



Assembly Bill (AB) 744: Density Bonus

SUMMARY

AB 744 would allow a developer that is requesting a density bonus and including 100% affordable rental units in the development to also request that the city or county reduce the minimum parking requirements for the development. To qualify, the development would have to be a within one-half mile of a major transit stop, a seniors-only development with access to transit, or a development that serves special needs individuals and has access to transit. For mixed income developments within one-half mile of a major transit stop that include the maximum number of very low- or low-income units under Density Bonus Law the parking requirement cannot exceed 0.5 per bedroom.

Local governments could require a higher parking standard if they completed a parking study in the last seven years that supports the need for more parking.

AB 744 PROMOTES AFFORDABLE HOUSING

- Enables developers to invest in building more affordable dwelling units and not waste public subsidies on unneeded parking spaces.
- Provides developers flexibility to include as much parking as necessary to meet actual demand.
- Reduces construction costs and encourages building of urban infill, transit oriented development, senior and special needs housing.
- AB 744 preserves a city's right to establish

parking standards suitable to their specific circumstances.

BACKGROUND

Existing parking standards are out of synch with the State's policies to encourage urban infill development and impede construction of affordable housing and transit-oriented projects. AB 744 is a timely urban planning solution that will encourage construction of affordable housing, promote economic development and job growth, and reinforce California's competitions for federal transportation dollars.

AB 32: The California Global Solutions Act of 2006 requires California to reduce greenhouse gas (GHG) emissions to 1990 levels by 2020. SB 375 (Steinberg) (2008) supports the State's climate action goals to reduce GHG emissions through coordinated transportation and land use planning with the goal of more sustainable communities. A key component of reducing GHG emissions is moving people out of their cars and onto public transit. Cities and counties are required to adopt sustainable community strategies (SCS) to show how development will support reduction in GHG emissions. Some cities and counties have adopted policies like eliminating minimum parking requirements for projects that are close to transit and where demand for parking spaces is low.

In some cases, cities and counties apply minimum parking standards to housing developments that do not reflect the demand from tenants for parking. These projects may be close to transit stations or home to seniors or individuals with special needs who drive less frequently and have fewer vehicles. Parking spaces, which sometimes go unused, can significantly increase the cost of construction. Certain types of parking, podium or subterranean, can increase parking costs by 6% or more relative to



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other types of parking. In cases where projects are 100% affordable or include affordable units, parking spaces needlessly drive up the cost of the project.

Under existing law, developers can request a density bonus if they include very low, low- or moderate-income units in their development. In return for the inclusion of affordable units, the developer receives an increase in density beyond the city's maximum and can request incentives and concessions for the development.

AB 744 aligns local land use decisions more closely with the goals of AB 32 and SB 375 by reducing the parking required for projects that are close to transit or serve individuals who have fewer cars.

PROPOSAL

AB 744 would allow a developer that is requesting a density bonus and including affordable units in the development to also request that the city reduce the minimum parking requirements for the development as follows:

- For 100% affordable projects:
 - For projects within ½ mile of a major transit stop, the parking requirement cannot exceed 0.5 per unit.
 - For seniors-only projects with access to transit, the parking requirement cannot exceed 0.5 per unit.
 - For special needs projects with access to transit, the parking requirement cannot exceed 0.3 per unit.
- For mixed income developments within ½ mile of a major transit stop that include the maximum number of very low- or low-income units under Density Bonus Law the parking requirement cannot exceed 0.5 per bedroom.

Local governments could require a higher parking standard if they completed a parking study in the last seven years that supports the need for more parking.

BILL STATUS

To Engrossing and Enrolling.

SUPPORT

- AARP
- American Planning Association, California Chapter
- Association of Regional Center Agencies (ARCA)
- Blaydes & Associates
- California Apartment Association
- California Association of Local Housing Finance Agencies (CAL-ALHFA)
- California Association of Housing Authorities (CAHA)
- California Bicycle Coalition
- California Council for Affordable Housing
- California Economic Summit
- California Housing Consortium
- California Housing Partnership Corporation
- California League of Conservation Voters
- California Rural Legal Assistance Foundation
- California State Treasurer, John Chiang
- Center for Creative Land Recycling
- Circulate San Diego
- City of Richmond, California
- Council of Infill Builders
- Councilmember Dominic Farinha, City of Patterson
- Councilmember Jake McKenzie, City of Rohnert Park
- Councilmember Pam O'Connor, City of Santa Monica
- Councilmember Steve Hansen, City of Sacramento
- Councilmember Wendy Thomas, City of Placerville
- Councilwoman Michelle Martinez, City of Santa Ana
- Domus Development



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 Eden Housing
 EAH Housing
 Enterprise Community Partners
 Greenbelt Alliance
 Habitat for Humanity Greater San Francisco
 Housing Authority of the City of Alameda
 Housing California
 Housing Leadership Council of San Mateo County
 Kate Meis, Executive Director, Local Government
 Commission
 LifeSTEPS
 LINC Housing
 Local Government Commission
 Lyft, Inc.
 Mayor Ed Lee, City of San Francisco
 Mayor Libby Schaaf, City of Oakland
 Mayor Pro Tem Jon Harrison, City of Redlands
 Mayor Tom Butt, City of Richmond
 Mercy Housing California
 Metropolitan Transportation Commission (MTC)
 Michael Lane, Policy Director, Non-Profit Housing
 Association of Northern California
 National Community Renaissance (CORE)
 Natural Resources Defense Council (NRDC)
 Nelson\Nygaard
 Non-Profit Housing Association of Northern
 California (NHP)
 Rebecca J. Garcia, Councilmember, City of
 Watsonville
 Sacramento Housing Alliance
 San Diego Housing Federation
 San Francisco Bay Area Rapid Transit District
 (BART)
 Satellite Affordable Housing Associates (SAHA)
 Southern California Association of NonProfit
 Housing (SCANPH)
 Supervisor Leticia Perez, Kern County
 Tenderloin Neighborhood Development
 Corporation
 TransForm
 USGBC California
 Valley Industry and Commerce Association (VICA)
 Western Center on Law & Poverty

9 individuals

OPPOSITION

City of Brentwood
 City of Camarillo
 City of Chino Hills
 City of Colton
 City of Concord
 City of Encinitas
 City of Glendale
 City of Highland
 City of Lakewood
 City of Lomita
 City of Long Beach
 City of Palmdale
 City of Rocklin
 City of San Rafael
 City of Seaside
 City of Walnut Creek
 City of Whittier
 County of Los Angeles
 League of California Cities (Oppose Unless
 Amended)
 Marin County Council of Mayors and Council
 Members (MCCMC)

FOR MORE INFORMATION

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