Assembly Bill (AB) 744: Density Bonus

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.

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
Assembly Bill (AB) 744: Density Bonus

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
Assembly Bill (AB) 744: Density Bonus

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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)
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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

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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