



Councilmember Dan Kalb

CITY OF OAKLAND

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Agenda Memorandum

To: Rules & Legislation Committee

From: Councilmember Dan Kalb

Date: April 26, 2018

Subject: Support of SB 1227: Housing Our Students

Colleagues on the City Council and Members of the Public,

With my introduced Resolution of Support for SB 1227 (Skinner), I am submitting the attached Fact Sheet, April 16, 2018 bill analysis from the Senate Committee on Transportation and Housing, and text of the bill.

Respectfully submitted,

Dan Kalb, Councilmember

Senate Bill 1227
Housing Our Students
Senator Nancy Skinner (SD-9)

THIS BILL

SB 1227 allows builders of student housing to be eligible for the state's density bonus incentive if all units in the building are designated for students and at least 20 percent of the units are set aside to be rented to lower income students.

ISSUE

California's housing crisis has placed unprecedented burdens on college students. Students are a unique housing market whose needs can be fundamentally different from the average resident. For example, students often have little to no income to qualify for affordable housing and student housing dorms typically have small bedrooms with shared amenities, restrooms, kitchens and common areas, and no parking.

The cost of housing has also become an increasingly larger obstacle to student success. It is estimated that nearly 800,000 college students nationwide experience housing insecurity or homelessness.

Existing California law allows local governments to grant a density bonus to developers of residential housing who include a certain percentage of affordable units in a housing project. An "affordable housing unit" is defined as a full single-family or multifamily residential unit with an independent, separate kitchen, bath, dining and living area rented to very low-, low-, and moderate-income households who must prove income eligibility.

Student housing developments are not currently eligible for these incentives because student housing is not always designed like typical apartments and students commonly have no proof of personal income to demonstrate financial need.

California's housing crisis is now affecting students' lives and their future as well as the attractiveness of state colleges and universities that do not have adequate or affordable housing for their students.

SOLUTION

SB 1227 allows housing built specifically for students to be eligible for a 35% density bonus as long as the project meets the following criteria:

- 100% of the units are dedicated to housing students and not the general public.
- Student residents must be enrolled in a Western Association of Schools Colleges (WASC) accredited institution.
- A minimum of 20% of the units in the student housing project must be rented out at a lower cost to students who prove need via financial aid eligibility or family income.
- Lower income units must remain available for at least 55 years.

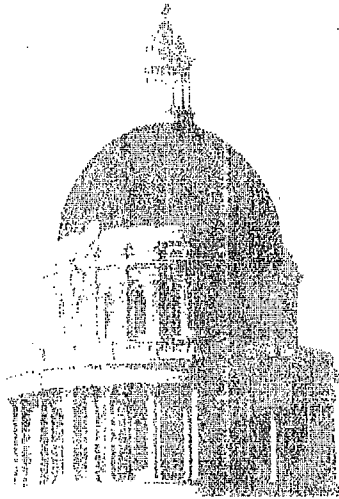
SUPPORT

Bay Area Council (Sponsor)
California Community Builders
California YIMBY
Half Moon Bay Brewing
Company
Helen Manus Architects
INN at Mavericks
Los Angeles County Economic
Development Corporation
Mavericks Event Center
McKinsey & Company
North Bay Leadership Council
Pacific Standard by Half Moon

Bay Brewing Company
Postmates
San Francisco Chamber of
Commerce
San Francisco Housing Act
Coalition
San Mateo County Economic
Development Association
SV Angel
The Two Hundred
TMG Partners

CONTACT

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SENATE COMMITTEE ON TRANSPORTATION AND HOUSING

Senator Jim Beall, Chair

2017 - 2018 Regular

| | | | |
|-------------|-------------------|---------------|-----------|
| Bill No: | SB 1227 | Hearing Date: | 4/24/2018 |
| Author: | Skinner | | |
| Version: | 4/16/2018 Amended | | |
| Urgency: | No | Fiscal: | Yes |
| Consultant: | Alison Hughes | | |

SUBJECT: Density bonuses

DIGEST: This bill requires cities and counties to grant a density bonus when an applicant for a housing development of five or more units seeks and agrees to construct a project that will contain at least 20% of the total units for lower-income students in a student housing development, as specified.

ANALYSIS:

Existing law:

- 1) Requires all cities and counties to adopt an ordinance that specifies how they will implement state density bonus law.
- 2) Requires cities and counties to grant a density bonus when an applicant for a housing development of five or more units seeks and agrees to construct a project that will contain at least any one of the following:
 - a) 10% of the total units of a housing development for lower income households
 - b) 5% of the total units of a housing development for very low-income households
 - c) A senior citizen housing development or mobile home park
 - d) 10% of the units in a common interest development (CID) for moderate-income households
 - e) 10% of the total units for transitional foster youth, disabled veterans, or homeless persons.
- 3) Requires the city or county to allow an increase in density of 20% over the otherwise maximum allowable residential density under the applicable zoning ordinance and land use element of the general plan for low-income, very low-income, or senior housing, and by 5% for moderate-income housing in a CID.

- 4) Provides that, upon the developer's request, the local government may not require parking standards greater than the following (the developer may, however, request additional parking incentives or concessions):
 - a) Zero to one bedrooms: one onsite parking space;
 - b) Two to three bedrooms: two onsite parking spaces; and
 - c) Four or more bedrooms: two and one-half parking spaces.

- 5) Provides that if a rental development is 100% affordable to lower income families then, upon the request of a developer, a city, county, or city and county, the following parking ratios shall apply for the development:
 - a) If the development is located within one-half mile of a "major transit stop" and there is unobstructed access to the major transit stop from the development, the ratio shall not exceed 0.5 spaces per unit.
 - b) If the development is a for-rent housing development for individuals who are 62 years of age or older, the ration shall not exceed 0.5 spaces per unit.
 - c) If the development is a special needs housing development, the ratio shall not exceed 0.3 spaces per unit.

- 6) Requires applicants to receive the following number of incentives or concessions:
 - a) One incentive or concession for projects that include at least 10% of the total units for lower income households;
 - b) Two incentives or concessions for projects that include at least 20% of the total units for lower income households;
 - c) Three incentives or concessions for projects that include at least 30% of the total units for lower income households.

- 7) Permits an applicant to submit to a local government a proposal for the specific incentives or concessions that the applicant requests, as specified, and allows the applicant to request a meeting with the local government. Defines "concession or incentive" as:
 - a) A reduction in site development standards or a modification of zoning code requirements or architectural design requirements that exceed the minimum building standards including, but not limited to, a reduction in setback and square footage requirements and in the ratio of vehicular parking spaces that would otherwise be required that results in identifiable and actual cost reductions, to provide for affordable housing costs;

- b) Approval of mixed-use zoning in conjunction with the housing project, as specified.
- c) Other regulatory incentives or concessions proposed by the developer or the local government that results in identifiable and actual cost reductions to provide for affordable housing.

This bill:

- 1) Requires cities and counties to grant a density bonus when an applicant for a housing development of five or more units seeks and agrees to construct a project that will contain at least 20% of the total units for lower income students in a student housing development that meets the following requirements:
 - a) All units in the student housing development will be used exclusively for undergraduate, graduate, or professional students enrolled full time at an institution of higher education accredited by the Western Association of Schools and Colleges or the Accrediting Commission for Community and Junior Colleges.
 - b) The applicable 20% units will be used for lower income students, as defined. The eligibility of a student under this clause shall be verified by one of the following methods:
 - i) An affidavit provided by the institution of higher education in which the student is enrolled that the student receives financial aid from the university.
 - ii) Any other proof of family income.
 - c) For purposes of calculating density, the term “unity” means one rental bed and its pro rata share of associated common area facilities. The units shall be subject to a recorded affordability restriction of 55 years.
- 2) Requires housing developments meeting the criteria of (1) above to be granted a 35% density bonus. The units that are granted a bonus shall not be subject to any minimum residential unit size, occupant density, or dwelling units per acre requirements that are otherwise imposed by the local government.
- 3) Prohibits a local government from imposing a parking ratio on a development consisting of solely student units and granted a bonus under this bill that is located within one mile of the higher education institution.

COMMENTS

- 1) *Purpose*. According to the author, this bill “increases the production of affordable student housing for our college students exclusively enrolled in a Western Association of Schools and Colleges accredited college or university. Existing law does not distinguish between student and non-student housing. These projects are subject to local control, require unnecessary costs that are normally meant for non-student housing, unaffordable to a typical struggling college student and therefore, contributes to California’s already existing housing crisis.”
- 2) *Density bonus law*. Given California’s high land and construction costs for housing, it is extremely difficult for the private market to provide housing units that are affordable to low- and even moderate-income households. Public subsidy is often required to fill the financial gap on affordable units. Density bonus law allows public entities to reduce or even eliminate subsidies for a particular project by allowing a developer to include more total units in a project than would otherwise be allowed by the local zoning in exchange for affordable units. Allowing more total units permits the developer to spread the cost of the affordable units more broadly over the market-rate units. The idea of density bonus law is to cover at least some of the financing gap of affordable housing with regulatory incentives, rather than additional subsidy.

Under existing law, if a developer proposes to construct a housing development with a specified percentage of affordable units, the city or county must provide all of the following benefits: a density bonus, incentives, or concessions (hereafter referred to as incentives); waiver of any development standards that prevent the developer from utilizing the density bonus or incentives; and reduced parking standards.

- 3) *Projects eligible for density bonus*. To qualify for the benefits of density bonus law, a proposed housing development must meet one of the following criteria:
 - a) Include at least 5% of the units affordable to very low-income households
 - b) Include at least 10% of the units affordable to low-income households
 - c) Include at least 10% of the units in a for-sale CID affordable to moderate-income households
 - d) Be a senior housing development. Units affordable to lower income households must remain affordable for 30 years, and for-sale units affordable to moderate-income households must be subject to an equity sharing agreement that returns a proportionate share of appreciation to the local governments upon resale of the home.

- e) Include at least 10% of the total units for transitional foster youth, disabled veterans, or homeless persons.

If one of these five options is met, a developer is entitled to a base increase in density for the project as a whole (referred to as a density bonus) and one regulatory incentive. At higher levels of affordability, the developer is entitled to a sliding scale of density bonuses, up to a maximum of 35% of the maximum zoning density and up to three incentives. For 20% lower income units, a developer is entitled to a 35% density bonus and at two incentives or concessions; at 30% lower income units, the developer is entitled to three incentives or concessions. As identified in (4) and (5) of the existing law section, developers are also entitled to reduced parking ratios, including more substantial reductions for 100% affordable housing projects.

This bill provides, in exchange for 20% units dedicated to lower-income units, a 35% density bonus. It exempts the development from minimum residential unit size, occupant density, or units per acre requirements imposed by a city. Further, there shall be no parking requirements imposed on developments within a one-mile radius of a higher institution.

Under existing law a developer can submit for incentives and concessions to reduce the cost of housing to create affordable housing units without the additional benefits allotted in this bill (specifically, minimum residential unit size, occupant density, units per acre requirements, and elimination of parking requirements). ***The author has agreed to remove the additional benefits awarded under this bill to align with existing law.***

- 4) *Homeless College Students*. According to studies by the Association of Community College Trustees¹, California State University², and University of California³, it is estimated that 762,585 California college students experience housing insecurity or homelessness, including 693,000 (1-in-3) students in California's community college system; 57,000 (1-in-10) students in the California State University system, and 12,585 (1-in-20) students in the University of California system. About one-third of community college students experiencing housing or food insecurity were both working and receiving financial aid, but were not matched by additional support. Homeless

¹ Association of Community College Trustees, *Hungry and Homeless in College*, March 2017, available at: <http://www.wihopelab.com/publications/Hungry-and-Homeless-in-College-Report.pdf>

² California State University, Long Beach, *Serving Displaced and Food Insecure Students in the CSU*, January 2016, available at: <https://presspage-production-content.s3.amazonaws.com/uploads/1487/cohomelessstudy.pdf>

³ University of California, *Global Food Initiative: Food and Housing Insecurity at the University of California*, December 2017, available at: https://www.ucop.edu/global-food-initiative/_files/food-housing-security.pdf

community college students were more likely to work low-wage, low-quality jobs, and get less sleep.

Given the needs for homeless students, the author has agreed to provide a priority for students who are experiencing homelessness to access units affordable to lower-income students.

- 5) *Determining eligibility for affordable units.* Unlike traditional affordable housing, identifying lower-income students eligible for student housing as permitted under this bill is trickier to calculate. Many students will not be working full-time jobs, so on paper, most students will appear to be lower-income. One solution, in order to verify a student's eligibility for lower-income housing, is to demonstrate a student's eligibility to receive a Cal Grant. The Cal Grant program identifies income ceilings in statute based upon a student's household income, both for new and renewing participants. To qualify, you must apply for the Free Application for Federal Student Aid or California Dream Act Application and meet the eligibility and financial requirements as well as any minimum GPA requirements. Cal Grants can be used at any University of California, California State University or California Community College, as well as qualifying independent and career colleges or technical schools in California.

The author has agreed to amend the bill to state:

(II) The applicable 20 percent units will be used for lower income students. For purposes of this clause, ~~“lower income students” means students whose income does not exceed the limit described in Section 50079.5 of the Health and Safety Code.~~ **“lower income students” means a student who has a household income and asset level that does not exceed the level for Cal Grant A or B recipients as set forth in Education Code Section 69432.7k(1).**

The eligibility of a student under this clause shall be verified by one of the following methods:

(ia) An affidavit, **award letter, or letter of eligibility** provided by the institution of higher education that the student is enrolled in **or California Student Aid Commission**, as described in clause (i), that the student receives **or is eligible for** financial aid from the university **or California Student Aid Commission** shall be sufficient to satisfy this sub-clause.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, April 18, 2018.)

SUPPORT:

Bay Area Council (sponsor)
Bridge Housing
California Building Industry Association
California Community Builders
California Forward Action Fund
California YIMBY
Half Moon Bay Brewing Co.
Heller Manus Architects
Inn at Mavericks
Los Angeles Area Chamber of Commerce
Los Angeles County Economic Development Corporation
North Bay Leadership Council
Pacific Standard
Postmates
McKinsey and Company
San Francisco Chamber of Commerce
San Francisco Housing Action Coalition
San Mateo County Economic Development Association
SV Angel
TMG Partners
The Two Hundred

OPPOSITION:

None received.

-- END --

AMENDED IN SENATE APRIL 16, 2018

AMENDED IN SENATE MARCH 20, 2018

SENATE BILL

No. 1227

Introduced by Senator Skinner

February 15, 2018

An act to amend Section 65915 of the Government Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

SB 1227, as amended, Skinner. Density bonuses.

Existing law, known as the Density Bonus Law, requires a city or county to provide a developer that proposes a housing development within the jurisdictional boundaries of that city or county with a density bonus and other incentives or concessions for the production of lower income housing units, or for the donation of land within the development, if the developer agrees to construct a specified percentage of units for very low income, low-income, or moderate-income households or qualifying residents and meets other requirements. Existing law prohibits a city, county, or city and county, if requested by the developer, from requiring a vehicular parking ratio for a housing development that meets these criteria in excess of specified ratios, subject to specified exceptions.

This bill would additionally require a density bonus to be provided to a developer that agrees to construct a housing development in which all units in the development are used for students enrolled full-time at an institution of higher education accredited by the Western Association of Schools and Colleges, *Colleges or the Accrediting Commission for Community and Junior Colleges*, and that 20% of the units are used for lower income students, as defined, and provided at a specified rent

level. The bill would require that these units be subject to a recorded affordability restriction of 55 years. The bill would set the density bonus at 35% of the number of these units. The bill would, notwithstanding the parking prohibition described above, prohibit a city or county from requiring a vehicular parking ratio if a development consists solely of student units, is granted a density bonus pursuant to the provision of this bill, and is located within one mile of an institution of higher education accredited by the Western Association of Schools and Colleges, Colleges or the Accrediting Commission for Community and Junior Colleges. By increasing the duties of local agencies, this bill would impose a state-mandated local program.

The bill would include findings that the changes proposed by this bill address a matter of statewide concern rather than a municipal affair and, therefore, apply to all cities, including charter cities.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 65915 of the Government Code is
2 amended to read:

3 65915. (a) (1) When an applicant seeks a density bonus for
4 a housing development within, or for the donation of land for
5 housing within, the jurisdiction of a city, county, or city and county,
6 that local government shall comply with this section. A city,
7 county, or city and county shall adopt an ordinance that specifies
8 how compliance with this section will be implemented. Failure to
9 adopt an ordinance shall not relieve a city, county, or city and
10 county from complying with this section.

11 (2) A local government shall not condition the submission,
12 review, or approval of an application pursuant to this chapter on
13 the preparation of an additional report or study that is not otherwise
14 required by state law, including this section. This subdivision does
15 not prohibit a local government from requiring an applicant to
16 provide reasonable documentation to establish eligibility for a

1 requested density bonus, incentives or concessions, as described
2 in subdivision (d), waivers or reductions of development standards,
3 as described in subdivision (e), and parking ratios, as described in
4 subdivision (p).

5 (3) In order to provide for the expeditious processing of a density
6 bonus application, the local government shall do all of the
7 following:

8 (A) Adopt procedures and timelines for processing a density
9 bonus application.

10 (B) Provide a list of all documents and information required to
11 be submitted with the density bonus application in order for the
12 density bonus application to be deemed complete. This list shall
13 be consistent with this chapter.

14 (C) Notify the applicant for a density bonus whether the
15 application is complete in a manner consistent with Section 65943.

16 (b) (1) A city, county, or city and county shall grant one density
17 bonus, the amount of which shall be as specified in subdivision
18 (f), and, if requested by the applicant and consistent with the
19 applicable requirements of this section, incentives or concessions,
20 as described in subdivision (d), waivers or reductions of
21 development standards, as described in subdivision (e), and parking
22 ratios, as described in subdivision (p), when an applicant for a
23 housing development seeks and agrees to construct a housing
24 development, excluding any units permitted by the density bonus
25 awarded pursuant to this section, that will contain at least any one
26 of the following:

27 (A) Ten percent of the total units of a housing development for
28 lower income households, as defined in Section 50079.5 of the
29 Health and Safety Code.

30 (B) Five percent of the total units of a housing development for
31 very low income households, as defined in Section 50105 of the
32 Health and Safety Code.

33 (C) A senior citizen housing development, as defined in Sections
34 51.3 and 51.12 of the Civil Code, or a mobilehome park that limits
35 residency based on age requirements for housing for older persons
36 pursuant to Section 798.76 or 799.5 of the Civil Code.

37 (D) Ten percent of the total dwelling units in a common interest
38 development, as defined in Section 4100 of the Civil Code, for
39 persons and families of moderate income, as defined in Section

1 50093 of the Health and Safety Code, provided that all units in the
2 development are offered to the public for purchase.

3 (E) Ten percent of the total units of a housing development for
4 transitional foster youth, as defined in Section 66025.9 of the
5 Education Code, disabled veterans, as defined in Section 18541,
6 or homeless persons, as defined in the federal McKinney-Vento
7 Homeless Assistance Act (42 U.S.C. Sec. 11301 et seq.). The units
8 described in this subparagraph shall be subject to a recorded
9 affordability restriction of 55 years and shall be provided at the
10 same affordability level as very low income units.

11 (F) (i) Twenty percent of the total units for lower income
12 students in a student housing development that meets the following
13 requirements:

14 (I) All units in the student housing development will be used
15 exclusively for undergraduate, graduate, or professional students
16 enrolled full time at a institution of higher education accredited
17 by the Western Association of Schools and ~~Colleges~~. *Colleges or*
18 *the Accrediting Commission for Community and Junior Colleges.*

19 (II) The applicable 20 percent units will be used for lower
20 income students. For purposes of this clause, "lower income
21 students" means students whose income does not exceed the limit
22 described in Section 50079.5 of the Health and Safety Code. The
23 eligibility of a student under this clause shall be verified by one
24 of the following methods:

25 (ia) An affidavit provided by the institution of higher education
26 that the student is enrolled in, as described in clause (i), that the
27 student receives financial aid from the university shall be sufficient
28 to satisfy this subclause..

29 (ib) Any other proof of family income.

30 (III) The rent provided in the applicable units of the development
31 for lower income students shall be calculated at 30 percent of 65
32 percent of the area median income for a single-room occupancy
33 unit type.

34 (ii) For purposes of calculating a density bonus granted pursuant
35 to this subparagraph, the term "unit" as used in this section means
36 one rental bed and its pro rata share of associated common area
37 facilities. The units described in this subparagraph shall be subject
38 to a recorded affordability restriction of 55 years.

39 (2) For purposes of calculating the amount of the density bonus
40 pursuant to subdivision (f), an applicant who requests a density

1 bonus pursuant to this subdivision shall elect whether the bonus
2 shall be awarded on the basis of subparagraph (A), (B), (C), (D),
3 (E), or (F) of paragraph (1).

4 (3) For the purposes of this section, “total units,” “total dwelling
5 units,” or “total rental beds” does not include units added by a
6 density bonus awarded pursuant to this section or any local law
7 granting a greater density bonus.

8 (c) (1) An applicant shall agree to, and the city, county, or city
9 and county shall ensure, the continued affordability of all very low
10 and low-income rental units that qualified the applicant for the
11 award of the density bonus for 55 years or a longer period of time
12 if required by the construction or mortgage financing assistance
13 program, mortgage insurance program, or rental subsidy program.
14 Rents for the lower income density bonus units shall be set at an
15 affordable rent as defined in Section 50053 of the Health and Safety
16 Code.

17 (2) An applicant shall agree to, and the city, county, or city and
18 county shall ensure that, the initial occupant of all for-sale units
19 that qualified the applicant for the award of the density bonus are
20 persons and families of very low, low, or moderate income, as
21 required, and that the units are offered at an affordable housing
22 cost, as that cost is defined in Section 50052.5 of the Health and
23 Safety Code. The local government shall enforce an equity sharing
24 agreement, unless it is in conflict with the requirements of another
25 public funding source or law. The following apply to the equity
26 sharing agreement:

27 (A) Upon resale, the seller of the unit shall retain the value of
28 any improvements, the downpayment, and the seller’s proportionate
29 share of appreciation. The local government shall recapture any
30 initial subsidy, as defined in subparagraph (B), and its proportionate
31 share of appreciation, as defined in subparagraph (C), which
32 amount shall be used within five years for any of the purposes
33 described in subdivision (e) of Section 33334.2 of the Health and
34 Safety Code that promote home ownership.

35 (B) For purposes of this subdivision, the local government’s
36 initial subsidy shall be equal to the fair market value of the home
37 at the time of initial sale minus the initial sale price to the
38 moderate-income household, plus the amount of any downpayment
39 assistance or mortgage assistance. If upon resale the market value

1 is lower than the initial market value, then the value at the time of
2 the resale shall be used as the initial market value.

3 (C) For purposes of this subdivision, the local government's
4 proportionate share of appreciation shall be equal to the ratio of
5 the local government's initial subsidy to the fair market value of
6 the home at the time of initial sale.

7 (3) (A) An applicant shall be ineligible for a density bonus or
8 any other incentives or concessions under this section if the housing
9 development is proposed on any property that includes a parcel or
10 parcels on which rental dwelling units are or, if the dwelling units
11 have been vacated or demolished in the five-year period preceding
12 the application, have been subject to a recorded covenant,
13 ordinance, or law that restricts rents to levels affordable to persons
14 and families of lower or very low income; subject to any other
15 form of rent or price control through a public entity's valid exercise
16 of its police power; or occupied by lower or very low income
17 households, unless the proposed housing development replaces
18 those units, and either of the following applies:

19 (i) The proposed housing development, inclusive of the units
20 replaced pursuant to this paragraph, contains affordable units at
21 the percentages set forth in subdivision (b).

22 (ii) Each unit in the development, exclusive of a manager's unit
23 or units, is affordable to, and occupied by, either a lower or very
24 low income household.

25 (B) For the purposes of this paragraph, "replace" shall mean
26 either of the following:

27 (i) If any dwelling units described in subparagraph (A) are
28 occupied on the date of application, the proposed housing
29 development shall provide at least the same number of units of
30 equivalent size to be made available at affordable rent or affordable
31 housing cost to, and occupied by, persons and families in the same
32 or lower income category as those households in occupancy. If
33 the income category of the household in occupancy is not known,
34 it shall be rebuttably presumed that lower income renter households
35 occupied these units in the same proportion of lower income renter
36 households to all renter households within the jurisdiction, as
37 determined by the most recently available data from the United
38 States Department of Housing and Urban Development's
39 Comprehensive Housing Affordability Strategy database. For
40 unoccupied dwelling units described in subparagraph (A) in a

1 development with occupied units, the proposed housing
2 development shall provide units of equivalent size to be made
3 available at affordable rent or affordable housing cost to, and
4 occupied by, persons and families in the same or lower income
5 category as the last household in occupancy. If the income category
6 of the last household in occupancy is not known, it shall be
7 rebuttably presumed that lower income renter households occupied
8 these units in the same proportion of lower income renter
9 households to all renter households within the jurisdiction, as
10 determined by the most recently available data from the United
11 States Department of Housing and Urban Development's
12 Comprehensive Housing Affordability Strategy database. All
13 replacement calculations resulting in fractional units shall be
14 rounded up to the next whole number. If the replacement units will
15 be rental dwelling units, these units shall be subject to a recorded
16 affordability restriction for at least 55 years. If the proposed
17 development is for-sale units, the units replaced shall be subject
18 to paragraph (2).

19 (ii) If all dwelling units described in subparagraph (A) have
20 been vacated or demolished within the five-year period preceding
21 the application, the proposed housing development shall provide
22 at least the same number of units of equivalent size as existed at
23 the highpoint of those units in the five-year period preceding the
24 application to be made available at affordable rent or affordable
25 housing cost to, and occupied by, persons and families in the same
26 or lower income category as those persons and families in
27 occupancy at that time, if known. If the incomes of the persons
28 and families in occupancy at the highpoint is not known, it shall
29 be rebuttably presumed that low-income and very low income
30 renter households occupied these units in the same proportion of
31 low-income and very low income renter households to all renter
32 households within the jurisdiction, as determined by the most
33 recently available data from the United States Department of
34 Housing and Urban Development's Comprehensive Housing
35 Affordability Strategy database. All replacement calculations
36 resulting in fractional units shall be rounded up to the next whole
37 number. If the replacement units will be rental dwelling units,
38 these units shall be subject to a recorded affordability restriction
39 for at least 55 years. If the proposed development is for-sale units,
40 the units replaced shall be subject to paragraph (2).

1 (C) Notwithstanding subparagraph (B), for any dwelling unit
2 described in subparagraph (A) that is or was, within the five-year
3 period preceding the application, subject to a form of rent or price
4 control through a local government's valid exercise of its police
5 power and that is or was occupied by persons or families above
6 lower income, the city, county, or city and county may do either
7 of the following:

8 (i) Require that the replacement units be made available at
9 affordable rent or affordable housing cost to, and occupied by,
10 low-income persons or families. If the replacement units will be
11 rental dwelling units, these units shall be subject to a recorded
12 affordability restriction for at least 55 years. If the proposed
13 development is for-sale units, the units replaced shall be subject
14 to paragraph (2).

15 (ii) Require that the units be replaced in compliance with the
16 jurisdiction's rent or price control ordinance, provided that each
17 unit described in subparagraph (A) is replaced. Unless otherwise
18 required by the jurisdiction's rent or price control ordinance, these
19 units shall not be subject to a recorded affordability restriction.

20 (D) For purposes of this paragraph, "equivalent size" means
21 that the replacement units contain at least the same total number
22 of bedrooms as the units being replaced.

23 (E) Subparagraph (A) does not apply to an applicant seeking a
24 density bonus for a proposed housing development if his or her
25 application was submitted to, or processed by, a city, county, or
26 city and county before January 1, 2015.

27 (d) (1) An applicant for a density bonus pursuant to subdivision
28 (b) may submit to a city, county, or city and county a proposal for
29 the specific incentives or concessions that the applicant requests
30 pursuant to this section, and may request a meeting with the city,
31 county, or city and county. The city, county, or city and county
32 shall grant the concession or incentive requested by the applicant
33 unless the city, county, or city and county makes a written finding,
34 based upon substantial evidence, of any of the following:

35 (A) The concession or incentive does not result in identifiable
36 and actual cost reductions, consistent with subdivision (k), to
37 provide for affordable housing costs, as defined in Section 50052.5
38 of the Health and Safety Code, or for rents for the targeted units
39 to be set as specified in subdivision (c).

1 (B) The concession or incentive would have a specific, adverse
2 impact, as defined in paragraph (2) of subdivision (d) of Section
3 65589.5, upon public health and safety or the physical environment
4 or on any real property that is listed in the California Register of
5 Historical Resources and for which there is no feasible method to
6 satisfactorily mitigate or avoid the specific, adverse impact without
7 rendering the development unaffordable to low-income and
8 moderate-income households.

9 (C) The concession or incentive would be contrary to state or
10 federal law.

11 (2) The applicant shall receive the following number of
12 incentives or concessions:

13 (A) One incentive or concession for projects that include at least
14 10 percent of the total units for lower income households, at least
15 5 percent for very low income households, or at least 10 percent
16 for persons and families of moderate income in a common interest
17 development.

18 (B) Two incentives or concessions for projects that include at
19 least 20 percent of the total units for lower income households, at
20 least 10 percent for very low income households, or at least 20
21 percent for persons and families of moderate income in a common
22 interest development.

23 (C) Three incentives or concessions for projects that include at
24 least 30 percent of the total units for lower income households, at
25 least 15 percent for very low income households, or at least 30
26 percent for persons and families of moderate income in a common
27 interest development.

28 (3) The applicant may initiate judicial proceedings if the city,
29 county, or city and county refuses to grant a requested density
30 bonus, incentive, or concession. If a court finds that the refusal to
31 grant a requested density bonus, incentive, or concession is in
32 violation of this section, the court shall award the plaintiff
33 reasonable attorney's fees and costs of suit. Nothing in this
34 subdivision shall be interpreted to require a local government to
35 grant an incentive or concession that has a specific, adverse impact,
36 as defined in paragraph (2) of subdivision (d) of Section 65589.5,
37 upon health, safety, or the physical environment, and for which
38 there is no feasible method to satisfactorily mitigate or avoid the
39 specific adverse impact. Nothing in this subdivision shall be
40 interpreted to require a local government to grant an incentive or

1 concession that would have an adverse impact on any real property
2 that is listed in the California Register of Historical Resources.
3 The city, county, or city and county shall establish procedures for
4 carrying out this section, that shall include legislative body
5 approval of the means of compliance with this section.

6 (4) The city, county, or city and county shall bear the burden
7 of proof for the denial of a requested concession or incentive.

8 (e) (1) In no case may a city, county, or city and county apply
9 any development standard that will have the effect of physically
10 precluding the construction of a development meeting the criteria
11 of subdivision (b) at the densities or with the concessions or
12 incentives permitted by this section. An applicant may submit to
13 a city, county, or city and county a proposal for the waiver or
14 reduction of development standards that will have the effect of
15 physically precluding the construction of a development meeting
16 the criteria of subdivision (b) at the densities or with the
17 concessions or incentives permitted under this section, and may
18 request a meeting with the city, county, or city and county. If a
19 court finds that the refusal to grant a waiver or reduction of
20 development standards is in violation of this section, the court
21 shall award the plaintiff reasonable attorney's fees and costs of
22 suit. Nothing in this subdivision shall be interpreted to require a
23 local government to waive or reduce development standards if the
24 waiver or reduction would have a specific, adverse impact, as
25 defined in paragraph (2) of subdivision (d) of Section 65589.5,
26 upon health, safety, or the physical environment, and for which
27 there is no feasible method to satisfactorily mitigate or avoid the
28 specific adverse impact. Nothing in this subdivision shall be
29 interpreted to require a local government to waive or reduce
30 development standards that would have an adverse impact on any
31 real property that is listed in the California Register of Historical
32 Resources, or to grant any waiver or reduction that would be
33 contrary to state or federal law.

34 (2) A proposal for the waiver or reduction of development
35 standards pursuant to this subdivision shall neither reduce nor
36 increase the number of incentives or concessions to which the
37 applicant is entitled pursuant to subdivision (d).

38 (f) For the purposes of this chapter, "density bonus" means a
39 density increase over the otherwise maximum allowable gross
40 residential density as of the date of application by the applicant to

1 the city, county, or city and county, or, if elected by the applicant,
 2 a lesser percentage of density increase, including, but not limited
 3 to, no increase in density. The amount of density increase to which
 4 the applicant is entitled shall vary according to the amount by
 5 which the percentage of affordable housing units exceeds the
 6 percentage established in subdivision (b).

7 (1) For housing developments meeting the criteria of
 8 subparagraph (A) of paragraph (1) of subdivision (b), the density
 9 bonus shall be calculated as follows:

| | Percentage Low-Income Units | Percentage Density Bonus |
|----|-----------------------------|--------------------------|
| 11 | | |
| 12 | | |
| 13 | 10 | 20 |
| 14 | 11 | 21.5 |
| 15 | 12 | 23 |
| 16 | 13 | 24.5 |
| 17 | 14 | 26 |
| 18 | 15 | 27.5 |
| 19 | 17 | 30.5 |
| 20 | 18 | 32 |
| 21 | 19 | 33.5 |
| 22 | 20 | 35 |

23
 24 (2) For housing developments meeting the criteria of
 25 subparagraph (B) of paragraph (1) of subdivision (b), the density
 26 bonus shall be calculated as follows:

| | Percentage Very Low Income Units | Percentage Density Bonus |
|----|----------------------------------|--------------------------|
| 27 | | |
| 28 | | |
| 29 | 5 | 20 |
| 30 | 6 | 22.5 |
| 31 | 7 | 25 |
| 32 | 8 | 27.5 |
| 33 | 9 | 30 |
| 34 | 10 | 32.5 |
| 35 | 11 | 35 |

36
 37 (3) (A) For housing developments meeting the criteria of
 38 subparagraph (C) of paragraph (1) of subdivision (b), the density
 39 bonus shall be 20 percent of the number of senior housing units.

1 (B) For housing developments meeting the criteria of
 2 subparagraph (E) of paragraph (1) of subdivision (b), the density
 3 bonus shall be 20 percent of the number of the type of units giving
 4 rise to a density bonus under that subparagraph.

5 (C) For housing developments meeting the criteria of
 6 subparagraph (F) of paragraph (1) of subdivision (b), the density
 7 bonus shall be 35 percent of the student housing units. The units
 8 in the student housing development that are granted a density bonus
 9 pursuant to this subparagraph shall not be subject to any minimum
 10 residential unit size, occupant density, or dwelling units per acre
 11 requirements that are otherwise imposed by the city, county, or
 12 city and county.

13 (4) For housing developments meeting the criteria of
 14 subparagraph (D) of paragraph (1) of subdivision (b), the density
 15 bonus shall be calculated as follows:

| 16 | Percentage Moderate-Income Units | Percentage Density Bonus |
|----|----------------------------------|--------------------------|
| 17 | | |
| 18 | 10 | 5 |
| 19 | 11 | 6 |
| 20 | 12 | 7 |
| 21 | 13 | 8 |
| 22 | 14 | 9 |
| 23 | 15 | 10 |
| 24 | 16 | 11 |
| 25 | 17 | 12 |
| 26 | 18 | 13 |
| 27 | 19 | 14 |
| 28 | 20 | 15 |
| 29 | 21 | 16 |
| 30 | 22 | 17 |
| 31 | 23 | 18 |
| 32 | 24 | 19 |
| 33 | 25 | 20 |
| 34 | 26 | 21 |
| 35 | 27 | 22 |
| 36 | 28 | 23 |
| 37 | 29 | 24 |
| 38 | 30 | 25 |
| 39 | 31 | 26 |
| 40 | 32 | 27 |

| | | |
|---|----|----|
| 1 | 33 | 28 |
| 2 | 34 | 29 |
| 3 | 35 | 30 |
| 4 | 36 | 31 |
| 5 | 37 | 32 |
| 6 | 38 | 33 |
| 7 | 39 | 34 |
| 8 | 40 | 35 |
| 9 | | |

10 (5) All density calculations resulting in fractional units shall be
 11 rounded up to the next whole number. The granting of a density
 12 bonus shall not require, or be interpreted, in and of itself, to require
 13 a general plan amendment, local coastal plan amendment, zoning
 14 change, or other discretionary approval.

15 (g) (1) When an applicant for a tentative subdivision map,
 16 parcel map, or other residential development approval donates
 17 land to a city, county, or city and county in accordance with this
 18 subdivision, the applicant shall be entitled to a 15-percent increase
 19 above the otherwise maximum allowable residential density for
 20 the entire development, as follows:

| 21 | Percentage Very Low Income | Percentage Density Bonus |
|----|----------------------------|--------------------------|
| 22 | | |
| 23 | 10 | 15 |
| 24 | 11 | 16 |
| 25 | 12 | 17 |
| 26 | 13 | 18 |
| 27 | 14 | 19 |
| 28 | 15 | 20 |
| 29 | 16 | 21 |
| 30 | 17 | 22 |
| 31 | 18 | 23 |
| 32 | 19 | 24 |
| 33 | 20 | 25 |
| 34 | 21 | 26 |
| 35 | 22 | 27 |
| 36 | 23 | 28 |
| 37 | 24 | 29 |
| 38 | 25 | 30 |
| 39 | 26 | 31 |
| 40 | 27 | 32 |

| | | |
|---|----|----|
| 1 | 28 | 33 |
| 2 | 29 | 34 |
| 3 | 30 | 35 |
| 4 | | |

5 (2) This increase shall be in addition to any increase in density
6 mandated by subdivision (b), up to a maximum combined mandated
7 density increase of 35 percent if an applicant seeks an increase
8 pursuant to both this subdivision and subdivision (b). All density
9 calculations resulting in fractional units shall be rounded up to the
10 next whole number. Nothing in this subdivision shall be construed
11 to enlarge or diminish the authority of a city, county, or city and
12 county to require a developer to donate land as a condition of
13 development. An applicant shall be eligible for the increased
14 density bonus described in this subdivision if all of the following
15 conditions are met:

16 (A) The applicant donates and transfers the land no later than
17 the date of approval of the final subdivision map, parcel map, or
18 residential development application.

19 (B) The developable acreage and zoning classification of the
20 land being transferred are sufficient to permit construction of units
21 affordable to very low income households in an amount not less
22 than 10 percent of the number of residential units of the proposed
23 development.

24 (C) The transferred land is at least one acre in size or of
25 sufficient size to permit development of at least 40 units, has the
26 appropriate general plan designation, is appropriately zoned with
27 appropriate development standards for development at the density
28 described in paragraph (3) of subdivision (c) of Section 65583.2,
29 and is or will be served by adequate public facilities and
30 infrastructure.

31 (D) The transferred land shall have all of the permits and
32 approvals, other than building permits, necessary for the
33 development of the very low income housing units on the
34 transferred land, not later than the date of approval of the final
35 subdivision map, parcel map, or residential development
36 application, except that the local government may subject the
37 proposed development to subsequent design review to the extent
38 authorized by subdivision (i) of Section 65583.2 if the design is
39 not reviewed by the local government before the time of transfer.

1 (E) The transferred land and the affordable units shall be subject
2 to a deed restriction ensuring continued affordability of the units
3 consistent with paragraphs (1) and (2) of subdivision (c), which
4 shall be recorded on the property at the time of the transfer.

5 (F) The land is transferred to the local agency or to a housing
6 developer approved by the local agency. The local agency may
7 require the applicant to identify and transfer the land to the
8 developer.

9 (G) The transferred land shall be within the boundary of the
10 proposed development or, if the local agency agrees, within
11 one-quarter mile of the boundary of the proposed development.

12 (H) A proposed source of funding for the very low income units
13 shall be identified not later than the date of approval of the final
14 subdivision map, parcel map, or residential development
15 application.

16 (h) (1) When an applicant proposes to construct a housing
17 development that conforms to the requirements of subdivision (b)
18 and includes a child care facility that will be located on the
19 premises of, as part of, or adjacent to, the project, the city, county,
20 or city and county shall grant either of the following:

21 (A) An additional density bonus that is an amount of square
22 feet of residential space that is equal to or greater than the amount
23 of square feet in the child care facility.

24 (B) An additional concession or incentive that contributes
25 significantly to the economic feasibility of the construction of the
26 child care facility.

27 (2) The city, county, or city and county shall require, as a
28 condition of approving the housing development, that the following
29 occur:

30 (A) The child care facility shall remain in operation for a period
31 of time that is as long as or longer than the period of time during
32 which the density bonus units are required to remain affordable
33 pursuant to subdivision (c).

34 (B) Of the children who attend the child care facility, the
35 children of very low income households, lower income households,
36 or families of moderate income shall equal a percentage that is
37 equal to or greater than the percentage of dwelling units that are
38 required for very low income households, lower income
39 households, or families of moderate income pursuant to subdivision
40 (b).

1 (3) Notwithstanding any requirement of this subdivision, a city,
2 county, or city and county shall not be required to provide a density
3 bonus or concession for a child care facility if it finds, based upon
4 substantial evidence, that the community has adequate child care
5 facilities.

6 (4) "Child care facility," as used in this section, means a child
7 day care facility other than a family day care home, including, but
8 not limited to, infant centers, preschools, extended day care
9 facilities, and schoolage child care centers.

10 (i) "Housing development," as used in this section, means a
11 development project for five or more residential units, including
12 mixed-use developments. For the purposes of this section, "housing
13 development" also includes a subdivision or common interest
14 development, as defined in Section 4100 of the Civil Code,
15 approved by a city, county, or city and county and consists of
16 residential units or unimproved residential lots and either a project
17 to substantially rehabilitate and convert an existing commercial
18 building to residential use or the substantial rehabilitation of an
19 existing multifamily dwelling, as defined in subdivision (d) of
20 Section 65863.4, where the result of the rehabilitation would be a
21 net increase in available residential units. For the purpose of
22 calculating a density bonus, the residential units shall be on
23 contiguous sites that are the subject of one development
24 application, but do not have to be based upon individual
25 subdivision maps or parcels. The density bonus shall be permitted
26 in geographic areas of the housing development other than the
27 areas where the units for the lower income households are located.

28 (j) (1) The granting of a concession or incentive shall not require
29 or be interpreted, in and of itself, to require a general plan
30 amendment, local coastal plan amendment, zoning change, study,
31 or other discretionary approval. For purposes of this subdivision,
32 "study" does not include reasonable documentation to establish
33 eligibility for the concession or incentive or to demonstrate that
34 the incentive or concession meets the definition set forth in
35 subdivision (k). This provision is declaratory of existing law.

36 (2) Except as provided in subdivisions (d) and (e), the granting
37 of a density bonus shall not require or be interpreted to require the
38 waiver of a local ordinance or provisions of a local ordinance
39 unrelated to development standards.

1 (k) For the purposes of this chapter, concession or incentive
2 means any of the following:

3 (1) A reduction in site development standards or a modification
4 of zoning code requirements or architectural design requirements
5 that exceed the minimum building standards approved by the
6 California Building Standards Commission as provided in Part 2.5
7 (commencing with Section 18901) of Division 13 of the Health
8 and Safety Code, including, but not limited to, a reduction in
9 setback and square footage requirements and in the ratio of
10 vehicular parking spaces that would otherwise be required that
11 results in identifiable and actual cost reductions, to provide for
12 affordable housing costs, as defined in Section 50052.5 of the
13 Health and Safety Code, or for rents for the targeted units to be
14 set as specified in subdivision (c).

15 (2) Approval of mixed-use zoning in conjunction with the
16 housing project if commercial, office, industrial, or other land uses
17 will reduce the cost of the housing development and if the
18 commercial, office, industrial, or other land uses are compatible
19 with the housing project and the existing or planned development
20 in the area where the proposed housing project will be located.

21 (3) Other regulatory incentives or concessions proposed by the
22 developer or the city, county, or city and county that result in
23 identifiable and actual cost reductions to provide for affordable
24 housing costs, as defined in Section 50052.5 of the Health and
25 Safety Code, or for rents for the targeted units to be set as specified
26 in subdivision (c).

27 (l) Subdivision (k) does not limit or require the provision of
28 direct financial incentives for the housing development, including
29 the provision of publicly owned land, by the city, county, or city
30 and county, or the waiver of fees or dedication requirements.

31 (m) This section does not supersede or in any way alter or lessen
32 the effect or application of the California Coastal Act of 1976
33 (Division 20 (commencing with Section 30000) of the Public
34 Resources Code).

35 (n) If permitted by local ordinance, nothing in this section shall
36 be construed to prohibit a city, county, or city and county from
37 granting a density bonus greater than what is described in this
38 section for a development that meets the requirements of this
39 section or from granting a proportionately lower density bonus

1 than what is required by this section for developments that do not
2 meet the requirements of this section.

3 (o) For purposes of this section, the following definitions shall
4 apply:

5 (1) "Development standard" includes a site or construction
6 condition, including, but not limited to, a height limitation, a
7 setback requirement, a floor area ratio, an onsite open-space
8 requirement, or a parking ratio that applies to a residential
9 development pursuant to any ordinance, general plan element,
10 specific plan, charter, or other local condition, law, policy,
11 resolution, or regulation.

12 (2) "Maximum allowable residential density" means the density
13 allowed under the zoning ordinance and land use element of the
14 general plan, or, if a range of density is permitted, means the
15 maximum allowable density for the specific zoning range and land
16 use element of the general plan applicable to the project. If the
17 density allowed under the zoning ordinance is inconsistent with
18 the density allowed under the land use element of the general plan,
19 the general plan density shall prevail.

20 (p) (1) Except as provided in paragraphs (2), (3), and (4), upon
21 the request of the developer, a city, county, or city and county shall
22 not require a vehicular parking ratio, inclusive of handicapped and
23 guest parking, of a development meeting the criteria of subdivisions
24 (b) and (c), that exceeds the following ratios:

25 (A) Zero to one bedroom: one onsite parking space.

26 (B) Two to three bedrooms: two onsite parking spaces.

27 (C) Four and more bedrooms: two and one-half parking spaces.

28 (2) Notwithstanding paragraph (1), if a development includes
29 the maximum percentage of low-income or very low income units
30 provided for in paragraphs (1) and (2) of subdivision (f) and is
31 located within one-half mile of a major transit stop, as defined in
32 subdivision (b) of Section 21155 of the Public Resources Code,
33 and there is unobstructed access to the major transit stop from the
34 development, then, upon the request of the developer, a city,
35 county, or city and county shall not impose a vehicular parking
36 ratio, inclusive of handicapped and guest parking, that exceeds 0.5
37 spaces per bedroom. For purposes of this subdivision, a
38 development shall have unobstructed access to a major transit stop
39 if a resident is able to access the major transit stop without
40 encountering natural or constructed impediments.

1 (3) Notwithstanding paragraph (1), if a development consists
2 solely of rental units, exclusive of a manager's unit or units, with
3 an affordable housing cost to lower income families, as provided
4 in Section 50052.5 of the Health and Safety Code, then, upon the
5 request of the developer, a city, county, or city and county shall
6 not impose a vehicular parking ratio, inclusive of handicapped and
7 guest parking, that exceeds the following ratios:

8 (A) If the development is located within one-half mile of a major
9 transit stop, as defined in subdivision (b) of Section 21155 of the
10 Public Resources Code, and there is unobstructed access to the
11 major transit stop from the development, the ratio shall not exceed
12 0.5 spaces per unit.

13 (B) If the development is a for-rent housing development for
14 individuals who are 62 years of age or older that complies with
15 Sections 51.2 and 51.3 of the Civil Code, the ratio shall not exceed
16 0.5 spaces per unit. The development shall have either paratransit
17 service or unobstructed access, within one-half mile, to fixed bus
18 route service that operates at least eight times per day.

19 (C) If the development is a special needs housing development,
20 as defined in Section 51312 of the Health and Safety Code, the
21 ratio shall not exceed 0.3 spaces per unit. The development shall
22 have either paratransit service or unobstructed access, within
23 one-half mile, to fixed bus route service that operates at least eight
24 times per day.

25 (4) Notwithstanding paragraph (1), if a development consists
26 solely of student units and is granted a density bonus as described
27 in subparagraph (F) of paragraph (1) of subdivision (b), and is
28 located within one mile of an institution of higher education
29 accredited by the Western Association of Schools and Colleges,
30 *Colleges or the Accrediting Commission for Community and Junior*
31 *Colleges*, a city, county, or city and county shall not require a
32 vehicular parking ratio with respect to that development.

33 (5) If the total number of parking spaces required for a
34 development is other than a whole number, the number shall be
35 rounded up to the next whole number. For purposes of this
36 subdivision, a development may provide onsite parking through
37 tandem parking or uncovered parking, but not through onstreet
38 parking.

39 (6) This subdivision shall apply to a development that meets
40 the requirements of subdivisions (b) and (c), but only at the request

1 of the applicant. An applicant may request parking incentives or
2 concessions beyond those provided in this subdivision pursuant
3 to subdivision (d).

4 (7) This subdivision does not preclude a city, county, or city
5 and county from reducing or eliminating a parking requirement
6 for development projects of any type in any location.

7 (8) Notwithstanding paragraphs (2) and (3), if a city, county,
8 city and county, or an independent consultant has conducted an
9 areawide or jurisdictionwide parking study in the last seven years,
10 then the city, county, or city and county may impose a higher
11 vehicular parking ratio not to exceed the ratio described in
12 paragraph (1), based upon substantial evidence found in the parking
13 study, that includes, but is not limited to, an analysis of parking
14 availability, differing levels of transit access, walkability access
15 to transit services, the potential for shared parking, the effect of
16 parking requirements on the cost of market-rate and subsidized
17 developments, and the lower rates of car ownership for low-income
18 and very low income individuals, including seniors and special
19 needs individuals. The city, county, or city and county shall pay
20 the costs of any new study. The city, county, or city and county
21 shall make findings, based on a parking study completed in
22 conformity with this paragraph, supporting the need for the higher
23 parking ratio.

24 (9) A request pursuant to this subdivision shall neither reduce
25 nor increase the number of incentives or concessions to which the
26 applicant is entitled pursuant to subdivision (d).

27 (q) Each component of any density calculation, including base
28 density and bonus density, resulting in fractional units shall be
29 separately rounded up to the next whole number. The Legislature
30 finds and declares that this provision is declaratory of existing law.

31 (r) This chapter shall be interpreted liberally in favor of
32 producing the maximum number of total housing units.

33 SEC. 2. The Legislature finds and declares that Section 1 of
34 this act amending Section 65915 of the Government Code
35 addresses a matter of statewide concern rather than a municipal
36 affair as that term is used in Section 5 of Article XI of the
37 California Constitution. Therefore, Section 1 of this act applies to
38 all cities, including charter cities.

39 SEC. 3. No reimbursement is required by this act pursuant to
40 Section 6 of Article XIII B of the California Constitution because

1 a local agency or school district has the authority to levy service
2 charges, fees, or assessments sufficient to pay for the program or
3 level of service mandated by this act, within the meaning of Section
4 17556 of the Government Code.

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18 APR 26 PM 3:59

DRAFT

City Attorney's Office

OAKLAND CITY COUNCIL

RESOLUTION NO. _____ C.M.S.

INTRODUCED BY COUNCILMEMBER DAN KALB

RESOLUTION IN SUPPORT OF SENATE BILL 1227 (SKINNER) THAT WOULD ESTABLISH A 35% DENSITY BONUS FOR HOUSING DEVELOPMENT PROJECTS EXCLUSIVELY FOR USE BY STUDENTS

WHEREAS, California's affordable housing crisis places unprecedented burdens on college and university students. The cost of housing, housing instability, and possible homelessness is a substantial obstacle to student success; and

WHEREAS, students' needs are often fundamentally different from the average Californian resident in that they have little to no income to qualify for affordable housing. Additionally, the student housing dorms typically have small bedrooms with shared amenities, restrooms, kitchens and common areas, and no parking; and

WHEREAS, existing California law allows local governments to allow a density bonus to developers of residential housing who include a certain percentage of affordable housing units in the housing project. An "affordable housing unit" is defined as a full single-family or multifamily residential unit with an independent, separate kitchen, bath, dining and living area rented to very low-, low-, and moderate-income households who must provide income eligibility; and

WHEREAS, under existing law, student housing developments are not eligible for these density bonus incentives because student housing is not always designed like typical apartments and students commonly have no proof of income to demonstrate financial need; and

WHEREAS, California's affordable housing crisis significantly impacts students' lives and future success as well as the attractiveness of California colleges and universities that do not have adequate or affording housing for their students; and

WHEREAS, Senate Bill (SB) 1227 (Skinner) would allow housing built specifically for students to be eligible for a 35% density bonus as long as (1) 100% of the units are for student housing and not for the general public; (2) student residents must be enrolled in a Western Association of Schools Colleges (WASC) accredited institution; (3) a minimum of 20% of the units in the student housing project must be

rented out at a lower cost to students who prove need through financial aid eligibility or family income; and (4) lower income units must remain available for at least 55 years; now, therefore be it

RESOLVED: That the Oakland City Council hereby endorses SB 1227 and urges the California State Legislature and Governor Jerry Brown to support its enactment into law.

IN COUNCIL, OAKLAND, CALIFORNIA,

PASSED BY THE FOLLOWING VOTE:

AYES - BROOKS, CAMPBELL WASHINGTON, GALLO, GIBSON MCELHANEY, GUILLÉN, KALB, KAPLAN, AND PRESIDENT REID

NOES -

ABSENT -

ABSTENTION -

ATTEST: _____
LATONDA SIMMONS
City Clerk and Clerk of the Council of
the City of Oakland, California