

Date of Hearing: July 16, 2025

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT

Juan Carrillo, Chair

SB 79 (Wiener) – As Amended June 16, 2025

SENATE VOTE: 21-13

SUBJECT: Housing development: transit-oriented development

SUMMARY: Specifically, **this bill:**

1) Defines, for purposes of the bill, all of the following:

- a) “Adjacent” means sharing a property line with a transit stop, including any parcels that serve a parking or circulation purpose related to the stop.
- b) “Commuter rail” means a rail transit service not meeting the standards for heavy rail or light rail, excluding California High-Speed Rail and Amtrak Long Distance Service.
- c) “Department” means the Department of Housing and Community Development (HCD).
- d) “Frequent commuter rail” means a commuter rail service with a total of at least 24 daily trains per weekday across both directions and not meeting the standard for very high or high-frequency commuter rail at any point in the past three years.
- e) “Heavy rail transit” means an electric railway 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, separate rights-of-way from which all other vehicular and foot traffic are excluded, and high platform loading.
- f) “High-frequency commuter rail” means a commuter rail service operating a total of at least 48 trains per day across both directions at any point in the past three years.
- g) “High-resource area” means a highest resource or high-resource neighborhood opportunity area, as used in the opportunity area maps published annually by the California Tax Credit Allocation Committee and HCD.
- h) “Housing development project” has the same meaning as defined in the Housing Accountability Act (HAA).
- i) “Light rail transit” includes streetcar, trolley, and tramway service.
- j) “Net habitable square footage” means the finished and heated floor area fully enclosed by the inside surface of walls, windows, doors, and partitions, and having a headroom of at least six and one-half feet, including working, living, eating, cooking, sleeping, stair, hall, service, and storage areas, but excluding garages, carports, parking spaces, cellars, half-stories, and unfinished attics and basements.
- k) “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.

- l) “Residential floor area ratio” means the ratio of net habitable square footage dedicated to residential use to the area of the lot.
 - m) “Tier 1 transit-oriented development stop” means a transit-oriented development stop within an urban transit county served by heavy rail transit or very high frequency commuter rail.
 - n) “Tier 2 transit-oriented development stop” means a transit-oriented development stop within an urban transit county, excluding a Tier 1 transit-oriented development stop, served by light rail transit, by high-frequency commuter rail, or by bus service meeting the separate right-of-way and 15 minutes or less services frequency standards for bus rapid transit specified in the California Environmental Quality Act (CEQA).
 - o) “Tier 3 transit-oriented development stop” means a transit-oriented development stop within an urban transit county, excluding a Tier 1 or Tier 2 transit-oriented development stop, served by frequent commuter rail service or by ferry service; or any transit-oriented development stop not within an urban transit county; or any major transit stop otherwise so designated by the applicable authority.
 - p) “Transit-oriented development stop” means a major transit stop, as defined in CEQA, served by heavy rail transit, very high frequency commuter rail, high frequency commuter rail, light rail transit, bus rapid transit as specified in CEQA, frequent commuter rail service, or ferry service, or otherwise so designated by the applicable authority.
 - q) “Urban transit county” means a county with more than 15 rail stations.
 - r) “Very high frequency commuter rail” means a commuter rail service with a total of at least 72 trains per day across both directions at any point in the past three years.
- 2) Requires that a transit-oriented housing development be an allowable use on any site zoned for residential, mixed, or commercial development within one-half or one-quarter mile of a transit-oriented stop, if the development complies with the applicable of all of the following:
- a) Requires a transit-oriented housing development project to comply with the greatest of the following:
 - i) Includes at least five dwelling units.
 - ii) A minimum density standard of at least 30 dwelling units per acre.
 - iii) The minimum density allowed under local zoning, if applicable.
 - b) Prohibits the average total area of floor space for the proposed units in the transit-oriented housing development project from exceeding 1,750 net habitable square feet.
 - c) For transit-oriented housing developments with one-quarter mile of a Tier 1 transit-oriented development stop, all of the following apply:

- i) Prohibits a local government from imposing any height limits less than 75 feet.
 - ii) Prohibits a local government from imposing any maximum densities of less than 120 dwelling units per acre.
 - iii) Prohibits a local government from enforcing any other local development standard or combination of standards that would prevent achieving a residential floor area ratio of up to 3.5.
 - iv) Provides that a development that achieves a minimum density of 90 dwelling units per acre and that otherwise meets the eligibility requirements of Density Bonus Law (DBL), including the affordability requirements, shall be eligible for three additional concessions pursuant to DBL.
- d) For transit-oriented housing development projects further than one-quarter mile but within one-half mile of a Tier 1 transit oriented development stop, all of the following apply:
- i) Prohibits a local government from imposing any height limit less than 65 feet.
 - ii) Prohibits a local government from imposing any maximum density standard of less than 100 dwelling units per acre.
 - iii) Prohibits a local government from enforcing any other local development standard of combination of standards that would prevent achieving a residential floor area ratio of up to 3.
 - iv) Provides that a development that achieves a minimum of 75 dwelling units per acre and otherwise meets the eligibility requirements of DBL, including the affordability requirements, shall be eligible for two additional concessions pursuant to DBL.
- e) For transit-oriented housing development projects within one-quarter mile of a Tier 2 transit-oriented development stop, all of the following apply:
- i) Prohibits a local government from imposing any height limits less than 65 feet.
 - ii) Prohibits a local government from imposing any maximum density standard of less than 100 dwelling units per acre.
 - iii) Prohibits a local government from enforcing any other local development standard or combination of standards that would prevent achieving a residential floor area ratio of up to 3.
 - iv) Provides that a development that achieves a minimum density of 75 dwelling units and that otherwise meets the eligibility requirements of DBL, including the affordability requirements, shall be eligible for two additional concessions pursuant to DBL.
- f) For transit-oriented housing development projects further than one-quarter mile but within one-half a mile of a Tier 2 transit-oriented development stop, all of the following apply:

- i) Prohibits a local government from imposing a height limit of less than 55 feet.
 - ii) Prohibits a local government from imposing any maximum density standard of less than 80 dwelling units per acre.
 - iii) Prohibits a local government from enforcing any other local development standard or combination of standards that would prevent achieving a residential floor area ratio of up to 2.5.
 - iv) Provides that a development that achieves a minimum density of 60 dwelling units per acres and that otherwise meets the eligibility requirements of DBL, including the affordability requirements, shall be eligible for one additional concession pursuant to DBL.
- g) For transit-oriented housing development projects within one-quarter mile of a Tier 3 transit-oriented development stop, all of the following apply:
- i) Prohibits a local government from imposing a height limit of less than 55 feet.
 - ii) Prohibits a local government from imposing any maximum density standard of less than 80 dwelling units per acre.
 - iii) Prohibits a local government from enforcing any other local development standard or combination of standards that would prevent achieving a residential floor area ratio of up to 2.5.
 - iv) Provides that a development that achieves a minimum density of 60 dwelling units per acre and that otherwise meets the eligibility requirements of DBL, including the affordability requirements, shall be eligible for one additional concession pursuant to DBL.
- h) For transit-oriented housing development projects further than one-quarter mile but within one-half mile of a Tier 3 transit-oriented development stop, all of the following apply:
- i) Prohibits a local government within an urban transit county from imposing a height limit of less than 45 feet. Allows a local government outside of an urban transit county to apply the local height limit.
 - ii) Prohibits a local government from imposing a maximum density standard of less than 60 dwelling units per acres.
 - iii) Prohibits a local government from enforcing any other local development standard or combination of standards that would prevent achieving a residential floor area ratio of up to 2.
- 3) Provides that the distance of a transit-oriented housing development project from a transit-oriented housing development project from a transit-oriented development stop shall be measured in a straight line from the nearest edge of the parcel containing the proposed

project to any point on the parcel or parcels that make up the property upon which a transit-oriented development stop is located.

- 4) Allows a local government to enact and enforce standards, including an inclusionary zoning requirement that applies generally within the jurisdiction, that do not, alone or in concert, prevent achieving the applicable development standards of 2) above.
- 5) Provides that a transit-oriented housing development project under this bill may receive additional density through DBL or a local density bonus program, using the density allowed under this bill as the base density. However, if a development proposes a height limit under this bill that exceeds the local height limit, then a local government is not required to grant a waiver, incentive, or concession pursuant to DBL for additional height beyond that allowed under this bill, except as specified in DBL.
- 6) Provides that, notwithstanding any other law, a transit-oriented housing development project that meets any of the eligibility requirements in 2) above and is immediately adjacent to a Tier 1, Tier 2, or Tier 3 transit-oriented development stop shall be eligible for an adjacency intensifier to increase the height limit by an additional 20 feet, the maximum density standards by an addition 40 dwelling units per acre, and the residential floor area ratio by 1.
- 7) Requires a development proposed pursuant to this bill, in any city or county, to comply with the provisions of the Housing Crisis Act of 2019 (HCA) that require a housing development project to create as many units as will be demolished and prohibits approval of a development project that requires the demolition of protected units unless certain conditions are met pursuant to the HCA. This bill also requires a development to comply with any local requirements or processes that implement the provisions of the HCA.
- 8) Requires a transit-oriented housing development project to comply with any applicable local demolition and antidisplacement standards established through local ordinance.
- 9) Prohibits a transit-oriented housing development project 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 past five years.
 - b) A site that was previously used for more than two units of housing that were demolished within five years before the development proponent submits an application under this section and any of the units were subject to any form of rent or price control through a public entity's valid exercise of its police power.
- 10) Requires a proposed transit-oriented housing development project to include housing for lower income households by complying with one of the following:
 - a) The requirements of a local inclusionary zoning housing requirement, if it mandates a higher percentage of affordable units or a deeper level of affordability than described below.

- b) For developments of 11 units or more, any of the following:
 - i) At least 7% of the total units, as defined in DBL, are dedicated to extremely low income households, as specified.
 - ii) At least 10% of the total units, as defined in DBL, are dedicated to very low income households, as specified.
 - iii) At least 13% of the total units, as defined in DBL, are dedicated to lower income households, as defined.
- 11) Requires that a proposed housing development project that is consistent with the applicable standards from this bill be deemed consistent, compliant, and in conformity with an applicable plan, program, policy, ordinance, standard, requirement, or other similar provision. This would not require a ministerial approval process or modify CEQA.
- 12) Provides that a local government that denies a proposed transit-oriented housing development project meeting the requirements of this bill that is located in a high-resource area shall be presumed to be in violation of the HAA and immediately liable for penalties, specified by HAA, unless the local government demonstrates, pursuant to the standards specified in the HAA, that it has a health, life, or safety reasons for denying the project.
- 13) Allows a transit agency to adopt objective standards for both residential and commercial developments proposed to be constructed on land owned by the transit agency or on which the transit agency has a permanent operating easement. These standards shall only apply for land that is either:
 - a) Within one-half mile of a transit-oriented development stop, if the land was owned by the transit agency on or before January 1, 2026.
 - b) Adjacent to a transit oriented development stop, as defined by the bill.
- 14) Provides that a local government is not required to approve any height limit established under 13) above greater than the height limit specified in this bill for development adjacent to the relevant tier of a transit oriented development stop. A transit agency shall not set a maximum height, density, or floor area ratio below that which would be allowed for the site under this bill.
- 15) Allows the board of a transit agency to vote to designate a major transit stop served by the agency as a Tier 3 transit-oriented development stop for the purposes of 13) and 14) above.
- 16) Provides that a transit oriented housing development project proposed pursuant to this bill be eligible for streamlined ministerial approval pursuant to SB 423 (Wiener), Chapter 778, Statutes of 2023/ SB 35 (Wiener), Chapter 366, Statutes of 2017, (SB 423/SB 35) in accordance with all of the following:
 - a) The project does not have to be in a jurisdiction that has not met its share of the regional housing needs for that reporting period or in a jurisdiction that did not adopt a compliant housing element.
 - b) The development does not have to be consistent with the object zoning, subdivision, and design review standards in effect at the time that the project is submitted to the local

government or at the time a notice of intent was submitted, whichever occurs earlier.

- c) The proposed project shall comply with the following affordability requirements:
 - i) A minimum of 10% of the total number of units in a for-rent project, before any density bonus, shall be affordable to households making at or below 50% of the area median income (AMI), unless a local government requires more than 10% of units be affordable to households making 50% AMI or less.
 - ii) A minimum of 10% of the total number of units in a for-sale project, before any density bonus, shall be affordable to households making at or below 80% AMI, unless a local ordinance requires more than 10% of the units be affordable to households at or below 80% AMI.
 - iii) If a project is located within the San Francisco Bay Area, as specified, the project may opt in to the following in lieu of i) and ii): A project shall dedicate 20% of the total number of units, before any density bonus, to households making at or below 100% of the AMI with the average income of the units at or below 80% AMI, unless a local ordinance requires greater than 20% of the units to be dedicated to households making 100% of the AMI or requires that any of the units be dedicated at a level deeper than 100%.
 - d) The proposed project complies with all other requirements in SB 423/ SB 35, including but not limited to the, prohibition against a site that is within a very high fire hazard severity zone.
- 17) Requires that any transit-oriented housing development proposed pursuant to this bill not seeking streamlined approval under SB 423/ SB 35, be reviewed according to the jurisdiction's development review process and specified provisions of the HAA, except that any local zoning standard conflicting with the requirements of this bill shall not apply.
- 18) Requires HCD to oversee compliance with this bill, including promulgating standards on how to account for capacity pursuant to this bill in a city or county's inventory of land suitable for residential development pursuant to Housing Element Law.
- 19) Authorizes the regional council of governments and metropolitan planning organizations to create a map of transit-oriented development stops and zones designated under this bill. This map shall have a rebuttable presumption of validity for use by project applicants and local governments.
- 20) Authorizes a local government to enact an ordinance to make its zoning code consistent with the provisions of this bill, which shall be subject to review by HCD. Allows the ordinance to designate areas within one-half mile of a transit oriented development stop as exempt from the provisions of this bill if the local government makes findings supported by substantial evidence that there exists no walking path of less than one mile from that location to the transit-oriented development stop.

- 21) Provides that the local ordinance described in 20) above shall not be considered as a project under CEQA.
- 22) Provides that if a local government enacts an ordinance, pursuant to 20) above, the following provisions apply:
- a) A local government shall submit a copy of any ordinance enacted pursuant to this bill to HCD within 60 days of enactment.
 - b) Upon receipt of an ordinance, HCD shall review that ordinance and determine if the ordinance is compliant with this bill. If the ordinance is not compliant with this bill, HCD shall notify the local government in writing and provide the local government a reasonable time, not to exceed 30 days, to respond before taking further action as authorized by the bill.
 - c) The local government shall consider any findings made by HCD pursuant to b) above and shall do one of the following:
 - i) Amend the ordinance to comply with this bill.
 - ii) Enact the ordinance without changes. If the local government enacts the ordinance without changes, then the local government shall include findings in its resolution adopting the ordinance that explain the reasons the local government believes that the ordinance complies with this bill despite HCD's findings.
 - d) If the local government does not amend its ordinance in response to HCD's findings or does not adopt a resolution with findings explaining the reason the ordinance complies with this bill and addressing the department's findings, HCD shall notify the local government and may notify the Attorney General that the local government is in violation of this bill.
- 23) States that, prior to the seventh revision of the housing element, the provisions of the bill do not apply to any site for which a local government has adopted an ordinance exempting any of the following:
- a) A site that has been identified by the local jurisdiction in the housing element rezoning program and for which the permitted density is no less than 50% of the density specified under 2).
 - b) A site in a transit-oriented development zone identified to be upzoned in a local transit-oriented development program that has been adopted either through an ordinance or through a housing element amendment. This provision only applies to a transit-oriented development zone in which at least 33 percent of sites in the relevant transit-oriented development zone have been rezoned for densities that cumulatively allow for at least 75 percent of the aggregate density for the transit-oriented development zone specified under 2).
 - c) A site that is covered by a local transit-oriented development alternative plan adopted by a local government pursuant to an ordinance. The local transit-oriented development

alternative plan shall do all of the following:

- i) The plan does not reduce the capacity in any transit-oriented development zone in total units or residential floor area by more than 50 percent.
- ii) The plan does not reduce the maximum allowed density for any individual site on which the plan allows residential use by more than 50 percent below that permitted under this bill.
- iii) A site's maximum feasible capacity counted toward the plan shall be not more than 200 percent of the maximum density established under this bill.
- d) A local transit-oriented development alternative plan may designate any other major transit stop or stop along a high-quality transit corridor that is not already identified as a transit-oriented development stop as a Tier 3 transit-oriented development stop. A local transit-oriented development plan consisting solely of adding additional major transit stops as transit-oriented development stops shall be exempt from the requirements of f) below.
- e) A local transit-oriented development alternative plan may consist of an existing local transit-oriented zoning ordinance, overlay zone, specific plan, or zoning incentive ordinance, provided that it applies to all residential properties within the transit-oriented development zone and provides at least the same total feasible capacity for units and floor area as 2) above.
- f) A local government shall submit a copy of any ordinance passed pursuant to c) and associated written findings adopted to HCD within 60 days after adoption. After adoption of an ordinance, HCD may submit written findings to the local government as to whether the ordinance complies with this bill. The local government shall submit a copy of any existing ordinance adopted pursuant to c) to the department within 60 days of the date 23) becomes effective.
 - i) Allows HCD to review the ordinance and associated written findings and if the department finds that the local government's ordinance does not comply with this bill, HCD shall notify the local government and shall provide the local government with a reasonable time, not to exceed 30 days, to respond to the findings before taking any other action authorized by iii).
 - ii) The local government shall consider any findings made by the department pursuant to i) above and shall do one of the following
 - I) Amend the ordinance to comply with f).
 - II) Adopt the ordinance without changes. The local government shall include findings in its resolution adopting the ordinance that explain the reasons the local government believes that the ordinance complies with this paragraph despite HCD's findings.

- iii) If the local government does not amend its ordinance in response to HCD's findings or does not adopt a resolution with findings explaining the reason the ordinance complies with this paragraph and addressing the department's findings, the department shall notify the local government and may notify the Attorney General that the local government is in violation of state law.
- 24) Provides that, for seventh and subsequent revisions of the housing element, a local government may enact a local transit-oriented development alternative plan as an amendment to the housing element and land use element of its general plan, subject to review by HCD.
- a) A local transit-oriented development alternative plan shall maintain at least the same total increase in feasible zoned capacity, in terms of both total units and residential floor area, as provided for in this bill across all transit-oriented development zones within the jurisdiction.
 - i) The plan shall not reduce the capacity in any transit-oriented development zone in total units or residential floor area by more than 50 percent.
 - 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 percent below that permitted under this bill.
 - iii) A site's maximum feasible capacity counted toward the plan shall be not more than 200 percent of the maximum density established under this bill.
 - b) A local transit-oriented development alternative plan may designate any other major transit stop or stop along a high-quality transit corridor that is not already identified as a transit-oriented development stop as a Tier 3 transit-oriented development stop. A local transit-oriented development plan consisting solely of adding additional major transit stops as transit-oriented development stops shall be exempt from the requirements of d).
 - c) A local transit-oriented development alternative plan may consist of an existing local transit-oriented zoning ordinance, overlay zone, specific plan, or zoning incentive ordinance, provided that it applies to all residential properties within the transit-oriented development zone and provides at least the same total feasible capacity for units and floor area as 2) above.
 - d) Prior to enacting a local transit-oriented development alternative plan, the local government shall submit the draft plan to HCD for review. The submission shall include any amendments to the local zoning ordinances, any applicable objective design standards that would apply to transit-oriented developments, and assessments of the plan's impact on development feasibility and fair housing. HCD shall assess whether the plan maintains at least an equal feasible developable housing capacity as the baseline established under this bill as well as the plan's effects on fair housing relative to the baseline established under this bill, and shall recommend changes to remove unnecessary constraints on housing from the plan.
 - e) The standards of 2) above shall not apply within a jurisdiction that has a local transit-oriented alternative plan that has been approved by HCD as satisfying the requirements

of the bill in effect. The department's approval shall be valid through the jurisdiction's next amendment to the housing element of its general plan.

25) Defines, for the purposes of 24) and 25) above, the following:

- a) "Feasible" means capable of being accomplished in a successful manner within a reasonable period of time, taking into account economic, environmental, social, and technological factors.
- b) "Transit-oriented development zone" means the eligible area around a qualifying transit-oriented development stop within a one-half mile radius of a transit oriented development stop.

26) Finds and declares that the bill addresses the state's housing crisis and is a matter of statewide concern and is not a municipal affair and therefore applies to all cities, including charter cities.

27) Establishes that the provisions of the bill are severable and, if any provision of this bill or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.

28) Provides that no reimbursement is required by this bill pursuant to Section 6 of Article XIII B of the California Constitution because a local government or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this bill.

EXISTING LAW:

- 1) Requires each jurisdiction to prepare and adopt a General Plan, including a housing element, to guide the future growth of a community. The housing element must identify and analyze existing and projected housing needs, including the jurisdiction's share of the RHNA; identify adequate sites with appropriate zoning to meet the housing needs of all income segments of the community; and demonstrate local efforts to remove governmental and nongovernmental constraints that hinder the jurisdiction from meeting its share of the regional housing need, among other requirements. (GOV §65583)
- 2) Establishes the HAA which, among other provisions, defines a "housing development project" as follows:
 - a) A project that only includes residential units; or,
 - b) A mixed use project that meets any of the following conditions:
 - i) At least two-thirds of the new or converted square footage is designated for residential use;
 - ii) At least 50% of the new or converted square footage is designated for residential use if the project meets both of the following:
 - I) The project includes at least 500 units; and,

- II) No portion of the project is designated for use as a hotel, motel, bed and breakfast inn, or other transient lodging, as specified; or,
- iii) At least 50% of the new or converted square footage is designated for residential use if the project meets all of the following:
 - I) The project includes at least 500 net new residential units;
 - II) The project involves the demolition or conversion of at least 100,000 square feet of nonresidential use;
 - III) The project demolishes at least 50% of the existing nonresidential uses on the site; and,
 - IV) No portion of the project is designated for use as a hotel, motel, bed and breakfast inn, or other transient lodging, as specified.
- iv) Transitional housing or supportive housing.
- v) Farmworker housing, as defined. (GOV §65589.5)
- 3) Requires, for purposes of the HAA, that a local agency base a decision to disapprove a housing development project or to impose a condition that the project be developed at a lower density upon written finding supported by a preponderance of the evidence that both of following conditions exist:
 - a) The housing development would have a specific, adverse impact upon the public health or safety unless the housing development project is disapproved or approved upon the condition that the project be developed at a lower density.
 - b) There is no feasible method to satisfactorily mitigate or avoid the adverse impact other than the disapproval of the housing development project or the approval of the project upon the condition that it be developed at a lower density. (GOV §65589.5)
- 4) Provides, for purposes of the HAA, that the receipt of a density bonus, incentive, concession, waiver, or reduction of development standard pursuant to DBL, does not constitute a valid bases to find a proposed housing development project is inconsistent with an applicable plan, program, policy, or standard. (GOV §65589.5)
- 5) Provides, for purposes of the HAA, that a proposed housing development project is not consistent with the applicable zoning standards and shall not require a rezoning, if the housing development project is consistent with the objective general plan standards and criteria but the zoning for the project is inconsistent with the general plan. (GOV §65589.5)
- 6) Provides that the court shall impose fines on a local agency that has violated the HAA and requires the local agency to deposit any fine levied into a local housing trust fund. The fine shall be a minimum of \$10,000 per housing unit and requires that the money be committed and expended in the housing trust fund within five years for the sole purpose of financing the newly construct affordable units to extremely low, very low, or low-income households. (GOV §65589.5)

- 7) Provides that a housing development project shall be subject to the ordinances, policies, and standards adopted and in effect when a preliminary applicant was submitted. (GOV §65589.5)
- 8) Establishes the Tenant Protection Act of 2019 (TPA) which prohibits affected cities and counties from approving a project that would demolish existing or recently demolished “protected units” unless the project meets strict replacement and tenant protection requirements. (GOV §66300-66301)
- 9) Establishes the Clean Air and Transportation Improvement Act of 1990 which, among other provisions, defines “rail transit” to mean 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. [Public Utilities Code (PUC) § 99602]
- 10) Establishes CEQA which, among other provisions, defines “bus rapid transit” to mean a public mass transit service provided by a public agency or by a public-private partnership that includes all of the following features:
 - a) 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.
 - b) Transit signal priority.
 - c) All-door boarding.
 - d) Fare collection system that promotes efficiency.
 - e) Defined stations. [Public Resources Code (PRC) § 21060.2]
- 11) Defines, for the purposes of CEQA, “major transit stop” to mean 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. (PRC § 21064.3)
- 12) Establishes DBL, which among other provisions:
 - a) Requires local governments to provide a density bonus, incentives, concessions, waivers, or reductions of development standards if the housing development project meets certain standards including the containing any of the following:
 - i) 10% of the total units of a housing development, including a shared housing building development, for rental or sale to lower income households.

- ii) 5% of the total units of a housing development, including a shared housing building development, for rental or sale to very low income households.
 - iii) A senior citizen housing development or a mobilehome park that limits residency based on age requirements for housing for older persons.
 - iv) 10% of the total dwelling units of a housing development are sold to persons and families of moderate income provided all units in the development are offered to the public for purchase.
 - v) 10% of the total units of a housing development for transitional foster youth, disabled veterans, or homeless persons provided at the same affordability level as very low income units.
 - vi) 20% of the total units for lower income students in a student housing development that meets specified requirements.
 - vii) 100% of all the units in the development, excluding the manager's unit, are for lower income households except that up to 20% of the units may be for moderate income households.
- b) Allows a height increase of an addition three stories or 33 feet if the project is located within one-half mile of a major transit stop or is located in a very low vehicle travel area designated by the county.
- c) Defines "total units" or "total dwelling units" means a calculation of the number of units that:
- i) Excludes a unit added by a density bonus awarded pursuant to this section or any local law granting a greater density bonus.
 - ii) Includes a unit designated to satisfy an inclusionary zoning requirement of a city, county, or city and county. (GOV §65915)
- 13) Defines "extremely low income households" to mean persons and families whose incomes do not exceed 30% of area median income. (HSC §50106)
- 14) Defines "very low income households" to mean persons and families whose incomes do not exceed 50% of area median income. (HSC §50105)
- 15) Defines "lower income households" to mean persons and families whose income does not exceed 80% of area median income. (HSC §50079.5)
- 16) Establishes, pursuant to SB 423 (Wiener), Chapter 778, Statutes of 2023, a streamlined, ministerial approval process for certain infill multifamily affordable housing projects that are compliant with local zoning and objective standards and that are proposed in local jurisdictions that have not met their regional housing needs allocation. (GOV 65913.4)

FISCAL EFFECT: According to the Senate Appropriations Committee, in response to the May 18, 2025 version of the bill:

- 1) The Department of Housing and Community Development (HCD) estimates ongoing costs of approximately \$369,000 for new workload to provide technical assistance to local agencies, developers, and other stakeholders, and to process case complaints of potential violations from developers, housing advocates, and legal organizations. Staff estimates that HCD could also incur additional, likely minor to moderate ongoing annual costs to review specified ordinances and local TOD alternative plans, as specified. (General Fund)
- 2) Unknown court cost pressures for workload to adjudicate additional cases filed as a result of the expansion of projects subject to provisions of the Housing Accountability Act (HAA) to include development projects within a specified distance from a TOD stop. Staff notes that, in addition to cases referred to the Attorney General by HCD to enforce violations of the HAA, eligible litigants include, project applicants, persons who would be eligible to reside in a proposed development, and specified housing organizations. (Trial Court Trust Fund, General Fund).
- 3) Unknown local mandated costs. While the bill would impose new costs on local agencies to revise planning requirements and considerations for specified development projects within a specified distance of a TOD stop, these costs are not state-reimbursable because local agencies have general authority to charge and adjust planning and permitting fees to cover their administrative expenses associated with new planning mandates. (local funds)

COMMENTS:

- 1) **Bill Summary:** This bill makes housing development projects near existing and proposed TOD stops an allowable use on sites zoned for residential, mixed, or commercial, development.

TOD Stops. Under the measure, a transit oriented development (TOD) stop is defined as a major transit stop, excluding any stop served by rail transit with a frequency of fewer than 10 total trains per weekday. This includes sites containing an existing rail or bus rapid transit station, ferry terminals served by either bus or rail transit, or sites at the intersection of two or more major bus routes with a frequency of service of 20 minutes or less during the morning and afternoon peak commute periods. Furthermore, the definition of major transit stop used under this bill includes planned major transit stops, not just existing ones, so long as they are included in the applicable Regional Transportation Plans.

Development Tiers and Standards. There are three tiers of this bill TOD stops:

- a) Tier 1: Transit stops served by heavy rail transit or very high frequency commuter rail;
- b) Tier 2: Transit stops, excluding Tier 1, served by light rail transit, high-frequency commuter rail, or by bus rapid transit service; and
- c) Tier 3: Transit stops, excluding Tier 1 and Tier 2, served by frequent commuter rail service or by ferry service.

This bill establishes statewide maximum density, height, and minimum floor area ratio (FAR) standards for TOD, dependent on the transit tier and the proximity of the proposed development to the qualifying transit stop. This bill sets an average maximum total floor area space of a unit in a proposed TOD project, of 1,750 net habitable square feet. This bill also establishes minimum density requirements which require a project to comply with the greatest of the following:

- a) At least five dwelling units.
- b) A minimum density of at least 30 dwelling units per acre.
- c) The minimum density allowed under local zoning, if applicable.

Developments under this bill are also eligible to use DBL and development projects are entitled to additional concessions and incentives if they achieve higher thresholds of minimum densities. However, if a project proposes a height above the local height limit, the local government does not have to grant additional height under DBL, unless the proposal is for a 100% affordable housing development.

Projects under this bill are considered consistent, compliant, and in conformity with an applicable plan, program, policy, ordinance, standard, requirements, or other similar provision for purposes of the HAA.

SB 79 Development Standards

Location	Distance to Transit Stop (miles)	Max Height (feet)*	Max. Density (du/ac)**	Min. FAR (du/ac)	Additional DBL Concessions	Min. Density (du/ac) for Add. DBL Concessions
Tier 1	$\leq \frac{1}{4}$	75	120	3.5	3	90
	$> \frac{1}{4}$ and $\leq \frac{1}{2}$	65	100	3	2	75
Tier 2	$\leq \frac{1}{4}$	65	100	3	2	75
	$> \frac{1}{4}$ and $\leq \frac{1}{2}$	55	80	2.5	1	60
Tier 3	$\leq \frac{1}{4}$	55	80	2.5	1	60
	$> \frac{1}{4}$ and $\leq \frac{1}{2}$	45***	60	2	0	-
Adjacent to transit stop	-	+20	+20	+1	0	-

**If the local height limit is greater than SB 79 height, the local height limit applies.*

*** Dwelling Units per Acre*

****Outside of an urban transit county, a local government may instead apply the local height limit.*

Affordability Requirements. A proposed housing development project with 11 or more units shall comply with one of the following requirements:

- a) At least 7% of the total units, as defined in DBL, are dedicated to extremely low income households.

- b) At least 10% of the total units, as defined in DBL, are dedicated to very low income households.
- c) At least 13% of the total units, as defined in DBL, are dedicated to lower income households.

However, if a local inclusionary requirement mandates a high percentage of affordable units or a deeper affordability, the local inclusionary requirement mandate shall apply.

Tenant Protections and Anti-Displacement Measures. With the exception of standards for commercial and residential developments established by a transit agency, all proposed developments under this bill must comply with the anti-displacement provisions in the Housing Crisis Act of 2019 (HCA), established by SB 330 (Skinner), Chapter 654, Statutes of 2019. This bill prohibits a development from being located on a site that would require the demolition of more than two rent or price controlled units or a site that was previously used within the past five years for more than two units of rent or price controlled housing. The bill also requires any development proposed under the bill to comply with any applicable local demolition and antidisplacement standards through a local ordinance.

Transit Agencies. This bill also allows a transit agency to adopt objective standards for residential and commercial developments proposed on land it owns, or on which it holds a permanent operating easement, if the property is located within ½ mile of a TOD stop. This provision applies to land owned by the agency as of January 1, 2026, or land that is immediately adjacent to a TOD stop. The standards adopted by the transit agency must be objective and may not establish a maximum height, density, or FAR lower than what would otherwise be permitted under the bill. Additionally, a transit agency's board may vote to designate a TOD stop as a Tier 3 stop for purposes of applying these provisions.

Local TOD Alternative Plans. The bill allows jurisdictions to adopt a local ordinance aligning their zoning code with this bill's provisions, subject to review by HCD. Local governments may also exempt areas from this bill's requirements if they make findings, supported by substantial evidence that no walking path of less than one mile exists between a site and the qualifying TOD stop.

The bill provides local governments with additional flexibility to implement the upzoning near transit provisions via a local TOD alternative plan. Such a plan must include all residential sites within TOD areas and maintain at least the same total "feasible zoned capacity," in terms of both total units and residential floor area, as provided under this bill. The plan may not reduce capacity by more than 50% in any TOD zone, and cannot count inflated density above 200% of what this bill otherwise allows.

For the 6th housing element cycle, a local government may adopt a local TOD alternative plan through an ordinance, use an existing TOD plan if the plan meets certain density standards, or exempt certain sites if the site has been rezoned to accommodate a minimum of 50% density of what this bill allows.

For the 7th cycle update of the housing element, a local government may adopt a local TOD alternative plan through an update to the housing or land use element. Prior to adopt a local TOD alternative plan, a local government must submit draft zoning amendments, objective design standards, and a feasibility and fair housing analysis for HCD's review. If approved,

the alternative plan exempts the jurisdiction from this bill's default standards through the next Housing Element update.

This bill is sponsored by California YIMBY, SPUR, Bay Area Council, Streets for All, Inner City Law Center, and Greenbelt Alliance.

- 2) **Author Statement.** According to the author, “SB 79 tackles the root causes of California’s affordability crisis by allowing more homes to be built near major public transportation stops and on land owned by transit agencies – bolstering transit use, slashing climate emissions, and supporting public transportation in the process.

“SB 79 allows more homes near transit in two major ways. First, SB 79 allows for upzoning land for multi-family homes up to 75 feet within a half mile of specified major train stations and bus rapid transit stops. This change will ensure that transit oriented developments (TODs) are feasible and enhance access to transit. Second, SB 79 authorizes local transit agencies to develop on land they own. All TODs under SB 79 are eligible for the streamlined ministerial approvals process under SB 423 (Wiener, 2023) if they meet the law’s environmental, labor, and affordability standards.

“California needs to build millions of new homes in sustainable locations to meet state housing goals, slash climate emissions, and reduce the cost of living, but overly restrictive zoning codes make building such homes illegal. SB 79 allows building more homes near transit to lower costs for families while bolstering public transit use and supporting cash-strapped transit agencies.”

- 3) **Police Powers and Land Use Authority.** Planning for and approving new development is mainly a local responsibility. The California Constitution allows cities and counties to “make and enforce within its limits, all local, police, sanitary and other ordinances and regulations not in conflict with general laws.” It is from this fundamental power, commonly called the police power, that cities and counties derive their authority to regulate behavior to preserve the health, safety, and welfare of the public – including land use authority. Cities and counties enforce this land use authority through zoning regulations, as well as through an “entitlement process” for obtaining discretionary as well as ministerial approvals.

The scale of the proposed development, as well as the existing environmental setting determine the degree of local review that occurs. For larger developments, the local entitlement process commonly requires multiple discretionary decisions regarding the subdivision of land, environmental review pursuant to CEQA, and project review by the local agency’s legislative body (city council or county board) or by a planning commission delegated by the legislative body.

- 4) **General Plan.** A general plan serves as a local government’s blueprint for long-term growth and development, outlining policies and goals to shape the community’s future. Required by state law, every city and county in California must adopt a general plan that addresses key planning topics, known as elements. At a minimum, these include land use, circulation, housing, conservation, open space, noise, and safety. The general plan provides a foundation for zoning regulations, infrastructure investments, and public services, ensuring that development aligns with both local priorities and state requirements.

According to state law, “The general plan shall consist of a statement of development policies and shall include a diagram or diagrams and text setting forth objectives, principles, standards, and plan proposals”. As communities evolve, general plans are periodically updated to reflect changing demographics, economic conditions, and environmental factors, making them a critical tool for sustainable and equitable development.

While state law mandates that general plans cover specific topics, cities and counties have broad discretion in their structure, content, and level of detail. General plans range from 200 to over 2,000 pages and vary significantly based on local conditions and priorities. This flexibility reflects the Legislature’s recognition that “the diversity of the state’s communities and their residents requires planning agencies and legislative bodies to implement (general plan law) in ways that accommodate local conditions and circumstances, while meeting its minimum requirements”.

- 5) **Adoption and Implementation of Housing Elements.** One important tool in addressing the state’s housing crisis is to ensure that all of the state’s cities and counties appropriately plan for new housing. Such planning is required through the housing element of each community’s General Plan, which outlines a long-term plan for meeting the community’s existing and projected housing needs. Cities and counties are required to update their housing elements every eight years in most of the high population parts of the state, and five years in areas with smaller populations. Localities must adopt a legally valid housing element by their statutory deadline for adoption. Failure to do so can result in certain escalating penalties, including exposure to the “builder’s remedy” as well as public or private lawsuits, financial penalties, potential loss of permitting authority, or even court receivership. Localities that do not adopt a compliant housing element within 120 days from their statutory deadline also must complete any rezones within one year of their deadline, rather than the three years afforded to on-time adopters.

Among other things, the housing element must demonstrate how the community plans to accommodate its share of its RHNA which is a figure determined by HCD through a demographic analysis of housing needs and population projections, also known as the regional housing need determination (RHND). HCD establishes its determination of each COG’s regional housing targets across the state for the next five- or eight-year planning cycle. Each COG (or in some areas, HCD acting directly as COG) then sub-allocates the RHNA to each local government within the COG’s jurisdiction, and in turn each jurisdiction uses its housing element to show how it will accommodate that number of new housing units, split out by income level and with a focus on certain special needs housing types and on affirmatively furthering fair housing.

Adequate zoning, removal of regulatory barriers, protection of existing stock and targeting of resources are essential to obtaining a sufficient permanent supply of housing affordable to all economic segments of the community. Although not requiring the community to develop the housing, housing element law requires the community to plan for housing. Recognizing that local governments may lack adequate resources to house all those in need, the law nevertheless mandates that the community do all that it can and not engage in exclusionary zoning practices.

- 6) **Transit Oriented Development.** Research has shown that encouraging denser housing near transit serves not only as a means of increasing ridership of public transportation to reduce greenhouse gases (GHGs), but also as a solution to our state's housing crisis. As part of California's overall strategy to combat climate change, the Legislature began the process of encouraging more transit oriented development 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), administered by the Strategic Growth Council, furthers the purposes of AB 32 (Chapter 488, Statutes 2006) and SB 375 (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. The Legislature subsequently allocated 20% of the ongoing Cap and Trade Program funds to AHSC. AHSC 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 20 minutes or less and service seven days a week.

Additionally, HCD administers the Transit Oriented Development (TOD) Program. Its primary objectives are to increase the overall supply of housing, increase the supply of affordable housing, increase public transit ridership, and minimize automobile trips. The program seeks to accomplish these objectives by providing financial assistance for the development of housing and related infrastructure near public transit stations, including bus rapid transit.

- 7) **AB 2923 (Chiu).** AB 2923 (Chiu), Chapter 1000, Statutes of 2018, authorized the Bay Area Rapid Transit District (BART) to implement its own TOD zoning on land owned by BART within a ½ mile radius of a transit station. A stated goal of AB 2923 was to help BART achieve its goal of enabling up to 20,000 new homes, including at least 7,000 affordable units, on BART-owned land. Among other requirements, AB 2923 (Chiu) required all of the following:
- a) Allows BART to adopt by ordinance TOD zoning standards for each station that establishes minimum requirements for height, density, parking, and floor area ratios only, that apply to eligible TOD projects.
 - b) Requires the BART board of directors to hold public hearings to receive public comment on the TOD zoning standards, review the housing needs of jurisdictions, and conduct outreach to relevant local jurisdictions and communities of concerns around each station.
 - c) Requires that a minimum of 75% of a TOD project be located within ½ mile of an existing or planned district station entrance and is located within an area represented on the board.
 - d) Allows for up to 50% of the total floor area to be used for nonresidential uses.

- e) Requires that at least 20% of the number of housing units be affordable to very low-, low-, and moderate-income households and subject to a recorded affordability restriction for at least 55 years with a priority on residential units for very low-, low-, and moderate-income households.
- f) Requires BART to ensure that a total of 30% of housing units in BART's district boundaries are affordable with priority given to very low and low-income households.
- g) Complies with the labor requirements of SB 35 (Wiener), Chapter 366, Statutes of 2017, and any other applicable BART labor policies.
- h) Requires that if the zoning standards, objective planning standards, general plan, or design review standards are mutually inconsistent, the BART TOD zoning standards shall be the controlling standards. If the TOD zoning standards don't resolve inconsistencies, the general plan shall be the controlling standards.
- i) Includes a sunset date of January 1, 2029.

According to BART's *Completed TOD project* website, the transit-oriented development program has completed developments at sixteen stations, totaling 4,140 housing units and 865,000 square feet of commercial space. The TOD Program still has projects in the pipeline that are in construction and planning/predevelopment stages.

8) **Policy Considerations.** The Committee may wish to consider the following:

- a) **All Aboard!** When AB 2923 (Chiu) was considered by the Legislature, local governments and planning professional advocacy groups voiced concerns that AB 2923 (Chiu) would set a precedent for the further diminishing of local land use planning in future legislation. AB 2923 (Chiu) was not the first nor the last bill to chip away at local government land use decision-making. Laws requiring by-right use, ministerial approval, and allowable use have been used to streamline housing projects, increase density, and limit the application of standards that would make a project economically infeasible.

While this bill allows increased densities, height, and floor area ratios where housing is an allowable use, these standards do not apply to properties that are owned by a transit agency. The bill allows a transit agency to adopt their own TOD standards that apply only to land that the transit agency owner or has a permanent operating easement that is either:

- i) Adjacent to a TOD stop.
- ii) Land that is within a ½ mile of TOD stop and was owned by the agency prior to January 1, 2026.

Other than limiting where a transit agency can apply their TOD standards, the bill is silent on what standards an agency can adopt or how an agency must adopt these standards. Transit agency TOD standards may be inconsistent with the General Plan. Previous legislation that has effectively limited local government discretion on land use, relating to housing, have often included affordability requirements, obligations for public meetings, and antidisplacement provisions, among others. In contrast, this bill does not include those protections for transit agencies. The provisions of this bill allow a transit

agency to not only override a local government's discretion on housing projects, it has extended that authority to commercial projects and to land that the agency does not own—including both land that is adjacent to transit agency land and land this under a permanent easement.

This bill also authorizes the board of a transit agency to vote to designate a major transit stop as a new Tier 3 TOD stop. This authority could trigger this bill's requirements in areas that the local government had not originally planned for.

The Committee may wish to consider if it is prudent to authorize a transit agency to make land use decisions that may contradict the land use decisions of a city or county. The Committee may also wish to consider if aligning the provisions of this bill more closely to AB 2923 (Chiu) might be prudent.

- b) **Under Pressure.** This bill requires HCD to oversee compliance with the bill and to promulgate standards on how to account for capacity in a city or county's inventory of land suitable for residential development. The bill outlines a process for a local government to enact an ordinance in its zoning code consistent with this bill and requires that ordinance to be subject to HCD's review. This process requires local governments to submit a copy of the ordinance to HCD within 60 days of adoption. After HCD reviews the ordinance and provides written findings to the local government, the local government has 30 days to respond to feedback from HCD. If a local government has a noncompliant ordinance, then a local governments must either amend the ordinance to comply with this bill or enact the ordinance without changes but include findings in the ordinance to explain why the local government believes the ordinance is compliant.

The aforementioned process outlined in this bill may be helpful for local governments seeking to update ordinances to become compliant. However, this process does not include deadlines for which HCD is required to create standards to implement this bill, nor does the bill specify a length of time HCD has to review such an ordinance. If the bill were to be signed and become enacted on January 1, 2026, a local government would be subject to the provisions of this bill without guidance from HCD or time to update local ordinances and policies to come into compliance with state law.

Moreover, the bill states that a local government is immediately liable for penalties under the HAA if the local government denies an this bill project located in a high resources area unless the local government demonstrates that it had a health, life, or safety reason for denying the project. The Committee may wish to consider if it is reasonable for a local agency to be liable to the penalties under the HAA when no guidance from the enforcing department has been given.

In comparison, Housing Element Law requires HCD to review a housing element and provide written feedback within 60 days of receipt of the housing element. If HCD does not provide written feedback in 60 days, then the housing element is deemed approved. The Committee may wish to consider whether including a similar provision in this bill would provide a more seamless implementation process.

- c) **Separate Ways.** Recent author amendments to this bill allow a local government to exempt a site from this bill that meets any of the following in the 6th housing element cycle:
- i) The site is in the housing element rezoning program and for which the permitted density is no less than 50% of the density specified under the development standards established pursuant to this bill.
 - ii) The site is in a TOD zone in which at least 33% of sites in the zone have been rezoned through a housing element amendment that will cumulatively allow for at least 75% of the aggregate density for the TOD zone pursuant to this bill.
 - iii) The site is covered by a local TOD alternative plan by a local government pursuant to an ordinance, as specified.

While adoption of an ordinance to implement a local TOD alternative plan is helpful in providing flexibility to local governments in their implementation of the bill, it may not be the only tool that local governments could have at their disposal to become compliant. The Committee may wish to consider if adding other local government actions, such as specific plans, zoning overlays, and updates to zoning ordinances, would provide local governments more flexibility to come into compliance with the bill.

Additionally, this bill specifies that for the 7th housing element cycle and onward, a local government may enact a local TOD alternative plan as an amendment to the housing element and land use element of the general plan, subject to review by HCD. The alternative plan must meet certain standards, which include that the plan yield at least the same total increase in feasible zoned capacity, in terms of both total units and residential floor area. Prior to enacting a local TOD alternative plan, HCD shall assess whether the plan maintains at least an equal feasible housing developable housing capacity as the baseline established under this bill. This bill requires HCD to recommend changes to remove unnecessary constraints on housing from the plan.

Since the local agencies are in the process of preparing for the 7th cycle update, a local TOD alternative plan would likely not be enacted as an amendment to the housing element. It would, however, be enacted as part of the housing element adoption. The Committee may wish to consider if specifying that the adoption of the housing element meeting the requirements of this bill would better capture the author's intent.

To that effect, if the requirements of the bill are met as part of the 7th cycle housing element update, then updates to zoning ordinances, policies, and standards would be needed to implement the housing element. Considering that the plan would be reviewed during HCD's review of the housing element, the Committee may wish to consider that any submission of a TOD alternative plan and subsequent implementation mechanism are subject to the review under Housing Element Law.

Lastly, this bill also allows a local agency to enact a local TOD alternative plan by amending the land use element which would also be subject to review by HCD. HCD currently does not have authority to review the land use element or to determine a land use element's compliance with state law. The Committee may wish to consider if an

amendment to the land use element is an effective pathway for a local government to come into compliance with this bill.

- 9) **Committee Amendments.** In order to address the policy considerations above, the committee may wish to consider the following amendments:
- a) Clarify that an “urban transit county” contains more than 15 passenger rail stations.
 - b) Clarify that a transit oriented housing development project be an allowable use any site zoned for residential, commercial, or mixed-use residential development
 - c) Delay implementation of SB 79’s zoning standards until July 1, 2026, unless a local agency adopts an ordinance or local transit-oriented development plan deemed compliant by the department before that date. However, heightened penalties under the HAA for a local agency’s disapproval of a housing project in a high resource area shall take effect January 1, 2027.
 - d) Revise and recast 65912.158 relating to transit agencies to instead allow a transit agency to set zoning standards consistent with SB 79 on their land with the following differences:
 - i) An agency TOD project will be a housing development project or mixed-use residential project where a minimum of 50% of the total square footage is dedicated to residential purposes.
 - ii) Requires a minimum of 20% of the total number of units to be affordable to lower income households for 55/45 years for rental/ownership units.
 - iii) The parcel or parcels on which the project is located is an infill site, as define in Section 21061.3 of the Public Resources Code. (This was in the BART language.)
 - iv) The parcels were not acquired through eminent domain on or after July 1, 2025.
 - v) The parcels are owned by the agency and is either 1) adjacent to the TOD stop or 2) before January 1, 2026, where at least 75% of the project area is within ½ mile of a TOD stop.
 - e) Allow a transit agency’s board of directors to adopt TOD zoning standards for real property in a TOD area that will apply to a TOD project and are consistent with the zoning standards in Section 65912.157 of this bill.
 - i) TOD zoning standards shall not go beyond the site’s maximum capacity which shall not exceed 200 percent of the maximum density established under this 65912.157.
 - f) Require that, if a transit agency adopts or amends TOD zoning standards, a transit agency hold public hearings, consult with relevant local governments an infrastructure agencies, and communities of concern.
 - g) Provide that when local zoning is inconsistent with the TOD zoning standards for a station, the local government shall adopt a local zoning ordinance that conforms to the TOD zoning standards within 2 years of the date the TOD standards are adopted.
 - h) Require that the TOD zoning standards are subject to review under CEQA and that the transit agency will serve as the lead agency for CEQA review.
 - i) Specify that if TOD zoning standards, objective planning standards, general plan, or design review standards are mutually inconsistent, the TOD zoning standards shall be the controlling standards. To the extent that the zoning standards do not resolve inconsistencies, the general plan shall be the controlling standard.
 - j) TOD zoning shall be subject to DBL and the HAA.

- k) Require that an agency TOD project comply with the antidisplacement requirements of the Housing Crisis Act.
- l) Allow a local agency to deny a height limit that is greater than those required in SB 79's height standards.
- m) Require that for every 25% of nonresidential square footage of an agency TOD project built, at least 25% of the total planned affordable units are built.
- n) Provide that the provision of this bill allowing transit agencies to adopt standards for land that they own not apply to transit agency property where housing is not an allowable use or the property is in proximity to industrial uses.
- o) Require HCD to promulgate standards on how to account for capacity pursuant to this bill no later than January 1, 2026.
- p) Requires HCD to provide written findings if a local government's ordinance to come into compliance with this bill is not compliant. If HCD does not provide any findings, then the local government's ordinance shall be deemed compliant.
- q) Requires HCD to provide local government's reasonable time, not to exceed 30 days, to respond to a determination that the local government's ordinance is not compliant.
- r) Allows a local government to designate areas within one-half mile of a transit-oriented development stop as exempt from the provisions of this bill if the local government makes findings supported by substantial evidence that there exists no walking path of less than one mile from that location to the transit-oriented development stop.
- s) Requires a metropolitan planning organization to create a map of transit oriented development stops and zones designated under this bill in accordance with HCD's findings. The map shall have rebuttable presumption of validity for use by project applicants and local governments.
- t) Define a TOD alternative plan to mean a plan adopted by the local agency via the adoption of or 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 and that incorporates all of the following:
 - i) A local transit-oriented development alternative plan shall maintain at least the same total zoned capacity, in terms of both total units and residential floor area, as provided for in this bill across all transit-oriented development zones within the jurisdiction.
 - ii) The plan shall not reduce the capacity in any transit-oriented development zone in total units or residential floor area by more than 50 percent.
 - iii) A site's maximum capacity counted toward the plan shall not exceed 200 percent of the maximum density established under Section 65912.157.
 - iv) A local transit-oriented development alternative plan may consist of an existing local transit-oriented zoning ordinance, overlay zone, specific plan, or zoning incentive ordinance, provided that it applies to all residential properties within the transit-oriented development zone and provides at least the same total feasible capacity for units and floor area as Section 65912.157 of this bill.
 - v) The plan shall not reduce the maximum allowed density for any individual site on which the plan allows residential use by more than 50 percent below that permitted under Section 65912.157 of this bill.
- u) Define "Transit-oriented development area" to mean the area within a one-half mile of a transit oriented development stop.

- v) Provide that prior to the seventh revision of the housing element, the bill shall not apply to any of the following:
 - i) A site that has been identified by the local jurisdiction which permits density at no less than 50% of the density specified under subdivision (a) of 65912.157.
 - ii) A site in a transit-oriented development zone identified to be upzoned in a local transit-oriented development program that has been adopted either through an ordinance or through a housing element amendment. This shall only apply to a transit-oriented development zone in which at least 33 percent of sites in the relevant transit-oriented development zone have permitted density of no less than 50 percent of the density specified under subdivision (a) of Section 65912.157 and which includes sites with densities that cumulatively allow for at least 75 percent of the aggregate density for the transit-oriented development zone specified under subdivision (a) of Section 65912.157.
 - iii) A site that is covered by a local transit-oriented development alternative plan adopted by a local government.
- w) For the seventh and subsequent revisions of the housing element, a local government may include a local transit-oriented development alternative in any of the following ways:
 - i) Include a local transit-oriented alternative plan in its Housing Element. When a local government includes a transit oriented development alternative plan in its housing element the plan shall include an analysis of how the plan maintains at least an equal feasible developable housing capacity as the baseline established by Section 65912.157.
 - I) If a local government adopts a housing element that the department has determined to be compliant, then any action to enforce or implement a compliant housing element shall be subject to applicable provisions of Housing Element law commencing with 65580.
 - ii) If a local government does not include the local transit-oriented alternative plan its housing element, the local government may adopt an alternative plan that has been deemed compliant by the department pursuant to 65912.160.
- x) Provide that Section 65912.157 shall not apply within a jurisdiction that has a local transit-oriented alternative plan that has been approved by the department as satisfying the requirements of this subdivision in effect. The department's approval pursuant to this subdivision shall be valid through the jurisdiction's next amendment to the housing element of its general plan.
- y) Allow a local transit-oriented development alternative plan to designate any other major transit stop or stop along a high-quality transit corridor that is not already identified as a transit-oriented development stop as a Tier 3 transit-oriented development stop. A local transit-oriented development plan consisting solely of adding additional major transit stops as transit-oriented development stops shall be exempt from the requirements of Section 65912.160.
- z) Allow a local transit-oriented development alternative plan to consist of an existing local transit-oriented zoning ordinance, overlay zone, specific plan, or zoning incentive ordinance or existing program, provided that it applies to all residential properties within the transit-oriented development zone and provides at least the same total feasible capacity for units and floor area as Section 65912.157.

Due to timing, the author has requested the following amendment to be processed as a committee amendment.

Section 65912.156

(o) “Tier 3 transit-oriented development stop” means a transit-oriented development stop within an urban transit county, excluding a Tier 1 or Tier 2 transit-oriented development stop, served by frequent commuter rail service or by ferry service; or any transit-oriented development stop not within an urban transit county, **except for a transit-oriented development stop served solely by bus transit**; or any major transit stop that has been designated a Tier 3 transit-oriented development stop in a local transit-oriented development alternative plan.

10) **Related Legislation.** SB 358 (Becker) requires local agencies to reduce vehicle mitigation fees for housing developments near transit unless they make findings supported by substantial evidence in the record that projects are not expected to reduce automobile trips. This bill is currently in the Assembly Appropriations Committee.

11) **Arguments in Support.** The co-sponsors of the bill, California YIMBY, SPUR, Bay Area Council, Streets for All, Inner City Law Center, and Greenbelt Alliance, write in support of the bill, “In response to stakeholder feedback, SB 79 has been amended to include a robust and flexible local alternative pathway. The most recent amendments flesh out this pathway, ensuring cities that have already taken meaningful action can meet the spirit of the law while tailoring implementation to local needs.

“Through the remainder of the Sixth Regional Housing Needs Allocation (RHNA) Cycle, jurisdictions may adopt ordinances to exempt certain lots from SB 79’s requirements if:

- The lots have been upzoned to allow at least half of the density that SB 79 would have otherwise required; or
- Within a station area, at least one third of the lots have been upzoned and collectively achieve three quarters of the density required by SB 79.

“Cities may also adopt a local alternative plan that redistributes the required density across station areas. These ordinances may be submitted for optional review by the Department of Housing and Community Development (HCD), providing flexibility and certainty without mandating additional state review processes.

“Beginning with the Seventh RHNA Cycle, cities must fully update their housing elements to comply with SB 79. At that time, local government may still adopt a local alternative plan, provided it:

- Achieves 100% of the density required by SB 79 across designated areas; and
- Does not completely downzone any parcel that SB 79 would have been upzoned.

“HCD will review these Seventh Cycle alternative plans as part of its standard housing element review, streamlining oversight and aligning SB 79 implementation with existing housing planning timelines. These changes ensure a phased, thoughtful implementation that respects existing planning efforts while ensuring meaningful progress toward TOD.

“In addition, the bill now incorporates affordability provisions from AB 1893 (Wicks, 2024)—7% of units for extremely low income households, 10% for very low income households, or 13% for lower income households—or local inclusionary ordinance, whichever is higher.

“Also, SB 79 includes careful demolition provisions to protect existing communities while unlocking new housing opportunities. The bill prohibits the demolition of rent controlled housing larger than 2 units that have been tenant occupied within the last 5 years. By enabling more homes in high-opportunity, high-transit areas, SB 79 helps relieve displacement pressures elsewhere—giving longtime residents the option to stay in their neighborhoods as they grow. Research from Prof. Michael Lens at UCLA shows that over 90% of low income Californians live in naturally occurring affordable housing. If we want to meet the scale of the need, we must create more of these homes in addition to deed-restricted units. SB 79 helps unlock that potential in areas where residents can thrive without car dependence.”

- 12) **Arguments in Opposition.** The League of California Cities writes in opposition, “SB 79 doubles down on the recent trend of the state overriding its own mandated local housing elements. This latest overreaching effort forces cities in urban transit counties defined as ‘a county with more than 15 rail stations’ to approve transit-oriented development projects near specified transit stops — up to seven stories high and a density of 120 homes per acre — without regard to the community’s needs, environmental review, or public input. Similarly, cities in non-urban transit counties near specific transit stops would need to approve development projects by right, up to five stories high, with a density of 80 homes per acre.

“Most alarmingly, SB 79 defies cities’ general plans and provides transit agencies land use authority on property they own or have a permanent easement on or before January 1, 2026, within a half mile of a transit stop. Transit agencies would have the power to determine all aspects of the development including height, density, and design, without any regard to local zoning or planning.

“This broad new authority applies to both residential and commercial development. Transit agencies could develop 100% commercial projects — even at transit stops — and not provide a single new home, while simultaneously making the argument that more housing must be constructed around transit stops.

“Finally, Cal Cities appreciates the author’s desire to include an alternative transit-oriented development plan; however, as currently drafted, the local government is required to do this through an amendment to their already approved and certified housing element. By requiring a housing element amendment, local governments would open the door to losing housing element certification and would create more complexity in an already challenging process. Additionally, the process of obtaining housing element amendments approved by the state is costly to local governments, and as a result, fewer cities will consider this alternative local flexibility plan. A better approach would be to allow local governments to adopt an ordinance to implement this plan.

“Cal Cities appreciates and respects the author’s desire to pursue a housing production proposal. However, as currently drafted, SB 79 will not spur much-needed housing construction in a manner that supports local flexibility, decision-making, and community input. State-driven ministerial or by-right housing approval processes fail to recognize the

extensive public engagement associated with developing and adopting zoning ordinances and housing elements.”

- 13) **Double-Referral.** This bill is double-referred to the Assembly Housing and Community Development Committee, where it passed on a 9-2 vote on July 2, 2025.

REGISTERED SUPPORT / OPPOSITION:

Support

21st Century Alliance
AARP
Abundance Network
Abundant Housing LA
Accelerate Neighborhood Climate Action
Active San Gabriel Valley
Alameda-Contra Costa Transit District (AC Transit)
Alexander Pedersen - Vice Mayor, Capitola
Bay Area Council
Bike Culver City
Bike East Bay
Bike Long Beach
Brian Barnacle - Councilmember, Petaluma
CalBike
California Apartment Association
California Community Builders
California Council for Affordable Housing (CCAH)
California Democratic Party Rural Caucus
California Yimby
Car-lite Long Beach
Casey Glaubman, Councilmember of Mount Shasta
Central Valley Urban Institute
Chico Councilmember Addison Winslow
Circulate San Diego
City of Berkeley Councilmember Rashi Kesarwani
City of Culver City
City of Emeryville
City of Gilroy Council Member Zach Hilton
City of Mountain View Council Member Lucas Ramirez
City of San Diego
City of Santa Monica
City of Santa Monica Council Member Jesse Zwick
City of South San Francisco Council Member James Coleman
City of West Hollywood
Claremont City Councilmember, Jed Leano
Climate Action Campaign
Costa Mesa Alliance for Better Streets
Council of Infill Builders
East Bay for Everyone

East Bay Yimby
Eastside Housing for All
Emily Ramos - Vice Mayor, Mountain View
End Poverty in California, a Project of Tides Center
Environmental Protection Information Center
Everybody's Long Beach
Families for Safe Streets San Diego
Fieldstead and Company, INC.
Fremont for Everyone
Generation Housing
Glendale Yimby
Greenbelt Alliance
Grow the Richmond
House Sacramento
Housing Action Coalition
Housing Leadership Council of San Mateo
Housing Leadership Council of San Mateo County
Housing Trust Silicon Valley
ICON CDC (Initiating Change in Our Neighborhoods Community Development Corporation)
Inclusive Lafayette
Indivisible Claremont / Inland Valley
Indivisible Sacramento
Inner City Law Center
Laura Nakamura - Vice Mayor, Concord
Leadingage California
Lisc San Diego
Lucas Ramirez - Councilmember, Mountain View
Mark Dinan - Vice Mayor, East Palo Alto
Matthew Solomon, Councilmember - Emeryville
Mountain View Yimby
Napa-Solano for Everyone
Natural Resources Defense Council (NRDC)
Neighborhood Partnership Housing Services, INC.
New Way Homes
Nonprofit Housing Association of Northern California (NPH)
North Westwood Neighborhood Council
Northern Neighbors
Orange County Business Council
Orchard City Indivisible
Pathway to Tomorrow
Peninsula for Everyone
People for Housing - Orange County
Petaluma City Council Member Brian Barnacle
Phoebe Shin Venkat - Councilmember, Foster City
Princess Washington, Councilmember of Suisun City
Prosperity California
Rebecca Saltzman, El Cerrito Councilmember
Redlands Area Democratic Club
Redlands Yimby

Remake Irvine Streets for Everyone (RISE)
RideSD
San Bernardino County Young Democrats
San Diego County Bicycle Coalition
San Fernando Valley for All
San Francisco Yimby
Santa Cruz Yimby
Santa Rosa Yimby
Sergio Lopez - Mayor, Campbell
Sierra Business Council
Sloco Yimby
South Bay Yimby
South Pasadena Residents for Responsible Growth
South Pasadena Tenants Union
South San Francisco Councilmember James Coleman
Spur
Streets are for Everyone
Streets for All
Strong Towns Poway & Rb
Strong Towns Poway & SB
Strong Towns Santa Barbara
Student Homes Coalition
Sv@home Action Fund
The San Fernando Valley Young Democrats
The Two Hundred
Usgbc California
Ventura County Yimby
Walk San Francisco
Westside for Everyone
Wildlands Network
Yimby Action
Yimby Democrats of San Diego County
Yimby Los Angeles
Yimby Slo
Zach Hilton - Councilmember, Gilroy
Zillow Group

Opposition

Albany Neighbors United
Apartment Association of Greater Los Angeles
Baldwin Hills Estates HOA
Barbary Coast Neighborhood Association
Brentwood Homeowners Association
Build Affordable Faster CA
Burbank/burbank Redevelopment Agency; City of
California Association of Councils of Governments
California Cities for Local Control
Carlsbad Citizens for Community Oversight (C2O)

Catalysts for Local Control
Century Glen Neighborhood Association
Cheviot Hills (Los Angeles) Neighborhood Association
Citizen Marin
Citizens Preserving Venice
City of Artesia
City of Bakersfield
City of Bell
City of Bellflower
City of Camarillo
City of Carlsbad
City of Carson
City of Coalinga
City of Commerce
City of Corona
City of Cupertino
City of Cudahy
City of Del Mar
City of Downey
City of Encinitas
City of Fairfield
City of Folsom
City of Fullerton
City of Glendale
City of Hidden Hills
City of Hesperia
City of Huntington Beach
City of Indian Hills
City of Inglewood
City of Lafayette
City of Laguna Beach
City of La Mirada
City of Lakewood
City of Malibu
City of Manhattan Beach
City of Menifee
City of Merced
City of Mission Viejo
City of Modesto
City of Moorpark
City of Morgan Hill
City of Morro Bay
City of Murrieta
City of Newport Beach
City of Norwalk
City of Oceanside
City of Ontario
City of Orange
City of Orinda

City of Palmdale
City of Palo Alto
City of Paramount
City of Pico Rivera
City of Pleasanton
City of Rancho Cordova
City of Rancho Cucamonga
City of Rancho Palos Verdes
City of Redlands
City of Rolling Hills
City of Roseville
City of San Bernardino
City of Santa Ana
City of Simi Valley
City of South Gate
City of Sunnyvale
City of Thousand Oaks
City of Torrance
City of Tulare
City of Vernon
City of Visalia
City of Westlake Village
City of Whittier
Coastal San Pedro Neighborhood Council
Comstock Hills Homeowners Association
Coronado; City of
Cow Hollow Association
Crescenta Highlands Neighborhood Association 2025
Crescenta Valley Community Association 2025
Culver City Neighbors United
Ed Reece, Claremont City Councilmember
Encino Property Owners Association
Equitable Land Use Alliance (ELUA)
Friends of Historic Miracle Mile
Friends of Loma Alta Creek
Gateway Cities Council of Governments (UNREG)
Glendale Homeowners Coordinating Council
Grayburn Avenue Block Club
Hills2000_friends of the Hills
Hollywoodland Homeowners Association, United Neighborhoods
Housing California
Indivisible Marin
Jordan Park Neighborhood Association
La Brea Hancock Homeowners Association
Larchmont United Neighborhood Association
League of California Cities
Livable Mountain View
Los Angeles City Attorney
Los Feliz Improvement Association

Mayor's and Councilmembers' Association of Sonoma County Legislative Committee
Mission Street Neighbors
Neighborhoods United SF
Neighbors for a Better California
Neighbors for a Better San Diego
New Livable California DbA Livable California
No 710 Action Committee
Pacific Palisades Community Council
Park LA Brea Impacted Residents Group (PLBIRG)
Rancho Verdugo Estates HOA
San Diego Association of Governments
San Francisco Tenants Union
Santa Monica Northeast Neighbors
Save Lafayette
Save Sacramento Neighborhoods
Sgv Progressive Alliance
Shadow Hills Property Owners Association
Sherman Oaks Chamber of Commerce
Sherman Oaks Homeowners Association
Small Business Forward
South Carthay Neighborhood Association
Spaulding Square Historical Preservation Overlay Zone (HPOZ)
State Building & Construction Trades Council of California
Sunnyvale United Neighbors
Sunset Square Neighborhood Organization
Telegraph Hill Dwellers
The Santa Monica North of Montana Association (NOMA)
Town of Apple Valley
United Neighbors
Villa Firenze Hoa
Wake Up California
West Hills Neighborhood Council
West of Westwood Homeowners Association
West Toluca Lake Residents Association
West Torrance Homeowners Association
Westside Regional Alliance of Councils
Westwood Gardens Civic Association, INC.
Westwood Hills Property Owners Association
Westwood Homeowners Association
Westwood South of Santa Monica Blvd. Homeowners Association
Wilshire Montana Neighborhood Coalition

Oppose Unless Amended

Alliance for Community Transit-los Angeles (ACT-LA)
Butterfield-riviera East Community Association
California Rural Legal Assistance Foundation
Citizens Committee to Complete the Refuge
Communities for a Better Environment
Council of Community Housing Organizations

Council of Community Housing Organizations, San Francisco
Disability Rights California
East Bay Housing Organizations
Elder Law and Disability Rights Center
Esperanza Community Housing
Esperanza Community Housing Corporation
Green Foothills
Hancock Park Homeowners Association, Est. 1948
Homey
Housing Now!
Kennedy Commission
LA Forward
Leadership Counsel for Justice & Accountability
Little Tokyo Service Center
Long Beach Forward
Los Angeles Conservancy
Mental Health Advocacy Services
Physicians for Social Responsibility - Los Angeles
Poder
Protect Point Loma
Public Advocates
Public Counsel
Public Interest Law Project
Public Law Center
Race & Equity in All Planning Coalition (REP-SF)
Rise Economy
Sacred Heart Community Service
San Francisco Anti Displacement Coalition
Santa Monica's for Renters' Rights
South Bay Community Land Trust
Southeast Asian Community Alliance
Strategic Actions for a Just Economy (SAJE)
The Kennedy Commission
Urban Habitat
Western Center on Law & Poverty
Young Community Developers

Analysis Prepared by: Linda Rios / L. GOV. / (916) 319-3958