Office of Senate Floor Analyses
(916) 651-4171

UNFINISHED BUSINESS

Bill No: SB 1361
Author: Durazo (D), et al.
Amended: 8/18/26
Vote: 21

SENATE HOUSING COMMITTEE: 9-1, 4/21/26
AYES: Arreguín, Cabaldon, Caballero, Cortese, Durazo, Gonzalez, Grayson, Ochoa Bogh, Padilla
NOES: Seyarto

SENATE LOCAL GOVERNMENT COMMITTEE: 5-2, 4/29/26
AYES: Durazo, Arreguín, Ashby, Cervantes, Laird
NOES: Choi, Seyarto

SENATE FLOOR: 31-8, 5/19/26
AYES: Allen, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Cortese, Durazo, Gonzalez, Grayson, Hurtado, Laird, Limón, McGuire, McNerney, Menjivar, Ochoa Bogh, Padilla, Pérez, Reyes, Richardson, Rubio, Smallwood-Cuevas, Stern, Umberg, Wahab, Weber Pierson, Wiener
NOES: Alvarado-Gil, Choi, Dahle, Grove, Jones, Seyarto, Strickland, Valladares
NO VOTE RECORDED: Niello

ASSEMBLY FLOOR: 45-12, 8/27/26 - See last page for vote

SUBJECT: Transit-oriented housing developments: local governments: transit agencies and projects

SOURCE: Los Angeles County Metropolitan Transportation Authority

DIGEST: This bill prohibits a local government with an existing or planned transit-oriented development (TOD) stop from taking actions to interfere with a transit project's approval to avoid the application of SB 79 (Wiener, Chapter 512, Statutes of 2025) development standards.

Assembly Amendments make clarifying changes and recast the bill to incorporate changes from the passage of SB 722 (Wahab, Chapter 100, Statutes of 2026).

ANALYSIS:

Existing law:

1) Establishes the following definitions pursuant to SB 79 (Wiener, Chapter 512, Statutes of 2025):

   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.

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 (SB 79 Development Standards):
   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	• **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	• **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	¼ mile from stop	• **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

light rail transit, high-frequency commuter rail, or bus rapid transit in an urban transit county	¼ - ½ mile from stop in a city with a population at least 35,000	• **Max Height**: 55 ft • **Max Density**: 30 - 80 u/a plus any density bonus • **FAR**: 2.5 • **Specified Concessions**

1) Provides that for projects with more than 10 units, the project shall include specified amounts of affordable housing units.

2) 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.

3) 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.

4) Requires Metropolitan Planning Organizations (MPOs) to create a map of TOD stops and zones established by SB 79.

5) 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 meets specified requirements, including but not limited to, providing at least the same total zoned capacity in terms of both units and FAR.

6) Exempts, prior to one year following the adoption of the 7th housing element, the specified sites from SB 79 if the local government has adopted an SB 79 ordinance, as specified.

7) 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.

8) Delays implementation of SB 79 development standards until July 1, 2026, unless a local government adopts an ordinance or local TOD alternative plan deemed complaint by HCD before July 1, 2026. Delays implementation to unincorporated areas of a county until the 7th regional housing needs allocation cycle.

This bill:

1) Prohibits a local government with an existing or planned TOD stop from doing any of the following with respect to SB 79:
   a) Requesting the transit agency to reduce service provided to the TOD stop, removing a TOD stop, or removing a dedicated transit lane so that SB 79 requirements do not apply;
   b) Conditioning or withholding approval or review of a transit project that includes a TOD stop on the impacts of the additional height or density available to a TOD housing project required by SB 79; or
   c) Withholding or withdrawing support of an application for federal funding of a transit project that includes a TOD stop on the basis of the additional height or density required by SB 79.

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 Advisory[1]. 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 details to which types of transit SB 79 development standards apply.

Comments

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

[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**

implementing document as determined by the MPO, regardless of their status in a federally or state mandated TIP.

Protecting future transit projects. Across the state, local governments are preparing for the application of SB 79 to sites around current and future planned transit stops. Some local governments are facing significant public pressure not to support future planned stops and bus routes because those stops could trigger the application of SB 79 and increased housing density requirements. In LA, some cities are taking steps or threatening actions related to transit routes they previously supported. One city has threatened to require additional environmental review for a BRT project due to possible impacts of SB 79; the threat alone could add to delays and added costs to the project. Some cities are threatening to reduce service times along planned routes to avoid SB 79 application altogether, reducing fewer or less frequent transit options, or even the whole route. Another city is planning to pull their support from federal funding applications, which could put those funds at-risk for a project impacting 7 other cities.

This dynamic unfortunately puts transit agencies in a tough position. Transit stops are viewed as the reason for the increased density. Transit agencies, however, do not have land use authority over city and county owned lands, nor can they compel a city to continue supporting a transit line. LA Metro also 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.

This bill seeks to prevent a city or county from using SB 79 as an excuse to add barriers or prevent current or future transit stops from being constructed. Specifically, it would provide that a local government cannot request a transit operator to reduce service on a transit route, condition the approval or review of a transit stop, or withhold support for an application for federal funding on the basis of SB 79 applying to that stop. This approach is consistent with provisions included in other land use bills to prevent cities from imposing subjective standards or taking actions to specifically target housing projects that are facilitated by state law. In this case, the bill would preclude additional conditions on transit projects. It would also apply statewide to assist similar threats that could occur in other regions.

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

SUPPORT: (Verified 8/30/26)

Los Angeles County Metropolitan Transportation Authority (Source)
Abundant Housing LA
California YIMBY
City of Artesia
City of Glendale
City of Monterey Park
City of Paramount
City of Pasadena
Eastside Housing for All
Faith and Housing Coalition
Fastlinkdtla
Greenbelt Alliance
Inner City Law Center
LA Metro
Los Angeles / Orange Counties Building and Construction Trades Council
Los Angeles County Business Federation
San Fernando Valley for All
Streets For All
SPUR

OPPOSITION: (Verified 8/30/26)

Beachwood Drive Neighborhood Association
California Contract Cities Association
City of Artesia
City of Beverly Hills
City of Burbank
City of Glendora
City of LA Mirada
City of Lakewood CA
City of Murrieta
City of Norwalk
City of Pico Rivera
City of Rancho Palos Verdes
City of Rolling Hills Estates
City of Rosemead
City of Signal Hill
Downtown Los Angeles for All
Faith and Housing Coalition

Greater Toluca Lake Neighborhood Council
Housing Leadership Council
Los Angeles New Liberals
Neighbors for a Better San Diego
R-land
Residents for Localized Affordable Neighborhood Development
Safe Communities in Local Fire Zones
San Francisco Bay Area Planning & Urban Research Association
Santa Monica Forward
Student Homes Coalition
Vision Burbank
Wake Up California

ARGUMENTS IN SUPPORT: According to the author, "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."

ARGUMENTS IN OPPOSITION: Some local governments are opposed to this bill because it will limit them from taking certain actions related to transit service, transit project approvals, and funding decisions where SB 79 may apply. Some also assert the bill could limit the ability for locals to coordinate with transit agencies. Writing on a prior version of the bill, several community housing groups are opposed because the bill would create new pathways for jurisdictions to opt out of the standards required by SB 79.

Assembly Floor 45 12 22 SB 1361 Durazo Senate Third Reading By ELHAWARY Ayes: Aguiar-Curry, Ahrens, Alvarez, Arambula, Ávila Farías, Bains, Bennett, Bonta, Bryan, Calderon, Caloza, Carrillo, Connolly, Elhawary, Fong, Gabriel, Garcia, Gipson, Mark González, Haney, Harabedian, Hart, Jackson, Kalra, Krell, Lee, Lowenthal, Nguyen, Ortega, Patel, Patterson, Quirk-Silva, Ramos, Ransom, Celeste Rodriguez, Rogers, Schultz, Sharp-Collins, Soria, Stefani, Valencia, Ward, Wicks, Wilson, Rivas Noes: Boerner, Castillo, Davies, DeMaio, Dixon, Ellis, Flora, Johnson, Macedo, Sanchez, Wallis, Zbur No Vote Recorded: Addis, Alanis, Bauer-Kahan, Berman, Chen, Jeff Gonzalez, Hadwick, Hoover, Irwin, Lackey, McKinnor, Muratsuchi, Pacheco, Papan, Pellerin, Petrie-Norris, Michelle Rodriguez, Blanca Rubio, Schiavo, Solache, Ta, Tangipa

Prepared by: Alison Hughes / HOUSING / (916) 651-4124
11/12/26 11:48:10

****** END ******