

Date of Hearing: April 22, 2026

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT

Juan Carrillo, Chair

AB 2480 (Ávila Farías) – As Amended April 16, 2026

SUBJECT: Housing development: density bonus: student housing developments

SUMMARY: Requires a local government to provide an additional density bonus for student housing developments that meet a minimum affordability threshold and provide additional units for moderate-income students. Specifically, **this bill:**

- 1) Establishes rental limits for units within a student housing development project seeking a density bonus:
 - a) Provides, for an efficiency or one bedroom unit within a student housing development, that the rent in the applicable units of the development for lower income students must not exceed the 65% of area median income (AMI) rent limit for the appropriate unit size, as established by the California Tax Credit Allocation Committee (CTCAC).
 - b) Provides, for two bedroom or larger units, that the rent in the applicable units of the development for lower income students shall not exceed the 80% of AMI income rent limit for the appropriate unit size, as established by the CTCAC, divided by the number of bedrooms. If the bedroom will be shared, the per-bed rent limit applicable to a lower income student shall be 75% of the per-bedroom rent limit.
- 2) Defines “moderate-income student” to mean a student who is not claimed as a dependent on a parent’s or guardian’s federal or state income tax return and the student’s income does not exceed 120% of the AMI for the student’s household size, as published by the CTCAC, for the area in which the student housing development is located.
- 3) Require a city, county, or city and county (local government) to grant an additional density bonus when an applicant proposes to construct a student housing development that meets all the following criteria:
 - a) The resulting student housing development would not restrict more than 50% of the total units to moderate-income or lower income students.
 - b) The student housing development conforms to the requirements necessary to be granted a density bonus by a local government.
 - c) The student housing development provides 24% of the total units to lower income students.
 - d) The applicant agrees to include additional rental units affordable to moderate-income students.
 - e) The student housing development project meets the following rent limits:

- i) For an efficiency or one-bedroom unit, the rent provided in the applicable units of the development for moderate-income students shall not exceed the 100% of AMI rent limit for the appropriate unit size unit, as established by CTCAC.
 - ii) For two-bedroom or larger units, the rent provided in the applicable units of the development for moderate-income students shall not exceed the 120% of AMI rent limit for the appropriate unit size, as established by CTCAC, divided by the number of bedrooms. If the bedroom will be shared, the per-bed rent limit applicable to a moderate-income student shall be 75% of the per-bedroom rent limit.
- f) The student housing development is located within a campus development zone, as specified.
 - g) The student housing development is not located on a site identified in the city's or county's housing element as suitable for the development of units for lower income households.
- 4) Requires the additional bonus in 3), above, to be calculated as follows:
- a) If the student housing development provides at least 5%, and at most 10%, additional very low income (VLI) units, a bonus ranging from 20%-38.75%; and
 - b) If the student housing development provides at least 5%, and at most 15%, moderate-income units, a bonus ranging from 20%-50%.

EXISTING LAW:

- 1) Establishes DBL, which requires a local government to do all the following:
 - a) Adopt procedures and timelines for processing a DBL application.
 - b) Provide a list of all documents and information required to submit with the DBL application for it to be deemed complete.
 - c) Provide an applicant with information related to the amount of density bonus for which the applicant is eligible, and whether the applicant has provided adequate information for the local government to make a determination as to the granting of any requested incentives, concessions, waivers, or reductions in development standards, at the time of application completeness. [Government Code (GOV) § 65915]
- 2) Requires local governments to grant a density bonus when an applicant for a housing development, defined as a development containing "five or more residential units, including mixed-use developments," seeks and agrees to construct a project that will contain at least 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, veterans, or persons experiencing homelessness.
 - f) 20% of the total units for lower-income students in a student housing development.
 - g) 100% of the units of a housing development for lower-income households, except that 20% of units may be for moderate-income households. (GOV § 65915)
- 3) Requires local governments to grant a density bonus ranging from 20% to 50% for rental developments that include a minimum percentage of units affordable to very low-, low-, or moderate-income households, with the bonus increasing on a sliding scale based on the level of affordability provided. For 100% affordable rental developments, the law provides a bonus of up to 80%, along with additional incentives such as increased height limits, reduced parking requirements, and modified development standards if the project is located within ½ mile of a major transit stop or in a low vehicle miles traveled (VMT) area. In certain cases, 100% affordable projects in qualifying areas may be allowed unlimited density. (GOV § 65915)
- 4) Requires a local government to grant an additional density bonus on top of the bonus in 2) if the applicant agrees to include additional rental or for-sale units affordable to very low-income households or moderate-income households. (GOV § 65915)
- 5) Provides that, upon the developer's request, the local government may not require parking standards greater than the parking ratios specified in DBL. (GOV § 65915)
- 6) Requires applicants to receive concessions and incentives depending on the percentage of affordable housing included in the proposed development. "Concessions and incentives" means the following:
- 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, resulting in identifiable and actual cost reductions, to provide for affordable housing costs, as specified;
 - b) Approval of mixed-use zoning in conjunction with the housing project if commercial, office, industrial, or other land uses will reduce the cost of the housing development and if the commercial, office, industrial, or other land uses are compatible with the housing project and the existing or planned development in the area where the proposed housing project will be located; and
 - c) Other regulatory incentives or concessions proposed by the developer or the city, county, or city and county that result in identifiable and actual cost reductions to provide for affordable housing costs, as specified. (GOV § 65915)

- 7) Provides that the granting of a density bonus, incentive, or concession shall not be interpreted in and of itself, to require a general plan amendment, local coastal plan amendment, zoning change, or other discretionary approval. (GOV § 65915)
- 8) Establishes procedures for calculating the maximum allowable residential density, or base density, of the project, for which the bonus is to be calculated based on. (GOV § 65915)
- 9) Provides that, in no case, may a local government apply any development standard that will have the effect of physically precluding the construction of a development at the densities or with the concessions or incentives permitted by DBL. (GOV § 65915)
- 10) Establishes Campus Development Zones within a ½ mile radius of a University of California (UC), California State University (CSU), and a California Community College (CCC). (GOV § 65912.101)

FISCAL EFFECT: This bill is keyed fiscal and contains a state-mandated local program.

COMMENTS:

- 1) **Bill Summary.** This bill establishes rent limits for units within student housing developments seeking a density bonus. For lower income students, the rent limits are 65% of the AMI for an efficiency or one-bedroom unit, 80% AMI for two bedroom or larger units, and 75% of the AMI per bed if the bedroom will be shared. For moderate-income students, the rent limits are 100% of the AMI for an efficiency or one-bedroom unit, 120% AMI for two-bedroom or larger units, and 75% of the AMI per bed if the bedroom will be shared. The bill defines a “moderate-income student” to mean a student who is not claimed as a dependent on a parent’s or guardian’s federal or state income tax return and the student’s income does not exceed 120% of the AMI for the student’s household size, as published by the CTCAC, for the area in which the student housing is located.

This bill also requires a local government to grant an additional density bonus if a student housing development project meets the following requirements:

- a) No more than 50% of the total number of units are restricted to moderate-income or lower income students.
- b) The project is eligible for a density bonus.
- c) The applicant has agreed to include additional rental units affordable to moderate-income students
- d) The project provides at least 24% of the total units to lower income students.
- e) The project is located within a campus development zone (CDZ).
- f) The project is not located on a site that has been identified in the local government’s housing element as suitable for the development of units for lower income households.

The bill calculates additional density bonus for student housing developments on a sliding scale. If a student housing development includes units affordable to very-low income or

moderate-income, this bill allows those projects to receive between 20% and 50% additional density depending on the extent to which they exceed baseline affordability requirements.

This bill is authored by the Student Homes Coalition.

- 2) **Author’s Statement.** According to the author, “As you know, our state is facing an extreme housing crisis, and students are not immune. The vast majority of California’s college students rely on a limited number of unaffordable and inaccessible off-campus housing units. Despite the immense community benefit low-income and moderate student housing provides, new housing projects near colleges are often difficult to build. Not to mention, for most affordable housing projects to pencil out, developers need financing mechanisms offered by federal, state and local governments in order to fill the gap.

“AB 2480 would harmonize the Student Housing Density Bonus with super density bonus, allowing additional density increases for developments that serve both low-income and moderate-income students. This would allow student developments that have maxed out their low-income density bonus to receive a super density bonus as long as the developer reserves those additional units for moderate income students.”

- 3) **State Density Bonus Law.** The DBL grants certain benefits to developers who build affordable units in order to encourage greater affordable housing production. DBL 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 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 for moderate-income households.
- e) 10% of the total units for transitional foster youth, disabled veterans, or homeless persons.
- f) 20% of the total units for lower income students in a student housing development.

If a project meets one of these conditions, the city or county must allow an increase in density on a sliding scale from 20% to 50% over the otherwise maximum allowable residential density under the applicable zoning ordinance and land use element of the general plan, depending on the percentage of affordable units.

- 4) **Incentives, concessions, waivers, and other benefits.** Density bonus law also grants “incentives or concessions” that can be used to modify development policies that add costs or reduce the number of units that a developer can build on a site. Incentives and concessions can vary widely based on individual projects, but examples can include reduced fees, waivers of zoning codes, or reduced parking requirements. The number of incentives or concessions a project may be eligible for is based on the percentage of affordable units contained in the project, up to a maximum of four incentives or concessions. Density bonus law also allows

“waivers” of any development standards that physically prevent the developer from constructing a project at the density allowed for the project, along with the incentives or concessions. Finally, density bonus law reduces or eliminates the parking that can be required in connection with a project.

Local governments must grant the requested incentives, concessions, or waivers except under very limited circumstances:

- a) If the waiver, incentive, or concession will have a specific, adverse impact upon public health and safety or on any property that is listed in the California Register of Historical Resources and for which there is no feasible method to satisfactorily mitigate or avoid the specific, adverse impact without rendering the development unaffordable to low-income and moderate-income households; or
- b) If it finds that the concession or incentive does not result in identifiable and actual cost reductions to provide for affordable rents or housing costs.

Recent court cases have expanded density bonus law on the basis that “if the project were not built, it goes without saying that housing units for lower income households would not be built and the purpose of the density bonus law to encourage such development would not be achieved” (*Wollmer v. City of Berkeley (2011) 193 Cal. App. 4th 1329*). This interpretation means that “a city [or county] may not apply any development standard that would physically preclude construction of that project as designed” (*Bankers Hill 150 v. City of San Diego (2022) 74 Cal. App. 5th 755.*), if the project includes the required number of affordable units.

- 5) **Student Housing Density Bonus.** SB 1227 (Skinner), Chapter 937, Statutes of 2018, and SB 290 (Skinner), Chapter 340, Statutes of 2021, created a density bonus for developers that include housing for lower income students in a development. Developers that agree to restrict 20% of the units in a development to lower income students can receive a 35% density bonus and one concession or incentive. To be eligible for the density bonus, developers must provide proof at the time of receiving a certificate of occupancy that they have entered into a master lease with an accredited public or private university, college, or community college to occupy all the units for lower income students in the development. Developers are also required to provide priority for students experiencing homelessness. To meet this standard, a developer can verify with the university or college that a student is attending or institution of higher education that the student is experiencing homelessness.

AB 3116 (Garcia), Chapter 432, Statutes of 2024, allowed additional density bonuses for student housing developments for projects with between 21% and 24% of the units affordable to lower income households, with up to a 50% density bonus. Under this bill, projects with at least 23% affordable units are entitled to two concessions and incentives and no parking requirements for a bedspace. AB 3116 further required developers of the types of density bonus projects to establish a system for confirming its renters’ status as students to ensure that all units of the student housing development are occupied with students from an institution of higher education. AB 3116 also specified that student housing projects with greater than a 35% density bonus are prohibited from being located on a site that would require replacement units.

- 6) **Campus Development Zones.** AB 893 (Fong), Chapter 500, Statutes of 2025, required that student housing be a use-by-right and ministerially approved to qualifying student housing

developments within “campus development zones” (CDZ). CDZs are defined as areas within a one-half mile radius of a UC, CSU, or CCC. If a student housing development is within a CDZ the project is eligible for ministerial approval if the project meets specified affordability, labor, and site standards.

- 7) **Related Legislation.** AB 2433 (Alvarez) makes numerous changes to DBL, including establishing a by-right ministerial review process for an infill housing development project and amending floor area ratio provisions.
- 8) **Arguments in Support.** The Student Homes Coalition, sponsor of the bill, writes in support, “California campuses and their surrounding communities are facing a severe housing shortage. The lack of housing both on and off campus has led to skyrocketing rents and an ever-growing student homelessness crisis. According to a 2024 report from the Legislative Analyst's Office, 24% of California community college students, 11% of CSU students, and 8% of UC students experience homelessness each academic year. Despite this, only a fraction of students at California public institutions are housed on campus and a significant majority are rent-burdened.

“Many of California’s existing tools for addressing the housing crisis were not designed to address student homelessness and housing insecurity. Students are expressly prohibited from accessing most deed-restricted affordable units, and financial aid programs rarely cover the student’s cost of living. AB 2480 will help fill the gap between affordable housing and student housing by allowing developers to use the super density to build affordable units for students. By building on affordable housing programs that have been proven effective, this bill will create a truly viable pathway for low and moderate income student housing to get built across California.”

- 9) **Arguments in Opposition.** None on file.
- 10) **Double-Referral.** This bill is double-referred to the Assembly Housing and Community Development Committee, where it passed on a 12-0 vote on April 15, 2026.

REGISTERED SUPPORT / OPPOSITION:

Support

Student Homes Coalition - **SPONSOR**
 ASUCD Housing and Transportation Advocacy Committee
 California Apartment Association
 California Yimby
 Circulate Planning & Policy
 College Democrats At UC Irvine
 Construction Employers' Association
 Davis College Democrats
 Generationup, Incorporated
 Inner City Law Center
 Student Homes At SJSU
 Student Homes At UCLA
 Student Homes At UCSB
 Student Homes At UCSD

University Housing Rights Organization At UC Berkeley
Urban Studies Student Association
Youthbridge Housing

Opposition

None

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