
THIRD READING

Bill No: SB 677

Author: Wiener (D)

Amended: 1/8/26

Vote: 21

SENATE HOUSING COMMITTEE: 4-3, 4/22/25

AYES: Arreguín, Cabaldon, Gonzalez, Padilla

NOES: Wahab, Seyarto, Ochoa Bogh

NO VOTE RECORDED: Caballero, Cortese, Durazo, Grayson

SENATE HOUSING COMMITTEE: 10-1, 1/6/26

AYES: Wahab, Arreguín, Cabaldon, Caballero, Cortese, Durazo, Grayson, Ochoa Bogh, Padilla, Reyes

NOES: Seyarto

SENATE LOCAL GOVERNMENT COMMITTEE: 5-2, 1/14/26

AYES: Durazo, Arreguín, Cabaldon, Laird, Wiener

NOES: Choi, Seyarto

SENATE APPROPRIATIONS COMMITTEE: Senate Rule 28.8

SUBJECT: Housing development: transit-oriented development

SOURCE: Abundant Housing Los Angeles (Co-source)
Bay Area Council (Co-source)
California Yimby (Co-source)
Greenbelt Alliance (Co-source)
Inner City Law Center (Co-source)
Spur (Co-source)
Streets for All (Co-source)

DIGEST: This bill makes changes to SB 79 (Wiener, Chapter 512, Statutes of 2025), specifically by making changes to the definitions of “high-frequency commuter rail” and “commuter rail.”

ANALYSIS:

Existing law:

Pursuant to SB 79 (Wiener, Chapter 512, Statutes of 2025):

- 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) “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.

- f) “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.
- g) “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.
- h) “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. “Light rail transit” includes streetcar, trolley, and tramway service. “Light rail transit” does not include airport people movers.
- i) “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.
- j) “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.
- k) “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:

- 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
- The housing development project shall include at least five dwelling units and meet the greater of the following:
 - A minimum density of at least 30 dwelling units per acre; or
 - 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	$\frac{1}{4}$ 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
	$\frac{1}{4}$ - $\frac{1}{2}$ 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	$\frac{1}{4}$ mile from stop	<ul style="list-style-type: none"> Max Height: 65 ft or 85 ft if adjacent to stop Max 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
	$\frac{1}{4}$ - $\frac{1}{2}$ mile from stop in a city with a population	<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

rapid transit in an urban transit county	at least 35,000	
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- 3) Provides that for projects with more than 10 units, the project shall comply with specified requirements to include units affordable to low-, very low-, or extremely low-income households. Eligible TOD projects must also meet specified labor standards.
- 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) 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

- 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 the California Environmental Quality Act. 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 specified provisions.
- 11) 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.
- 12) 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

- 13) 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.

- 14) 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.
- 15) 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:

- 1) Makes the following changes to definitions in SB 79 (Wiener, Chapter 512, Statutes of 2025):
 - a) Redefines “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.
 - b) Redefines “commuter rail” to correct a drafting error.

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”¹ 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

¹ According to the author, this is intended to include the counties of: Sacramento, Alameda, San Francisco, San Mateo, Santa Clara, Los Angeles, Orange, and San Diego.

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 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.

Comments

All you had to do was stay. This bill's change to the definition of high-frequency commuter rail is intended to ensure that when counting the number of trains that pass through a station for purposes of meeting this definition, the number of trains includes all the services that pass through that station. Some stations only qualify as TOD stops subject to SB 79 upzoning when stacking the different rail services on top of each other. This bill proposes to change the definition of high-frequency commuter rail as cities and counties are trying to determine whether they are subject to SB 79 ahead of its July 1, 2026 effective date. For example, the City of Solana Beach, a city of around 13,000 in San Diego County, does not believe it is subject to SB 79's current definition of high-frequency commuter rail because no individual lines operate with a frequency that meets SB 79's definition, but would be roped in to SB 79 upzoning with the proposed definition in this bill. This means that from July 1, 2026, to January 1, 2027, some cities and counties won't be subject to SB 79 upzoning, but starting on January 1, 2027, when this bill goes into effect, they might be. Depending on what tier of TOD stop they qualify for, these cities would have to begin preparing for more density near their transit stops, including financing infrastructure improvements necessary to accommodate these high-density developments.

Wish List. The Legislature enacted SB 79 to boost housing production near transit with a minimum of unintended consequences. However, if local agencies cannot easily determine where SB 79 applies, much needed housing projects near transit stops could be delayed if the courts need to evaluate how certain definitions apply. This bill tackles a couple of the implementation issues that are necessary to fulfill the Legislature's intent to boost housing production with SB 79. However, numerous issues remain that may frustrate implementation of the bill, including:

- a) According to the author, SB 79 is supposed to apply in eight counties (Alameda, Los Angeles, Orange, Sacramento, San Diego, San Francisco, San Mateo and Santa Clara). However, according to the California State Association of Counties (CSAC), “...CSAC and other stakeholders interpret the new law’s current provisions to apply to a maximum of four counties (Alameda, Los Angeles, San Mateo, and Santa Clara).”
- b) Cities must be ready to implement SB 79 by July 1, 2026, based on maps of TOD stops the MPOs create. However, SB 79 did not give MPOs a deadline to complete maps. There is no guarantee that MPOs will finalize maps in time for cities to determine which TOD stops qualify for SB 79 upzoning. If those maps are not ready when cities start to receive applications for SB 79 projects, cities may not be able to determine whether a project complies with the requirements of the law.
- c) SB 79 gives cities and counties the authority to implement a local alternative plan via different methods, including the housing element, a program to implement the housing element, adoption of a specific plan, zoning overlay, or via ordinance. The measure only exempts jurisdictions from SB 79 if HCD has approved the local alternative plan. However, there is no process laid out in SB 79 for how HCD reviews these alternative plans. There is a process for HCD to review ordinances that local jurisdictions enact to implement SB 79, but it is unclear whether this same process applies to local alternative plans, especially if the city or county does not adopt the local alternative plan as an ordinance.

Are you ready for it? 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, The California Association of Councils of Governments 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 this bill. 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.”

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

SUPPORT: (Verified 1/21/26)

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

OPPOSITION: (Verified 1/21/26)

California State Association of Counties
City of Solana Beach
City of Encinitas
City of Glendale
League of California Cities
Neighbors for a Better San Diego

ARGUMENTS IN SUPPORT: According to the author, “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.”

ARGUMENTS IN OPPOSITION: According to the State Association of Counties (CSAC), “[t]he applicability of SB 79’s statutes to counties is unclear, which could increase the likelihood for counties to be brought into litigation related to housing projects proposed pursuant to SB 79’s provisions. Unfortunately, the current language of SB 677 neither lists the counties to which SB 79 applies, nor does the bill add definitions to terms used in SB 79 that could clarify county applicability. CSAC urges the author to amend SB 677 to define several ambiguous terms and list which counties to which the bill’s provisions apply.” The League of California Cities is opposed unless amended because “[w]hile SB 677 makes technical and clarifying changes, it also expands SB 79 by requiring approval of high-density housing near ferry stops with limited

environmental review and public engagement, and by exempting mobilehome parks and RV parking sites from SB 79's requirements."

Prepared by: Alison Hughes / HOUSING / (916) 651-4124
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