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**SENATE COMMITTEE ON HOUSING**  
**Senator Aisha Wahab, Chair**  
**2025 - 2026 Regular**

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<b>Bill No:</b>	SB 677	<b>Hearing Date:</b>	1/6/2026
<b>Author:</b>	Wiener		
<b>Version:</b>	1/5/2026	Amended	
<b>Urgency:</b>	No	<b>Fiscal:</b>	Yes
<b>Consultant:</b>	Alison Hughes		

**SUBJECT:** Housing development: transit-oriented development.

**DIGEST:** This bill makes changes to SB 79 (Wiener, Chapter 512, Statutes of 2025), specifically by making changes to the definitions of “urban transit county” and certain types of transit stops, as well as adding additional definitions.

**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) “Bus service” means “bus rapid transit” or public mass transit service provided by a public agency or by a public-private partnership that includes all of the following features: i) Full-time dedicated bus lanes or operation in a separate right-of-way dedicated for public transportation with a frequency of service interval of 15 minutes or less during the morning and afternoon peak commute periods; ii) Transit signal priority; iii) All-door boarding; iv) Fare collection system that promotes efficiency; and v) Defined stations.
- c) “Heavy rail transit” means a public electric railway line with the capacity for a heavy volume of traffic using high-speed and rapid acceleration passenger

rail cars operating singly or in multicar trains on fixed rails, separately rights-of-way from which all other vehicular and foot traffic are excluded, and high platform loading. “Heavy rail transit” does not include high speed rail.

- d) “High-frequency commuter rail” means a commuter rail service operating a total of at least 48 trains per day across both directions, not including temporary service changes of less than one month or unplanned disruptions, and not meeting the standard for very high frequency commuter rail, at any point in the past three years.
- e) “Housing development project” means a project consisting of residential units; mixed use developments, as specified; transitional housing or supportive housing; and farmworker housing. A project that includes any portion designated for hotel, motel, bed and breakfast inn, or other transient lodging, as specified, is not a housing development project.
- f) “Light rail transit” includes streetcar, trolley, and tramway service. “Light rail transit” does not include airport people movers.
- g) “Rail transit” means a rail mass transportation operation usually within an urban area, generally characterized by more frequent service over shorter distances than normally provided by commuter rail service or intercity rail service, and operating on a rail line without any or with very limited rail freight service.
- h) “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.
- i) “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.
- j) “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.
- k) “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.

- 1) “Very high frequency commuter rail” means a commuter rail service with a total of at least 72 trains per day across both directions, not including temporary service changes of less than one month or unplanned disruptions, at any point in the past three years.
- m) “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:
    - a) A minimum density of at least 30 dwelling units per acre; or
    - b) The minimum density required under the local zoning, if applicable.

<b>TOD Stop Type</b>	<b>Dist. from Stop (TOD Zone)</b>	<b>Development Standards for Project</b>
<b>Tier 1:</b> Major transit stop, heavy rail transit, or very high frequency	$\frac{1}{4}$ mile from stop	<ul style="list-style-type: none"> <li>• <b>Max Height:</b> 75 ft or 95 ft if adjacent to stop</li> <li>• <b>Max Density:</b> 30 - 120 units per acre (u/a) plus any density bonus or 160 u/a if adjacent to stop</li> <li>• <b>FAR:</b> 3.5 or 4.5 if adjacent to stop</li> <li>• <b>Specified Concessions</b></li> </ul>

commuter rail in urban transit county	$\frac{1}{4}$ - $\frac{1}{2}$ mile from stop in city with population at least 35,000	<ul style="list-style-type: none"> <li>• <b>Max Height:</b> 65 ft</li> <li>• <b>Max Density:</b> 30 - 100 u/a plus any density bonus</li> <li>• <b>FAR:</b> 3</li> <li>• <b>Specified Concessions</b></li> </ul>
<b>Tier 2:</b> Not Tier 1 major transit stops served by light rail transit, high-frequency commuter rail, or bus rapid transit in an urban transit county	$\frac{1}{4}$ mile from stop	<ul style="list-style-type: none"> <li>• <b>Max Height:</b> 65 ft or 85 ft if adjacent to stop</li> <li>• <b>Max Density:</b> 30 - 100 u/a plus any density bonus or 140 u/a if adjacent to stop</li> <li>• <b>FAR:</b> 3 or 4 if adjacent to stop</li> </ul>
	$\frac{1}{4}$ - $\frac{1}{2}$ mile from stop in a city with a population at least 35,000	<ul style="list-style-type: none"> <li>• <b>Max Height:</b> 55 ft</li> <li>• <b>Max Density:</b> 30 - 80 u/a plus any density bonus</li> <li>• <b>FAR:</b> 2.5</li> <li>• <b>Specified Concessions</b></li> </ul>

- 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:
    - a) At least 7% are dedicated to extremely low-income (ELI) households.
    - b) At least 10% of the total units are dedicated to very low-income (VLI) households.
    - c) 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.
- 6) Provides that projects that demolish units shall comply with specified provisions of the Housing Crisis Act (HCA), including specified relocation assistance and replacement unit requirements for protected units, as defined. A development shall also comply with any applicable local demolition and anti-displacement standards established through a local ordinance.

#### *TOD Development Ordinances*

- 7) 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.
- 8) 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.
- 9) 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.
- 10) Requires Metropolitan Planning Organizations (MPOs) to create a map of TOD stops and zones established by SB 79.

*Local TOD Alternative Plans*

- 11) 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:
  - a) The plan shall provide at least the same total zoned capacity in terms of both total units and FAR, as specified.
  - b) 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 (12)(a) do not cumulatively exceed 10% of the eligible area of any TOD zone.
    - iv. Sites within  $\frac{1}{2}$  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.
  - c) The plan shall not reduce the capacity in any TOD zone in total units or FAR by more than 50%.
  - d) The site’s maximum capacity counted toward the plan shall not exceed 200% of the maximum density established by SB 79.
- 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:
    - a) The parcels are adjacent to a TOD stop for which the agency operates service or form a contiguous area adjacent to a TOD stop.
    - b) 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 7<sup>th</sup> regional housing needs allocation cycle.

**This bill makes the following changes to SB 79 (Wiener, Chapter 512, Statutes of 2025):**

- 1) Adds the following definitions:
  - a) “High-frequency ferry service” means a year-round public transit ferry service operating 15 departures on average per weekday, not including temporary service changes of less than one month or unplanned disruptions, at any point in the past three years.”
  - b) “Rail transit station” means any passenger rail station, except for passenger rail station served exclusively by a long-distance route (defined as “routes of more than 750 miles between endpoints operated by Amtrak as of the date of enactment of the Passenger Rail Investment and Improvement Act of 2008”).
- 2) Refines the following definitions:
  - a) “Major transit stop” as having the meaning defined in Section 21064.3 of the Public Resources Code<sup>1</sup>, including stops on a route for which a preferred alternative has been selected or are identified in an applicable federally or state-mandated transportation improvement program.
  - b) “High frequency commuter rail” means a public commuter or intercity rail station with a total of at least 48 passenger trains on average per weekday across all directions, not including temporary service changes of less than one month or unplanned disruptions, and not meeting the standard for high frequency commuter rail, at any point in the last three years.
  - c) A “Tier 2 TOD stop” within an urban transit county shall also include stops served by high-frequency ferry service.

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<sup>1</sup> PRC 21064.3 defines “major transit stop” as a site containing any of the following:

(a) An existing rail or bus rapid transit station.  
(b) A ferry terminal served by either a bus or rail transit service.  
(c) The intersection of two or more major bus routes with a frequency of service interval of 20 minutes or less during the morning and afternoon peak commute periods.

- d) “TOD Stop” means a major transit stop that is served by heavy rail transit, very high frequency commuter rail, high frequency commuter rail, high frequency ferry service, light rail transit, or bus service within an urban transit county meeting specified standards PRC Code 21060.2. It shall not include any newly planned transit route or extension that was not identified in the applicable transportation plan on or before January 1, 2026 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 TOD stop.
- e) “Urban transit county” means a county with more than 15 rail transit stations.
- f) “Very high frequency commuter rail” means a public commuter or intercity rail station with a total of at least 72 passenger trains on average per weekday across all directions, not including temporary service changes of less than one month or unplanned disruptions, at any point in the past three years.

- 3) Removes the definition of “rail transit.”
- 4) Exempts existing parcels or sites from SB 79 (Wiener, Chapter 512, Statutes of 2025) if those parcels or sites are subject to the Mobilehome Residency Law, Mobilehome Parks Act, the Recreational Vehicle Park Occupancy Law, and the Special Occupancy Parks Act.
- 5) Provides that a transit agency may, among other things, establish floor area ratio requirements (as opposed to *residential* FAR standards) in their zoning standards for district-owned property located in a TOD zone. Additionally, the bill changes other references from “residential floor area ratio” to “floor area ratio” with regards to zoning standards established by a transit agency in a TOD zone.

## Background

*California’s housing crisis.* California has the largest concentration of severely unaffordable housing markets in the nation, with the average home value in California at \$773,363. To keep up with demand, HCD estimates that California must plan for the development of more than 2.5 million homes over the next eight years, and no less than one million of those homes must meet the needs of lower-income households (more than 640,000 VLI and 385,000 low-income units are

needed). For decades, not enough housing was constructed to meet need, resulting in a severe undersupply of housing.

As a result of the severe housing shortage, millions of Californians, who are disproportionately lower-income and people of color, must make hard decisions about paying for housing at the expense of food, health care, child care, and transportation—one in three households in the state don't earn enough money to meet their basic needs.

The state has taken several actions to spur housing development in the last few years, including, but not limited to:

- a) Increasing the amount of land on which housing can be built within existing cities both by overriding local ordinances that prevent development and by requiring local governments to increase development capacity via the Regional Housing Needs Allocation (RHNA) process.
- b) Expediting and simplifying the local housing approval process at the pre-entitlement, entitlement, and post-entitlement phases, including creating multiple pathways for by-right approvals for deed-restricted affordable housing and mixed-income housing.
- c) Substantially increasing the funding for development of affordable housing and simplifying the process for applying for funding.
- d) Creating and funding enforcement capacity of state housing laws at HCD.

*Housing near transit and existing programs.* As part of California's overall strategy to combat climate change, the Legislature began the process of encouraging more TOD with the passage of SB 375 (Steinberg, Chapter 728, Statutes of 2008). SB 375 is aimed at reducing the amount that people drive and associated GHGs by requiring the coordination of transportation, housing, and land use planning. The Affordable Housing and Sustainable Communities (AHSC) Program, administered by the Strategic Growth Council, furthers the purposes of AB 32 (Nunez, Chapter 488, Statutes 2006) and SB 375 (Steinberg, Chapter 728, Statutes, 2008) by investing in projects that reduce GHG emissions by supporting more compact, infill development patterns, encouraging active transportation and transit usage, and protecting agricultural land from sprawl development. Funding for AHSC is provided from the Greenhouse Gas Reduction Fund (GGRF), an account established to receive Cap and Trade auction proceeds. Some of the GGRF funds are allocated to AHSC, which provides grants and/or loans to projects that achieve GHG reductions and benefit disadvantaged communities, low-income communities, and low-income households through increasing accessibility of affordable housing connected to high quality transit. High quality transit includes bus rapid transit with a headway frequency of every 15 minutes or less and service seven days a week.

## Comments

- 1) *Author's statement.* "SB 677 makes targeted technical clarifications and modest ferry-related modifications to the scope of SB 79. SB 79 enhances transit-oriented development to support public transit systems and address our acute housing shortage. These clarifications will provide additional clarity for local and regional governments, transit agencies, and the public as SB 79 is implemented – fostering transit-oriented development across high-quality transit."
- 2) *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"<sup>2</sup> 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 7<sup>th</sup> 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 provide include specified levels of affordable housing, comply with anti-displacement provisions of the HCA, 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 more than two units in the development would require the demolition of housing 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 2 units of housing that was demolished within the last seven years and those units were subject to price or rent control.

- 3) *State and regional guidance.* 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

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<sup>2</sup> According to the author, this is indented to include the counties of: Sacramento, Alameda, San Francisco, San Mateo, Santa Clara, Los Angeles, Orange, and San Diego.

MPOs to publish their maps on any statutory timeline. For the 6<sup>th</sup> housing element cycle up to one year prior to the adoption of the 7<sup>th</sup> housing element revision, local governments may exempt additional parcels from the provisions of this bill under specified conditions via an ordinance update.

- 4) *Local TOD Ordinance.* 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.

In order for local governments to prepare and adopt a local TOD ordinance, the locality must first know where SB 79 development standards apply; locals will rely on the TOD maps that MPOs are required to publish. Should a local government seek to enact an ordinance that takes effect prior to SB 79's effective date, the jurisdiction will need to adopt the ordinance and submit it to HCD for review by April 1<sup>st</sup> (assuming HCD only requires 90 days to review the ordinance and deems the ordinance compliant without any changes). If HCD requires additional time to review the ordinances, a local government will need to submit their ordinance to HCD for review by March 1<sup>st</sup> to accommodate the additional time.

Adopting a compliant ordinance will require jurisdictions to have access to published MPO maps, which do not currently exist. MPOs can still publish maps in time to guide local government decisions about how to implement SB 79, but those maps would need to be published in the timelines noted above.

- 5) *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.

The statute is not clear about HCD's role in reviewing various types of Local Plans or what the timeline for review should be. The statute states that if a local government does not include a Local Plan in their Housing Element, the local government can adopt a Local Plan that has been deemed compliant by HCD. However, SB 79 only specifies timelines for review and determination for Local TOD *ordinances*. Local governments and interested stakeholders would benefit from more clarity about the timelines by which HCD must review and make determinations about Local Plans.

- 6) *Timing of the maps and implementation challenges.* As noted in Comments 3-5, the statute only requires HCD to provide specified guidance about site capacity for SB 79 projects by July 1, 2026. MPOs must also publish maps where SB 79 applies, but SB 79 does not require MPOs to adopt the maps on any specified timeline. Some MPOs are working to publish their maps as quickly as possible (for example, Sacramento Area Council of Governments (SACOG) informed the committee that they are working expeditiously to get SB 79 maps published by February or March 2026). Their goal is to provide clarity to the jurisdictions in their region about where SB 79 applies and allow them time to prepare a Local TOD Ordinance or a Local Plan to replace the SB 79 state standards. Other MPOs, however, have communicated to the author and committee that they do not feel the statute is clear enough for them to risk publishing maps that could be litigated.

Both MPOs and local governments are also eager to see what guidance is offered by HCD to help provide clarity around implementation, specifically as to where SB 79 applies. The statute, however, appears to substantially limit the kind of guidance HCD is required to provide, so it's not clear that HCD guidance will provide the clarity MPOs or local governments are seeking to know where SB 79 applies.

Some cities and counties may wish to adopt their own ordinances and local alternative plans but will want to do so based on published MPO maps and HCD guidance. In the meantime, some cities have chosen to create their own maps based on their interpretation of SB 79. If the MPO maps differ, these cities may need to update their maps or revise their ordinances or Local Plans.

- 7) *Transit Agency Land Use Authority.* Under SB 79 (Wiener, Chapter 512, Statutes of 2025), transit agencies may adopt objective agency TOD zoning standards for property owned as of January 1, 2026, or for contiguous sites

where at least 75% of the area lies within ½ mile of a TOD stop that the transit agency serves. Transit agency property acquired through eminent domain after July 1, 2025, is not eligible. These standards must allow residential use, meet or exceed SB 79's baseline height, density, and residential FAR, and may not exceed 200% of the bill's maximum density. Agency TOD projects must be at least 50% residential, include at least 20% deed-restricted lower-income units (55 years for rental, 45 years for ownership), and maintain an average unit size of 1,750 square feet or less. Projects must also qualify as infill for purposes of existing CEQA exemptions. If the local jurisdiction does not adopt conforming zoning within two years of the agency's TOD zoning standard adoption, the transit agency's standards apply. Local governments may apply additional objective standards only if the standards are consistent with the transit agency's minimums and are not required to approve height beyond SB 79's adjacency baseline.

- 8) *SB 79 and ferry terminals.* According to the author, San Francisco Bay Ferry requested four current and two future Bay Area ferry terminals be added as Tier 2 TOD stops. One of the changes in this bill seeks to define those terminals and add the following terminals to the Tier 2 TOD stop definition:

- Alameda Sea Plane
- Oakland Jack London
- San Francisco Ferry Building
- San Francisco Mission Bay (future terminal)
- Berkeley (future terminal)

- 9) *Let's be clear.* Since the passage of SB 79 in October, implementing agencies (including but not limited to, local governments, transit agencies, and MPOs) have been working to determine its' application and take necessary steps to implement the law. Based on feedback received by the Committee as to the application of SB 79:

- Some of the definitions in SB 79 refer to terms that are not defined or readily knowable by implementing agencies. For example, neither "passenger rail station" nor "pedestrian access points" are defined in the bill. It is not clear which "pedestrian access point" applies when there are multiple pedestrian access points at one stop, or where the "pedestrian access point" is intended to be located. "Passenger rail station" is used to define which counties are subject to SB 79. "Pedestrian access point" is relevant to whether an SB 79 housing project is entitled to additional benefits (e.g., adjacency intensifier).
- The definition of "urban transit county" is intended by the author to include specified counties -- Sacramento, Alameda, San Francisco, San Mateo, Santa

Clara, Los Angeles, Orange, and San Diego -- however implementing agencies have different views of whether that list currently includes or excludes certain counties. Based on feedback received by the Committee and a review of the terms in the statute, SB 79 could apply to as few as four counties, or as many as eight.

- Other terms and definitions are causing confusion among implementing agencies. For example, SB 79 created a novel definition for “light rail” which is “streetcar, trolley, and tramway service” but does not include “airport people movers.” The author and sponsors intend for services like “SacRT” to be an example of “light rail.” Implementing agencies, however, have informed the Committee that SacRT does not meet the requirements of this new definition, nor do other types of services commonly understood to be “light rail” in other areas of the state.
- Some definitions require further refinement to identify which types of passenger rail services qualify, and whether stations should be measuring all services across the station (as opposed to individual service types).
- Some definitions include specifications that are subject to change or do not have fixed points in time. For example, some train services can be altered from one month to the next depending on changing need. Should SB 79 apply if an application is submitted when service levels meet the SB 79 development standards definition, but then are subsequently lowered below SB 79 service levels? Who makes that determination and how do they know the services have changed? Another example is the term “planned alternative route,” which could be determined at several points in time. Should a “planned alternative route” be identified when the local agency proposes it or when the local governing body takes action to approve it, or some other point?

Several of the amendments proposed in this bill are intended to provide further clarity and answer some of these questions, however, it is not clear whether they do or not.

Implementing agencies have conveyed concern to the author, sponsors, and the Committee over the lack of clarity where SB 79 may apply. Some NIMBY cities or NIMBY residents may seek to find ambiguity so as to flout the law; regardless, local governments that receive SB 79 applications starting on July 1, 2026 will need to be confident of the statutory requirements to either accept or deny the project, as required by law. Pro-housing organizations, including the bill sponsors, will need to have certainty that the implementing agencies are following the law or not. Without this clarity, there is a high likelihood SB 79 will be caught up in legal disputes, which could prevent critical dense housing units from being constructed near transit.

10) *Long range plans.* Regional Transportation Plans (RTPs) are prepared by regional agencies to identify a 20-year vision for transportation priorities and investments. RTPs are developed by the MPOs and Regional Transportation Planning Agencies (RTPAs) every four or five years in cooperation with FHWA, FTA, Caltrans, and other stakeholders, including system users. The purpose of the RTP is to establish regional goals, identify present and future needs, deficiencies, and constraints, analyze potential solutions, estimate available funding, and propose investments.

SB 79 development standards currently apply to a planned stops identified in a regional transportation plan, so long as the planned route is included in the RTP as of January 1, 2026. The author is proposing changes to the definition of “TOD stop” which are “meant to apply [SB 79 development standards] to other types of transportation improvement programs, not just the minor transportation improvement program.” Despite these proposed changes, it is not clear where SB 79 would apply.

11) *More changes after SB 79 takes effect.* SB 79 takes effect on July 1, 2026, however the changes in this bill will not take effect until January 1, 2027. Due to work that local governments, HCD, and MPOs are doing to implement SB 79, could making these changes cause more confusion and require more work and added costs for implementing agencies if they have to make subsequent changes to guidance or local plans? In a letter of concern about the timing and implementation of SB 79 and the changes in this bill, CalCOG notes that “MPOs may be placed in the untenable position of producing maps in mid-2026 based on one set of assumptions, only to have those assumptions changed a few months later by SB 677. In that scenario, regions could be forced to revise or reissue maps shortly after their initial release—undermining certainty for local governments, developers, and the public, while also increasing administrative burden and litigation exposure for MPOs.”

12) *Gutted.* This bill was gut-and-amended on January 5<sup>th</sup> from a bill related to streamlined approvals for specified housing projects (*i.e.*, duplexes, fourplexes and mixed-income infill projects). Due to the timing of the publication of the changes in this bill, several organizations that provided technical feedback to the Committee and author were unable to provide formal feedback on the record to meet committee deadlines.

13) *Double-referral.* This bill was also referred to the Local Government Committee.

### **Related/Prior Legislation**

**SB 722 (Wahab, 2026)** – exempts existing parcels or sites from SB 79 (Wiener, Chapter 512, Statutes of 2025) if those parcels or sites are subject to the Mobilehome Residency Law, Mobilehome Parks Act, the Recreational Vehicle Park Occupancy Law, and the Special Occupancy Parks Act.

**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.: Yes    Local: Yes

**POSITIONS:** (Communicated to the committee before noon on Tuesday, December 30<sup>th</sup>.)

### **SUPPORT:**

Abundant Housing Los Angeles (Co-Sponsor)  
Bay Area Council (Co-Sponsor)  
California Yimby (Co-Sponsor)  
Greenbelt Alliance (Co-Sponsor)  
Inner City Law Center (Co-Sponsor)  
Spur (Co-Sponsor)  
Streets for All (Co-Sponsor)  
Housing Action Coalition  
San Francisco Bay Ferry  
Yimby Action

### **OPPOSITION:**

None received.