



CALIFORNIA 2026 HOUSING LEGISLATION

COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT

Housing and Homelessness Committee July 27, 2026



1

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BACKGROUND

1. The twin crises of housing affordability and homelessness persist
 - a) High land and development costs
 - b) Rapid sales and rental price increases
 - c) Neighborhood opposition
 - d) Regulatory constraints
 - e) Environmental regulations
 - f) Intra-state migration
2. This remains a priority for both the Governor and the Legislature.
 - a) 39 housing-related bills – signed into law September 2025



2

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BACKGROUND

HOUSING LEGISLATION PASSED INTO LAW IN 2026

CATEGORY – IMPACT TO CITY	NUMBER OF BILLS
Low	15
Moderate	17
High	7
TOTAL	39



3

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LOW IMPACT

No.	Bill	Description	Impact to City
1	SB 808	Expedites judicial review of housing development project denials.	Low
2	SB 786	Reforms housing element law litigation.	Low
3	AB 87	Makes state density bonus law benefits inapplicable to hotel portions of mixed-use projects.	Low
4	SB 92	Imposes state density bonus law limits on commercial floor area increases for commercial portions of mixed-use projects.	Low
5	AB 1021	Expands streamlining for educational agency projects.	Low
6	AB 457	Expands streamlining for farmworker housing.	Low
7	SB 838	Makes Housing Accountability Act (HAA) protections inapplicable to hotel portions of mixed-use projects.	Low
8	AB 893	Extends AB 2011 (of 2022) to student campus development zones.	Low



4

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LOW IMPACT

No.	Bill	Description	Impact to City
9	AB 357	Creates California Coastal Commission streamlining for student housing.	Low
10	SB 340	Imposes additional processing protections for onsite emergency shelter services.	Low
11	SB 507	Creates Regional Housing Needs Allocation (RHNA) credit for Tribal housing development.	Low
12	AB 480	Amends the process for selling low-income housing tax credits (LIHTCs).	Low
13	AB 462	Streamlines coastal development permit approvals for ADUs located in the coastal zone.	Low
14	AB 226	Makes new liquidity available for California FAIR Plan Association.	Low
15	SB 79	Overrides local zoning limitations to allow greater heights and densities for residential development near transit stops. Currently, this bill is not applicable to the City, as there are not enough rail stations to qualify. However, this bill could become high-impact in the future if subsequent legislation extends its applicability.	Low



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MODERATE IMPACT

No.	Bill	Description	Impact to City
1	AB 712	Enhances fines and penalties against local governments for violating housing reform laws.	Moderate
2	AB 920	Requires that cities or counties with a population of 150,000 or more persons to make a centralized online application portal available on its internet website to applicants for housing development projects for housing projects by January 1, 2030.	Moderate
3	SB 489	Requires agencies and local agency formation commissions (LAFCOs) to publish lists of information required of housing projects online.	Moderate
4	AB 1007	Shortens responsible agency shot-clock for housing approvals.	Moderate
5	AB 253	Establishes a post-entitlement permit approval shot-clock and authorizes applicants to retain private plan checkers for small residential projects.	Moderate
6	AB 301	Imposes shot-clock for state agency post-entitlement permits.	Moderate
7	AB 1308	Imposes residential permit inspection timelines.	Moderate

6



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MODERATE IMPACT

No.	Bill	Description	Impact to City
8	AB 507	Expands streamlining for adaptive reuse projects.	Moderate
9	AB 610	Enhances requirements for housing element constraints analysis.	Moderate
10	AB 1275	Improves alignment between RHNA and regional transportation plan/sustainable communities strategy (RTP/SCS) planning.	Moderate
11	SB 262	Expands "prohousing" designation for "policies that keep people housed."	Moderate
12	AB 670	Enhances reporting requirements for demolished units.	Moderate
13	AB 1050	Expands the ability of developers to eliminate restrictive covenants that prohibit converting commercial property to residential use.	Moderate
14	SB 358	Expands limits on vehicular traffic impact fees for housing projects that limit parking and are near transit and amenities.	Moderate



7

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MODERATE IMPACT

No.	Bill	Description	Impact to City
15	AB 1529	Redefines "affordable rent" in affordable housing programs.	Moderate
16	AB 818	Requires 10-day approvals for temporary structures.	Moderate
17	SB 625	Streamlined redevelopment of structures destroyed in a disaster.	Moderate



8

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HIGH IMPACT – ADUs, DUPLEXES, AND LOT SPLITS



- **SB 9, SB 542, AB 1154:** Accessory Dwelling Units and Junior Accessory Dwelling Units
- **AB 1061:** Urban Lot Splits – Historical Resources



9

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POLICY DIRECTION: SB 9, SB 543, AB 1154

Accessory Dwelling Units (ADU) and Junior Accessory Dwelling Units (JADUs)

WHEN THEY APPLY

- **January 1, 2026**

WHAT THEY DO

- Add penalties for not submitting local ADU ordinance to HCD within 60 days
- Clarifies development standards and definitions
- Allows additional combinations of detached and converted ADUs and JADUs
- Establishes a 15-day shot-clock for ADU approvals
- Limits owner occupancy requirements on JADUs

WHAT IT MEANS FOR RIVERSIDE

- State legislation on ADUs changes significantly year-to-year, resulting in the City's ADU ordinance conflicting with State Law and HCD regulatory guidance
- **Staff recommends repealing the existing ADU ordinance and replacing it with a simple reference to State Law and the HCD Handbook**



10

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HIGH IMPACT: AB 1061

Urban Lot Splits – Historical Resources

WHEN IT APPLIES

- **January 1, 2026**

WHAT IT DOES

- Streamlines lot splits and duplexes in historic districts, as long as development does not alter or demolish an existing historic structure

WHAT IT MEANS FOR RIVERSIDE

- Existing law restricts duplexes and small-scale lot splits, permissible under SB 9, within historic districts
- **This bill allows SB-9 to be used within historic districts, allowing additional homes to be built in historic neighborhoods**



11

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HIGH IMPACT – CEQA



- **AB 130:** Housing – Infill exemptions
- **SB 158:** Public Resources – Shot-clock approvals
- **SB 131:** Land Use – Constrained CEQA review



12

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HIGH IMPACT: AB 130, SB 158, AND SB 131

Infill Housing and Shot-Clock Approvals

WHEN THEY APPLY

- July 1, 2025

WHAT THEY DO

- AB 130 Exempts qualifying “infill” housing-rich projects from CEQA, with no wage standard requirements up to 85 feet in height.
- AB 130 imposes a 30-day deadline for agencies to act to approve or disapprove qualifying projects, and SB 158 clarifies the shot-clock approval.
- SB 131 constrains CEQA review for projects that narrowly fail to qualify for the above exemptions.

WHAT IT MEANS FOR RIVERSIDE

- Many developable properties within the City would qualify as “infill” sites under the provisions of these laws. The City could see an increase in housing applications on such properties.



13

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POLICY DIRECTION: SB 684 AND SB 1123

Urban Lot Splits

WHEN THEY APPLY

- July 1, 2025

WHAT THEY DO

- SB 684 (2023) streamlined approvals for the construction of up to 10 homes on existing parcels in multi-family zones.
- It also amended the Subdivision Map Act to make it easier to split such parcels into 10 individual lots.
- SB 1123 (2024) extended the same provisions to existing vacant parcels in single-family.

WHAT IT MEANS FOR RIVERSIDE

- Current legislation explicitly gives Cities the authority to decide on combining ADUs and JADUs with SB 1123 projects. **Staff seek policy direction regarding whether ADUs and/or JADUs should be allowed in combination with these projects.**
- In certain circumstances, the approval of an SB 1123 project results in leftover “remainder parcels.” These remainder parcels are often smaller than what Zoning requires in terms of lot depth, area, coverage, or similar standards and present development difficulties. **Staff seek policy direction regarding whether to adopt special development standards and/or exceptions for such remainder lots.**



14

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POLICY DIRECTION: AB 1033

Separate Sale or Conveyance of Accessory Dwelling Units

WHEN IT APPLIES

- **January 1, 2024**

WHAT IT DOES

- Authorizes local agencies to adopt an ordinance allowing the separate sale of the primary dwelling unit and accessory dwelling unit(s) as condominiums

WHAT IT MEANS FOR RIVERSIDE

- Existing law indicates that ADUs may not be sold separately from the primary residence.
- AB 1033 would allow the City to adopt an ordinance allowing the separate sale of ADUs as separate properties (condominiums)
- **Adopting such an ordinance could help the City meet regional housing goals** LRT



15

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POLICY DIRECTION SUMMARY

POLICY DIRECTION: ADU ORDINANCE, SEPARATE SALE OR CONVEYANCE OF ADUs

ADU Direction:

- Staff recommends repealing the existing ADU ordinance and replacing it with a simple reference to State Law and the HCD Handbook
- Staff seek policy direction regarding whether to adopt a local ordinance allowing the separate sale of primary and accessory dwelling units as condominiums, per AB 1033.

Urban Lot Splits Direction:

- Staff seek policy direction regarding whether ADUs and/or JADUs should be allowed in combination with SB 1123 projects.
- Staff seek policy direction regarding whether to adopt special development standards and/or exceptions for remainder lots resulting from SB 1123 projects.



16

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RECOMMENDATIONS

That the Housing and Homelessness Committee:

1. Provide direction on the aforementioned policy considerations;
2. Receive and file the staff report on the California Legislature's 2026 Housing Bills; and
3. Direct Staff to present an update to City Council.



17

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