
SENATE COMMITTEE ON HOUSING
Senator Jesse Arreguín, Chair
2025 - 2026 Regular

Bill No: SB 1361 **Hearing Date:** 4/21/2026
Author: Durazo
Version: 3/25/2026 Amended
Urgency: No **Fiscal:** No
Consultant: Alison Hughes

SUBJECT: Transit-oriented housing developments: exceptions: housing development policy

DIGEST: This bill would prevent SB 79 (Wiener, Chapter 512, Statutes of 2025) from applying to specified stops that is not operational or in service as of January 1, 2026 in a city, county, or city and county, a single or multicounty council of government, a regional transportation agency, a transit agency or district, or a county transportation agency that has adopted a policy by January 1, 2026 to complete at least 10,000 housing units, or at least 50% of which will be income restricted, by January 1, 2032.

ANALYSIS:

Existing law, pursuant to SB 79 (Wiener, Chapter 512, Statutes of 2025):

Terms and Definitions

1) Establishes the following definitions:

- a) “Adjacent” means within 200 feet of any pedestrian access point to a transit oriented development (TOD) stop. A parcel that meets any of the eligibility criteria under this bill and is adjacent to a Tier 1 TOD Stop or Tier 2 TOD Stop, as defined below, shall be eligible for an adjacency intensifier to increase the height limit by an additional 20 feet, the maximum density standard by an additional 40 dwelling units per acre, and the floor area ratio (FAR) by 1 prior to the application of density bonus law.
- b) “Residential FAR” means the ratio of net habitable square footage dedicated to residential use to the area of the lot. A local government may not impose any other local development standard or combination of standards that would physically preclude the residential FAR established.

- c) “Tier 1 TOD stop” means a transit-oriented development stop with an urban transit county, served by heavy rail transit or very high frequency commuter rail.
- d) “Tier 2 TOD stop” excludes a Tier 1 TOD stop, and means a transit-oriented development stop with an urban transit county served by light rail transit, by high-frequency commuter rail, or by bus service, as specified. “Urban transit county” means a county with more than 15 passenger rail stations.
- e) “TOD stop” means a major transit stop or a stop on a route for which a preferred alternative has been selected or which are identified in a regional transportation improvement program, served by heavy rail transit, very high frequency commuter rail, high frequency commuter rail, light rail transit, or specified bus service within an urban county. When a new transit route is planned that was not identified in the applicable regional transportation plan on or before January 1, 2026, these stops shall not be eligible as a TOD stop unless they would be eligible as Tier 1 TOD stops. If a county becomes an urban transit county subsequent to July 1, 2026, then bus service in that county shall remain ineligible for designation of a transit-oriented development stop.
- f) “Urban transit county” means a county with more than 15 passenger rail stations.

SB 79 Development Standards

- 2) Provides that a housing development within a specified distance of a transit stop in a residential, mixed-use, or commercial zone shall be entitled to specified development standards pursuant to the table below. TOD housing development projects shall also meet the following requirements:
 - a) The average total area of floor space for the proposed units in the transit-oriented housing development project shall not exceed 1,750 net habitable square feet, and
 - b) The housing development project shall include at least five dwelling units and meet the greater of the following:
 - i. A minimum density of at least 30 dwelling units per acre; or
 - ii. The minimum density required under the local zoning, if applicable.

TOD Stop Type	Dist. from Stop (TOD Zone)	Development Standards for Project
Tier 1: Major transit stop, heavy rail transit, or very high frequency commuter rail in urban transit county	¼ mile from stop	<ul style="list-style-type: none"> • Max Height: 75 ft or 95 ft if adjacent to stop • Max Density: 30 - 120 units per acre (u/a) plus any density bonus or 160 u/a if adjacent to stop • FAR: 3.5 or 4.5 if adjacent to stop • Specified Concessions
	¼ - ½ mile from stop in city with population at least 35,000	<ul style="list-style-type: none"> • Max Height: 65 ft • Max Density: 30 - 100 u/a plus any density bonus • FAR: 3 • Specified Concessions
Tier 2: Not Tier 1 major transit stops served by light rail transit, high-frequency commuter rail, or bus rapid transit in an urban transit county	¼ mile from stop	<ul style="list-style-type: none"> • Max Height: 65 ft or 85 ft if adjacent to stop • Ma Density: 30 - 100 u/a plus any density bonus or 140 u/a if adjacent to stop • FAR: 3 or 4 if adjacent to stop
	¼ - ½ mile from stop in a city with a population at least 35,000	<ul style="list-style-type: none"> • Max Height: 55 ft • Max Density: 30 - 80 u/a plus any density bonus • FAR: 2.5 • Specified Concessions

- 3) Provides that for projects with more than 10 units, the project shall comply with one of the following requirements:
 - a) Any of the following:
 - i. At least 7% are dedicated to extremely low-income (ELI) households.
 - ii. At least 10% of the total units are dedicated to very low-income (VLI) households.
 - iii. At least 13% of the total units are dedicated to low-income households.
 - b) If a local inclusionary housing requirement mandates a higher percentage or deeper level of affordability, then the local inclusionary housing standard shall apply.
 - c) All units dedicated to ELI, VLI, or low-income households shall have an affordable cost or rent, as defined, and ensure the continued affordability of those units for 45 years for ownership or 55 years for rental units.

- 4) Prohibits a transit housing development from being located on either of the following:
 - a) A site containing more than two units where the development would require the demolition of housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power that has been occupied by tenants within the last seven years.
 - b) A site that was previously used for more than two units of housing that was demolished within seven years before the development proponent submits an application under this section any of the units were subject to any form of rent or price control.
- 5) Requires a TOD project to meet specified labor standards, including the provision of prevailing wages if the project is not entirely a public work, as specified, and projects over 85 feet shall employ a skilled and trained workforce, as specified.

TOD Development Ordinances

- 6) Requires the Department of Housing and Community Development (HCD) to oversee compliance with SB 79 development standards. Requires HCD to promulgate standards for how to account for capacity in a city or county's land suitable for development identified in its housing element by July 1, 2026.
- 7) Authorizes a local government to enact an ordinance to make its zoning consistent with the provisions of this chapter, subject to review by HCD, as specified. The adoption of the ordinance shall not be subject to CEQA. Provides that the ordinance may include objective standards, conditions, and policies, applying to TOD housing developments, that are demonstrated by a preponderance of the evidence to not physically preclude, alone or in concert, the applicable SB 79 development standards provided for in (2) above.
- 8) Provides that if a local government adopts an ordinance, it shall submit a copy to HCD within 14 days of adoption. HCD shall review and make a finding of compliance within 90 days, plus an additional 30 days if needed. If HCD does not meet that timeline, the ordinance shall be deemed compliant with SB 79 development standards. If HCD finds that the local government does not comply with SB 79 development standards, HCD shall provide the local government 60 days to respond.
- 9) Requires Metropolitan Planning Organizations (MPOs) to create a map of TOD stops and zones established by SB 79.

Local TOD Alternative Plans

- 10) Provides that a local “TOD alternative plan,” defined as an amendment to the housing element or a program to implement the housing element—such as the adoption of a specific plan, adoption of a zoning overlay, or enactment of an ordinance; that brings the local agency into compliance with this bill —may be adopted provided it incorporates all of the following:
- i. The plan shall provide at least the same total zoned capacity in terms of both total units and FAR, as specified.
 - ii. The plan shall not reduce the maximum allowed density for any individual site on which the plan allows residential use by more than 50%, except for sites meeting any of the following criteria:
 - i. Sites within a very high fire hazard severity zone, as determined by the Department of Forestry and Fire Protection, or within the state responsibility area, as defined.
 - ii. Sites that are vulnerable to one foot of sea level rise, as specified.
 - iii. Sites with a historic resource designation on a local register, so long as sites excluded from the density requirements of (11)(a) do not cumulatively exceed 10% of the eligible area of any TOD zone.
 - iv. Sites within ½ mile of a Tier 2 TOD stop shall not have a density below 30 units per acre with an FAR of 1.0 and should be considered for attached entry-level owner-occupied housing development opportunities.
 - iii. The plan shall not reduce the capacity in any TOD zone in total units or FAR by more than 50%.
 - iv. The site’s maximum capacity counted toward the plan shall not exceed 200% of the maximum density established by SB 79.
- 11) Exempts, prior to one year following the adoption of the 7th housing element, the following sites from SB 79 if the local government has adopted an SB 79 ordinance:
- a) A site identified by the local government that permits density and FAR at no less than 50% of the SB 79 standards.
 - b) A site in a TOD zone in which 33% of the sites have already permitted density and FAR at no less than 50% of the SB 79 development standards and includes sites with densities that cumulatively allow for at least 75% of the aggregate density for the TOD zone allowed using SB 79 development standards.

- c) A site within a very high fire hazard severity zone or within the state responsibility area, sites that are vulnerable to one foot sea level rise, or sites on a specified historic register.
 - d) Sites identified in a Local Plan.
- 12) Authorizes, for the seventh and subsequent revisions of the housing element, a local government to include a local TOD alternative plan, as specified, in future housing element cycles.
- 13) Provides that, beginning on January 1, 2027, a local agency that denies a housing development project meeting the provisions of this bill shall be presumed to be in violation of the HAA and are immediately liable for specified penalties, unless the local government demonstrates that it has a public health, life, or safety reason for denying the project, as specified.

Transit Agency TOD Zoning Standards

- 14) “Agency TOD project” means a housing or mixed-use project that meets the following requirements:
- a) A minimum of 50% of the total square footage of the project is dedicated to residential purposes;
 - b) A minimum of 20% of the total number of units are restricted to lower income households and subject to a 55-year recorded affordability restriction.
 - c) The average total floor area of floor space for the proposed units shall not exceed 1,750 net habitable square feet.
 - d) The parcel or parcels is located on an infill site, as defined.
 - e) The TOD parcels were not acquired on or after July 1, 2025 by eminent domain.
 - f) The parcels are owned by the agency and either:
 - i. The parcels are adjacent to a TOD stop for which the agency operates service or form a contiguous area adjacent to a TOD stop.
 - ii. At least 75% of the project area is within ½ mile of a TOD stop for which the agency operates service or plans to provide service and was owned by the agency on or before January 1, 2026.
- 15) A transit agency’s board of directors may adopt by resolution “agency TOD zoning standards” for district-owned real property located in a TOD zone. These standards shall establish minimum local zoning standards for height, density, FAR, and allowable uses, and shall apply to a TOD project, that shall be consistent with this bill. The density and FAR may not be lower than what is

required by SB 79 development standards and the density shall not exceed 200% of what is required by the SB 79 development standards.

- 16) Authorizes a local government to adopt a local zoning ordinance to conform with zoning consistent with transit agency TOD zoning standards for a station if the station zoning is inconsistent with the local zoning. The local government shall not be required to approve any height limit in excess of the height required by SB 79 development standards.
- 17) Authorizes a local agency to adopt objective, written development standards, conditions, and policies that apply to development on district-owned property, provided they demonstrate their consistency with the transit agency TOD zoning standards. Provides that transit agency TOD zoning standards established by a transit agency shall control in the event that the transit agency and local objective planning standards, general plan, or design review standards are inconsistent.
- 18) Delays implementation of SB 79 development standards until July 1, 2026, unless a local government adopts an ordinance or local TOD alternative plan deemed compliant by HCD before July 1, 2026. Delays implementation to unincorporated areas of a county until the 7th regional housing needs allocation cycle.

This bill prevents from SB 79 (Wiener, 2025) from applying to a specified stop that is not operational or in service as of January 1, 2026 in a city, county, or city and county, a single or multicounty council of government, a regional transportation agency, a transit agency or district, or a county transportation agency that has adopted a policy by January 1, 2026 to complete at least 10,000 housing units, or at least 50% of which will be income restricted, by January 1, 2032.

Background

SB 79 Development Standards. Beginning July 1, 2026, SB 79 makes housing an allowable use on sites zoned residential, mixed-use, or commercial within one-half mile of an existing or currently proposed qualifying TOD stop in an “urban transit county” for jurisdictions with a population of at least 35,000 residents, and within one-quarter mile of the qualifying TOD stop for jurisdictions with a population of less than 35,000. For unincorporated areas of a county, implementation is delayed until the 7th housing element cycle begins. SB 79 projects must include at least five units, achieve the greater of 30 dwelling units per acre (du/acre) or meet the local minimum density requirements, and maintain an average unit size not exceeding 1,750 square feet. SB 79 projects over 10 units must include specified

levels of affordable housing, comply with anti-displacement provisions of the Housing Crisis Act, and comply with specified labor standards.

SB 79 limits the standards local governments can impose on SB 79 projects depending on the distance from specified transit stops and population of the jurisdiction (*see* chart under existing law #2). SB 79 projects that meet certain density thresholds are also eligible for additional concessions and incentives under density bonus law. SB 79 projects are not eligible on the following sites: (1) a site in which the development would require the demolition of more than two units that is subject to any form of rent or price control that was occupied by tenants within the last seven years, and (2) a site that was previously used for more than two units of housing that was demolished within the last seven years and those units were subject to price or rent control.

HCD’s SB 79 Advisory. Due to requests from several MPOs about the need for greater clarity about the implementation of SB 79, on March 20, 2026, HCD issued an SB 79 Advisory¹. Among other things, the advisory clarified several SB 79 definitions and specified that SB 79 applies to the following counties as of the publication of the advisory: Alameda, Los Angeles, Sacramento, San Francisco, San Mateo, Santa Clara, and San Diego. According to the advisory, HCD will review all SB 79 Ordinances and TOD Alternative Plans and determine their compliance with state law. The advisory also provides that SB 79 development standards apply to the following types of transit:

Heavy Rail	Light Rail	Commuter Rail
<ul style="list-style-type: none"> ▪ Bay Area Rapid Transit (BART): All except eBART Pittsburg Center, Antioch stations ▪ Los Angeles (LA) Metro Rail: B, D Lines 	<ul style="list-style-type: none"> ▪ LA Metro Rail (A, C, E, K Lines) ▪ Sacramento Regional Transit (SacRT) ▪ San Diego Metropolitan Transit System (MTS) Trolley ▪ San Francisco Municipal Railway (Muni) Metro and Streetcar ▪ Santa Clara Valley Transportation Authority (VTA) Light Rail 	<ul style="list-style-type: none"> ▪ Altamont Corridor Express (ACE) ▪ Arrow ▪ BART (eBART Pittsburg Center, Antioch stations only) ▪ Caltrain ▪ Capitol Corridor ▪ Coaster ▪ Metrolink ▪ Pacific Surfliner ▪ San Joaquins (Gold Runner) ▪ Sonoma-Marín Area Rail Transit (SMART) ▪ Sprinter

¹ *SB 79 Advisory: Clarifications on Definitions for Metropolitan Planning Organizations.* HCD Housing Policy Development Division. March 20, 2026. Accessible here: <https://www.hcd.ca.gov/sites/default/files/docs/planning-and-community/sb-79-mpo-advisory.pdf>

HCD's advisory notes that SB 79 contemplates application to future planned TOD stops that meet specified requirements. As such, the chart above does not reflect rail typologies for all rail services that have yet to be constructed or enter into operation.

Comments

- 1) *Author's Statement.* "California is facing a severe housing affordability crisis, particularly in Los Angeles County, where nearly one in two households is cost-burdened and essential workers are increasingly priced out of their communities. At the same time, the state is making major investments in transit expansion to advance our climate, mobility, and economic goals. LA Metro manages the most ambitious transportation infrastructure program in the nation and is actively leveraging public land for housing at dozens of sites, with thousands of units in planning, negotiation, or construction. Metro has already delivered approximately 2,300 housing units and is working toward a commitment of 10,000 units by 2032, at least half of which will be income-restricted and affordable. However, current law is creating unintended consequences. By applying transit-oriented housing requirements to planned transit stops, communities are increasingly opposing new transit projects due to concerns about automatic zoning changes tied to future stations. This resistance threatens transit expansion, reduces long-term housing opportunities, and undermines the state's investments. SB 1361 addresses this issue by preserving housing requirements around existing transit, creating a workable framework for planned transit, and ensuring California can continue delivering affordable housing and transit together."
- 2) *State and regional guidance.* Independent of the SB 79 Advisory noted above in the Background section, HCD must issue guidance by July 1, 2026, on how SB 79 capacity is to be counted in local sites inventories for future housing element cycles. Additionally, MPOs are required to publish TOD tier maps with a rebuttable presumption of validity, however there is no requirement for MPOs to publish their maps on any statutory timeline. For the 6th housing element cycle up to one year prior to the adoption of the 7th housing element revision, local governments may exempt additional parcels from the provisions of this bill under specified conditions via an ordinance update.
- 3) *Alternatives to SB 79 application.* SB 79 creates two implementation alternatives for local governments to use to comply with the provisions of the bill:

- a) *SB 79 ordinances.* The SB 79 development standards identified in Comment 2 do not apply to a local government that enacts a local TOD ordinance to make their zoning consistent with SB 79 development standards, provided HCD has reviewed and determined the ordinance substantially complies with the SB 79 development standards by July 1, 2026. In other words, a local TOD ordinance would replace the SB 79 development standards. Specifically, HCD must review an enacted ordinance and make a finding as to whether the ordinance is in substantial compliance with SB 79 development standards and report back to the local government within 90 days – or 120 days if HCD needs an additional 30 days to review. If HCD fails to meet these timelines, the ordinance shall be deemed compliant with SB 79. However, if the ordinance is deemed not to be compliant, the local government shall be given up to 60 days to respond.
- b) *Local TOD Alternative Plan (Local Plan).* The SB 79 development standards may also be waived or altered in jurisdictions that choose to implement SB 79 differently by electing to adopt a Local Plan. A Local Plan can be adopted by ordinance, housing element adoption, housing element program implementation, a specific plan, or a zoning overlay. A Local Plan may alter the general development standards prescribed by SB 79, but must maintain at least the same net zoned capacity (measured in both units and residential floor area) as SB 79 provides, and may not reduce maximum density on any site or total capacity in any TOD zone by more than 50%, unless the sites are within a very high fire hazard severity zone, vulnerable to sea level rise, or contain a historic resource on a local register.

Local Plans can apply to any site in the jurisdiction, including those sites owned by other local agencies, and may be implemented by existing local TOD zoning ordinances, overlay zones, specific plans or zoning incentive ordinances, provided they meet the other requirements of the Local Plan. In other words, a local government adopting a Local Plan can collaborate with other local agencies.

- 4) *SB 79 exemptions.* SB 79 does not apply, prior to one year following the adoption of the 7th housing element, to the following sites if the local government has adopted an SB 79 ordinance: (a) a site identified by the local government that permits density and FAR at no less than 50% of the SB 79 standards; (b) a site in a TOD zone in which 33% of the sites have already permitted density and FAR at no less than 50% of the SB 79 development standards and includes sites with densities that cumulatively allow for at least 75% of the aggregate density for the TOD zone allowed using SB 79 development standards; (c) a site within a very high fire hazard severity zone

or within the state responsibility area, sites that are vulnerable to one foot sea level rise, or sites on a specified historic register; or (d) sites identified in a Local Plan.

5) *SB 79 application to future planned stops.* In addition to transit stops currently serving people, SB 79 applies to specified future planned stops. Specifically, SB 79 development standards apply to a planned stop identified in a regional transportation plan, so long as the planned route is included in the RTP as of January 1, 2026. The HCD SB 79 advisory clarified that SB 79 may apply to a future planned TOD stop that is any of the following:

- An existing or planned transit station or stop identified in a region's federally or state-mandated transportation improvement program (TIP) that is served by any of the following: light rail or heavy rail, high-frequency or very high-frequency commuter rail, or eligible bus service. Planned TOD stops in a region's TIP may be limited to include only those with any amount of committed construction funding.
- Selected preferred alternative route stops from an adopted CEQA/NEPA document, an adopted locally preferred alternative (LPA), or other local implementing document as determined by the MPO, regardless of their status in a federally or state mandated TIP.

6) *Special treatment.* In effect, this bill would exempt SB 79 from applying to future planned stops operated by the Los Angeles County Metropolitan Transportation Authority (LA Metro), the sponsor of this bill. LA Metro notes that in 2021, the Board of Directors adopted a goal of delivering 10,000 housing units on its property by 2031, half of which are required to be deed-restricted. Since then, LA Metro has completed 18 projects with nearly 2,600 units, of which 45% is affordable. LA Metro asserts they have 7,500 units in various stages of planning and construction, and over 80 acres of land in the development pipeline.

According to LA Metro, they currently have four additional rail projects under construction, three of which are scheduled to open by 2028, and three bus rapid transit (BRT) projects in final design, also scheduled to open by 2028. The application of SB 79, however, is drawing opposition to transit capital projects themselves. "Local jurisdictions and stakeholder groups that otherwise support transit are expressing resistance to rail and bus rapid transit projects, out of concern that SB 79 removes local discretion over land use planning."

LA Metro notes that 89% of their customers are very low-income, 85% of whom are transit dependent, with 80% of the total LA Metro ridership using

bus lines. Constituent concerns over SB 79 application could impact the four projects under construction, which would disproportionately impact lower-income ridership.

SB 79 however already grants local agencies the ability to exempt certain sites through the adoption of a local alternative plan, provided the local agency maintains at least the same net zoned capacity (measured in both units and residential floor area) as SB 79 provides. The intent of the local alternative plans are to take into account local programs and efforts to create housing, but also ensure that additional units are still authorized in a manner consistent with SB 79.

Los Angeles (LA) has been considering the SB 79 requirements, including how to utilize the exemptions afforded in the bill. According to CalMatters², consistent with the exemptions noted in Comment 4, LA is seeking to identify sites at risk of wildfire and sea-level rise or sites listed on a historic preservation registry. The CalMatters article also highlighted that the city council in the City of Los Angeles recently took action to upzone to allow “modest multiplex buildings as tall as three or four stories in dozens of higher-income neighborhoods currently restricted to single-family homes.” By upzoning now, the city can argue that SB 79 standards do not apply until the 7th housing element cycle.

Given the efforts that LA Metro and the City have already undertaken to upzone around their stations and that it is actively working to develop more housing units, it’s not clear why LA Metro cannot work with the county and individual cities to adopt a local alternative plan or identify exempted sites permitted by SB 79. Adopting a Local Plan would serve the dual purpose of meeting the intent of SB 79 while also addressing the sponsors issue.

The committee may therefore wish to clarify that a local government may collaborate with a local transit agency or other local agencies in preparing the local alternative plan.

- 7) *6 month gap.* SB 79 takes effect on July 1, 2026, however the changes in this bill will not take effect until January 1, 2027. This means that for 6 months, SB 79 could apply to specified future planned stops in LA but would not affect project applications submitted on or after January 1, 2027. *The committee may wish to consider the need for the bill if SB 79 will apply for 6 months to the sites intended to be excluded by this bill.*

² Ben Christopher. *Cities scramble to comply with or fight major state housing law.* CalMatters, April 15, 2026. Accessible here: <https://calmatters.org/housing/2026/04/sb-79-implementation/>

- 8) *Opposition.* Writing as a coalition, the opposition is opposed because it creates an exemption to a newly enacted housing policy. They write that this will allow jurisdictions to opt out of state housing policy and encourage others to do so, too. SB 79 was intended to provide certainty about housing production and ensure minimum standards for housing projects near transit, and exemptions could lead to fewer homes.
- 9) *Double-referral.* This bill was also referred to the Local Government Committee.

Related/Prior Legislation

SB 79 (Wiener, Chapter 512, Statutes of 2025) — required a housing development project within a specified radius of existing or currently proposed transit-oriented development stop, as defined, be an allowable use on a site zoned for residential, mixed, or commercial development, if the housing development meets certain requirements. This bill also allowed a transit agency to adopt TOD zoning standards for district-owned land located in a TOD zone.

FISCAL EFFECT: Appropriation: No Fiscal Com.: No Local: No

POSITIONS: (Communicated to the committee before noon on Wednesday, April 15th, 2026.)

SUPPORT:

LA Metro (sponsor)

OPPOSITION:

Abundant Housing Los Angeles
Bay Area Council
California Yimby
Greenbelt Alliance
Inner City Law Center
Spur
Streets for All