

ATTACHMENT A

BILL: SENATE BILL 677
AS AMENDED JANUARY 5, 2026

AUTHOR: SENATOR SCOTT WIENER (D – SAN FRANCISCO)

SUBJECT: HOUSING DEVELOPMENT: TRANSIT-ORIENTED
DEVELOPMENT

STATUS: RE-REFERRED TO COMMITTEE ON HOUSING JAN 5, 2026

ACTION: OPPOSE UNLESS AMENDED

RECOMMENDATION

Adopt an OPPOSE UNLESS AMENDED position on Senate Bill 677, as amended on January 5, 2026.

ISSUE

SB 677 is intended to make technical and clarifying changes to SB 79 (Wiener, Chapter 512, Statutes of 2025), which establishes statewide standards for housing development near major transit stops.

As of the drafting of this report the bill:

- Makes technical changes to SB 79 (Wiener), specifically by making changes to the definitions of “urban transit county” and certain types of transit stops, as well as adding additional definitions. Specifically, the bill adds definitions for “high-frequency ferry service” and “rail transit station” while refining definitions for “major transit stop”, “high frequency commuter rail”, “Transit-oriented development stop”, “tier 2 transit-oriented development stop”, “urban transit county”, and “very high frequency commuter rail”.
- Exempts existing parcels or sites from SB 79 if those parcels or sites are subject to the Mobilehome Residency Law, Mobilehome Parks Act, the Recreational Vehicle Park Occupancy Law, and the Special Occupancy Parks Act.
- Provides that a transit agency may, among other things, establish floor area ratio (FAR) requirements generally in their zoning standards for district-owned property located in a TOD zone (as opposed to residential-only FAR standards).

While SB 677 makes limited technical adjustments, it does not address the core implementation challenges Metro has experienced with SB 79. The bill fails to clarify how Metro's rail lines are classified under the law, resolve inconsistencies in transit mode definitions, or address the growing local resistance to transit projects driven by SB 79's housing density provisions. As a result, SB 79 continues to create uncertainty for project planning, complicate coordination with local jurisdictions, and undermine local partnerships that are critical to delivering voter-approved transit projects in Los Angeles County. Because SB 677 does not resolve these issues, staff recommends an **OPPOSE UNLESS AMENDED** position.

BACKGROUND

The relationship between higher density and higher transit use is well-documented. As a result, Metro strongly supports transit-oriented development and operates one of the most robust joint development programs in the country. Through partnerships with local cities, community stakeholders, and private and nonprofit developers, Metro is working to deliver 10,000 housing units by 2031, with at least 50 percent of the units designated as affordable. Metro has already delivered more than 2,500 units, including nearly 400 units of 100 percent affordable housing in the last two years alone, with thousands more in the development pipeline. Metro also has another 2,000 units across four sites that are entitled and preparing for construction, with another 5,500 in the development pipeline.

SB 79 requires housing development projects within a specified radius of major transit-oriented development (TOD) stops to be allowed on sites zoned for residential, mixed, or commercial use, provided certain requirements are met. The law establishes minimum height, density, and floor area ratio (FAR) standards based on proximity to qualifying transit stops. The legislation directs Metropolitan Planning Organizations, including the Southern California Association of Governments (SCAG), to prepare maps identifying affected parcels within each jurisdiction, based on guidance from the California Department of Housing and Community Development (HCD). These maps are intended to assist local jurisdictions in implementing SB 79's requirements. SB 677 (Wiener) is intended to make technical and clarifying changes to SB 79, which will take effect on July 1, 2026.

On December 5, 2025, the Metro Board approved a 2026 Legislative Platform that includes pursuing amendments to SB 79 to ensure that its definitions and implementation support Metro's Long Range Transportation Plan and the continued delivery of high-quality transit service.

DISCUSSION

Metro's transit expansion program is the largest in California, with approximately \$120 billion in planned investments funded by four voter-approved sales tax measures and federal support. Since 2022, Metro has delivered three rail expansion projects, has four

expansion projects under construction, and will open three more expansion projects by 2028, along with multiple bus rapid transit projects and quick build bus lanes.

Following the passage of SB 79, Metro has encountered significant challenges that directly affect the agency's ability to plan, deliver, and maintain critical transit infrastructure across Los Angeles County. Several of the bill's core definitions are unclear and inconsistent with industry standards. These ambiguities create legal and planning uncertainty for Metro projects and expose the agency to avoidable delays, disputes, and litigation risk.

Most notably, SB 79 and SB 677 fail to accurately classify Metro's A, C, E, and K rail lines. The current definition of "light rail transit" is limited to streetcar, trolley, and tramway systems, which do not accurately reflect Metro's rail operations. As a result, it is unclear whether major Metro rail corridors qualify as eligible transit stops under the statute. This lack of clarity undermines the consistent application of the law, complicates coordination with local jurisdictions, and weakens Metro's ability to advance transit-oriented development on and around its own infrastructure. Additionally, SB 79 adds another hurdle to the effort to expand our bus system throughout the County and improve service for our transit-dependent riders. Dedicated bus lanes traditionally face greater local opposition because they can remove parking or general purpose lanes and SB 79 adds an additional obstacle to providing high quality bus service throughout LA County.

In addition to technical flaws, SB 79 has become a catalyst for local opposition to Metro's transit projects. By linking increased housing density to both existing and future transit investments, the law has intensified resistance from some cities and community groups that now view new transit projects as a trigger for state-mandated upzoning. This unintended consequence results in transit being the "stick" for upzoning instead of the "carrot". This has already begun to erode previously strong local partnerships and has created new political and permitting obstacles for voter-approved projects that have already completed environmental review.

Metro's transit expansion program depends on strong, consistent cooperation with cities throughout Los Angeles County. When SB 79 fuels local opposition, it directly threatens Metro's ability to secure permits, coordinate construction, and maintain project schedules. These delays increase costs, jeopardize federal funding timelines, and ultimately slow the delivery of transit service to communities that rely on it most.

The consequences of these barriers are real. Eighty-nine percent of Metro riders are very low income, and 85 percent are transit dependent. Delays to rail, bus lanes, and bus rapid transit projects disproportionately harm the region's most vulnerable populations by limiting access to jobs, education, and healthcare. SB 79's current structure risks undermining the very transit infrastructure the Legislature intended to leverage for housing production and climate goals.

SB 677, as amended on January 5, 2026, does not resolve these fundamental issues. While it makes limited technical adjustments, it fails to address core definition

inconsistencies and the growing local resistance to transit projects driven by SB 79's unilateral density provisions. Without targeted amendments, SB 79 will continue to hinder Metro's ability to deliver voter-approved transit projects, maintain local partnerships, and meet regional mobility, housing, climate, and equity goals.

To ensure that Metro can continue advancing its Long Range Transportation Plan and improving transit service across the region, Metro recommends considering an alternative structure or a Los Angeles-specific exemption. These options could include:

- Limiting the bill's applicability to only those rail transit projects that are in revenue service.
- Creating an incentive-based structure using state funds that allows local agencies to determine how best to locate density around transit infrastructure.
- Delaying the effective date of the bill until implementation issues can be addressed.
- Limiting the bill's applicability to the Bay Area as a pilot project for a set period of time.
- Exempting Los Angeles County from SB 79, given the region's extensive and ongoing transit expansion efforts and the importance of maintaining strong local partnerships to advance these projects.

For these reasons, staff recommend an **OPPOSE UNLESS AMENDED** position on SB 677.

NEXT STEPS

Should the Board adopt an **OPPOSE UNLESS AMENDED** position on the legislation, staff will formally communicate the Board's position and requested amendments to the bill's author and relevant legislative offices. Staff will also continue to monitor the bill's progress throughout the legislative session and provide the Board with timely updates on any developments, amendments, or changes that may affect Metro's interests.