



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Councilmember Mulcahy

SUBJECT: SEE BELOW

DATE: March 12, 2026

Approved:

Date: March 12, 2026

SUBJECT: Analysis on Senate Bill 79 and Assembly Bill 130, Historic Resources and Policy Recommendations.

RECOMMENDATIONS:

1. Approve Staff Recommendations (a) and (b), to consider analysis on the impact of Senate Bill 79 and Assembly Bill 130 on the City's historic resources, and to direct staff to return to City Council with a draft ordinance adding a definition for "demolition" for historic resources applicable to Assembly Bill 130 projects in Title 20 (Zoning Ordinance) of the San José Municipal Code.
2. Direct staff to return to Council by December 2026 with a temporary delay ordinance, in accordance with SB 79, to exempt historic districts and conservation areas.

SUMMARY:

Recent state legislation, including Senate Bill (SB) 79 and Assembly Bill (AB) 130, substantially expands ministerial housing development near transit while limiting the applicability of the California Environmental Quality Act (CEQA). The extensive work undertaken by the Planning, Building, and Code Enforcement Department (PBCE) to analyze these requirements and their implications for San José is greatly appreciated. As reflected in recent discussions, there is significant concern about how these changes may affect neighborhoods across San José, including San José's historic resources.

Staff analysis indicates that many of San José's transit-oriented development (TOD) areas contain some of the highest concentrations of historic resources in San José. As noted in my memorandum on this topic at the January 27 meeting, San José cannot rely solely on CEQA to protect many of these historic resources. Assembly Bill 130 allows certain housing projects to proceed ministerially without CEQA review, which may limit San José's ability to evaluate impacts to individual historic resources through traditional environmental review processes. Clarifying local standards, including establishing a definition of "demolition" for historic resources in the Zoning Ordinance, will help ensure San José retains clear, consistent tools to address potential impacts as these projects move forward.

HONORABLE MAYOR AND CITY COUNCIL

March 12, 2026

SUBJECT: Analysis on Senate Bill 79 and Assembly Bill 130, Historic Resources and Policy Recommendations.

Page 2

At the same time, the effects of SB 79 may be particularly significant for historic districts and conservation areas, which represent cohesive neighborhood-scale environments rather than individual buildings. Many of these districts are located near existing or planned transit corridors and could experience increased redevelopment pressure under state-mandated density requirements. As staff's analysis confirms, these areas often overlap with some of San José's most historically significant neighborhoods.

Unlike individual historic resources, historic districts and conservation areas represent intact neighborhood contexts where the collective character of streets, homes, and public spaces contributes to their significance. Incremental redevelopment that occurs without coordinated planning can gradually erode these defining characteristics, even when buildings are replaced one at a time. Therefore, I am asking that staff return in December with a delayed-effectuation ordinance for SB 79 in areas within historic districts and conservation areas. This approach strikes an important balance between staff capacity, building more homes, and preserving our historic neighborhoods.