policy Standards – Preservation Policy 7 (Mobile Home Preservation)	Clarified that mobile home zoning districts and overlay zones prohibit the redevelopment of mobile home parks by limiting permitted uses to mobile home parks and mobile homes. Further clarified that allowing affordable housing development in these zones is optional. These changes provide local jurisdictions with more flexibility with the tenant protections, benefits, and relocation payments included in a Resident Relocation Assistance Plan or similar document that is required when a mobile home park closure displaces residents.	25-26
Appendix A: TOC Policy Housing and Commercial Stabilization Policy Standards – Preservation Policy 8 (Preventing Displacement from Substandard Conditions and Associated Code Enforcement Activities)	Clarified that loan/grant programs to support lower-income residential property owners with repairs do not need to be limited to only providing funding to homeowners to repair their residences. The standards no longer include a minimum loan/grant amount of \$10,000, which provides local jurisdictions more flexibility to design programs that best meet their local needs.	28

Guidance Section	Description of Revision	Page
Appendix A: TOC Policy Housing and Commercial Stabilization Policy Standards	Added reference to the OBAG 4 TOC Incentive Program Guidelines (Appendix D) which contain adjustments for evaluating consistency with TOC Policy Protection standards for OBAG 4 related to credit for participation in a program administered by the county and credit related to Protection Policy 2 (No Net Loss and Right to Return to Demolished Homes).	29
Appendix A: TOC Policy Housing and Commercial Stabilization Policy Standards	Incorporated language from the MTC Commission’s action to adopt the TOC Incentive Program (MTC Resolution 4754) on February 25, 2026, to clarify that no protection policy on the TOC Policy’s menu of options is given preference over another—all are evaluated on an equal basis. The protection policy options are intended to reduce displacement and ensure that existing residents benefit from transit-oriented growth; however, implementation of any option is subject to feasibility and alignment with the applicable policies, regulatory framework, and broader community considerations of the local jurisdiction, and should not be construed as expressing support for any particular approach.	29
Appendix A: TOC Policy Housing and Commercial Stabilization Policy Standards – Protection Policy 2 (No Net Loss and Right to Return to Demolished Homes)	Added reference to the OBAG 4 TOC Incentive Program Guidelines (Appendix D) which contain adjustments for evaluating consistency with TOC Policy Protection standards for OBAG 4 related to credit for Protection Policy 2 (No Net Loss and Right to Return to Demolished Homes).	31
Appendix A: TOC Policy Housing and Commercial Stabilization Policy Standards – Protection Policy 5 (Rental Assistance Program)	Clarified that jurisdictions can choose to restrict rental assistance to income groups below the threshold standard of 80% AMI or less (e.g., restrict to incomes of 50% AMI or less).	36
Appendix A: TOC Policy Housing and Commercial Stabilization Policy Standards – Protection Policy 9 (Mobile Home Rent Stabilization)	Revised the maximum allowable rent increase to be less than the maximum allowable rent increase defined by state law, rather than tied to a specific percentage. This revision better reflects the range of allowable rent increases found in existing mobile home rent stabilization ordinances in Bay Area jurisdictions and	43

Guidance Section	Description of Revision	Page
	makes the standard more aligned with Protection Policy 6 (Rent Stabilization).	
Appendix C: Adopted TOC Policy Evaluation Framework	Newly added appendix pursuant to adoption of the TOC Policy Evaluation Framework (MTC Resolution No, 4754) on February 25, 2026.	
Appendix D: OBAG Cycle 4 TOC Incentive Program Guidelines	Newly added appendix pursuant to adoption of the OBAG Cycle 4 TOC Incentive Program (MTC Resolution No, 4754) on February 25, 2026.	