

Date of Hearing: May 6, 2026

ASSEMBLY COMMITTEE ON APPROPRIATIONS

Buffy Wicks, Chair

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

Policy Committee:	Housing and Community Development	Vote:	12 - 0
	Local Government		10 - 0

Urgency: No State Mandated Local Program: Yes Reimbursable: No

SUMMARY:

This bill 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 lower-income and moderate-income students, as specified, applicable to student housing developments seeking an additional density bonus under Density Bonus Law (DBL).
- 2) Requires a local government to grant an additional density bonus, provided the resulting student housing development would not restrict more than 50% of the total units to moderate-income or lower-income students, and meets the following:
 - a) Conforms to the rental limits established pursuant to item 1, above.
 - b) Provides 24% of the total units to lower income students.
 - c) Meets existing statutory requirements pertaining to DBL student housing developments, including requirements of student occupancy, affordability, priority for students experiencing homelessness, and a 55-year affordability restriction.
 - d) Is located in a campus development zone (CDZ), as specified.
 - e) Is not located on a site identified in the city or county’s housing element as suitable for the development of units for lower-income households.
 - f) Includes additional rental units affordable to moderate-income students.
- 3) Defines “moderate-income student” in DBL as a student who is not claimed as a dependent on a parent’s or guardian’s federal or state income tax returns, and whose income does not exceed 120% of the area median income (AMI), as published by the California Tax Credit Allocation Committee (TCAC), for the area in which the student housing development is located.

FISCAL EFFECT:

No state costs. Local costs of an unknown amount to local agencies to meet the new density bonus requirements in this bill. These costs are not reimbursable by the state because local agencies have general authority to charge and adjust planning and permitting fees to cover these activities.

COMMENTS:

1) **Purpose.** According to the author:

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. [This bill] 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.

2) **Background. DBL.** California’s DBL was enacted as an incentive to encourage housing developers to produce affordable units that can be offered at below market rates. In return for including a certain percentage of affordable units, housing developers may add additional units to their project above the jurisdiction’s allowable zoned density for the site (“density bonus”). Any housing development proposing five or more units, including a mixed-income development, may use the provisions of DBL, provided the project meets the affordability and other specified requirements.

In recent years, the Legislature has made targeted amendments to the DBL to facilitate student housing production, which historically has not fit within standard affordability and occupancy frameworks. SB 290 (Skinner) Chapter 340, Statutes of 2021, authorized student housing developments providing at least 20% of units for lower-income students as eligible for a density bonus. Subsequent legislation has expanded DBL for student-oriented projects.

Additional Density Bonus. AB 1287 (Alvarez), Chapter 755, Statutes of 2023, added an additional (also called “super”) density bonus for projects that exceed existing DBL affordability thresholds. However, this additional bonus is structured around DBL affordability categories defined for traditional rental and for-sale housing. Student housing developments, as authorized under DBL, are instead governed by a separate framework that requires units to be restricted to lower-income students and priced using student-specific affordability assumptions (for example, per-bed rents tied to a lower-income standard), and do not align with the statutory categories used to qualify for the additional AB 1287 bonus. As a result, student housing developments are generally unable to utilize the additional density bonus created by AB 1287, even if the project provides deeper levels of affordability.

This bill extends the additional density bonus provisions created by AB 1287 to student housing developments that include housing for both lower-income and moderate-income students and exceed existing statutory affordability thresholds, among other requirements.

- 3) **Related Legislation.** AB 2433 (Alvarez), of this legislative session, 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. AB 2433 is pending in this committee.

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