

households, over the otherwise maximum allowable residential density under the applicable zoning ordinance and land use element of the general plan. Requires the increase in density on a sliding scale for moderate-income for-sale developments from 5% to 50% over the otherwise allowable residential density.

- 3) Provides that upon the request of a developer, a city or county shall not require a vehicular parking ratio, inclusive of disabled and guest parking, that meets the following ratios:
 - a) Zero to one bedroom — one onsite parking space.
 - b) Two to three bedrooms — one and one-half onsite parking spaces.
 - c) Four and more bedrooms — two and one-half parking spaces.
- 4) Notwithstanding (3) above, provides that a city or county shall not impose a parking ratio higher than 0.5 spaces per unit, nor any parking standards, for a project that is:
 - a) Located within one-half mile of a major transit stop and the residents have unobstructed access to the transit stop; or
 - b) A for-rent housing development for individuals who are 62 years or older and the residents have either access to paratransit service or unobstructed access, within one-half mile, to fixed bus route service that operates at least eight times per day.
- 5) Notwithstanding (3) and (4) above, provides that a city or county shall not impose any minimum parking requirement on a housing development that consists solely of rental units for lower income families and the is either a special needs or a supportive housing development.
- 6) Provides that the applicant shall 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 moderate-income households, 10% of the total units for lower-income households, or at least 5% for VLI households.
 - b) Two incentives or concessions for projects that include at least 20% of the total units for moderate-income households, 17% of the total units for lower income households, or least 10% for VLI households.
 - c) Three incentives or concessions for projects that include at least 30% of the total units for moderate-income households 24% of the total units for lower-income households, or at least 15% for VLI households.

- d) Four incentives or concessions for projects where 100% of the units of a housing development for lower-income households, except that 20% of units may be for moderate-income households, as well as a height increase up to 33 feet if the project is located within one-half mile of a transit stop.
- 7) 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, defined as students that have a household income and asset level that does not exceed Cal Grant A or B award recipients. Eligibility is defined as students with a household income and asset level that does not exceed the level for Cal Grant A or B award recipients. Eligibility shall be verified by an affidavit, award letter, or letter of eligibility provided by the institution of higher education at which the student is enrolled or by the California Student Aid Commission that the student receives or is eligible for financial aid from the university, the California Student Aid Commission, or the federal government.
 - c) For purposes of calculating density, the term “unit” 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.
- 8) Requires the development to provide a priority for the applicable affordable units for lower income students experiencing homelessness.
- 9) Requires student housing developments to be granted a 35% density bonus and one concession or incentive.
- 10) Requires a developer to, as a condition of receiving a certificate of occupancy, provide evidence to the city or county that the developer has entered into an operating agreement or master lease with one or more institutions of higher education for the institution or institutions to occupy all units of the student housing development with students from that institution or institutions. Provides that an operating agreement or master lease is not violated or breached if, in any subsequent year, there are not sufficient students enrolled in an

institution of higher education to fill all units of the student housing development.

This bill:

- 1) Defines "moderate income student" 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 (CTCAC), for the area in which the student housing development is located.
- 2) Establishes the following rental limits for student housing developments in DBL:
 - a) For lower income students, as defined, the rent shall not exceed the following:
 - i) For an efficiency or one-bedroom unit: 65% AMI rent limit for the appropriate unit size, as established by the CTCAC; and
 - ii) For two-bedroom or larger units: 80% AMI rent limit for the appropriate unit size as established by CTCAC, divided by the number of bedrooms. If bedrooms will be shared, the per bed rent limit shall be 75% of the per-bedroom rent limit.
 - b) For moderate-income students, the rent shall not exceed the following:
 - i) For an efficiency or one-bedroom unit: 100% AMI rent limit for the appropriate unit size, as established by CTCAC; and
 - ii) For two-bedroom or larger units: 120% of the AMI rent limit for the appropriate unit size, as established by CTCAC, divided by the number of bedrooms. If bedrooms will be shared, the per-bed limit shall be 75% of the per-bedroom limit.
- 3) Requires local governments to grant an additional density bonus, provided that the resulting student housing development would not restrict more than 50% of the total units to moderate-income or lower income students, subject to the following requirements:
 - a) The student housing development provides 24% of the total units for lower-income students;
 - b) The student housing development 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;

- c) The student housing development is located in a campus development zone (CDZ), generally a ½ mile radius around a California Community College (CCC), California State University (CSU), or University of California (UC);
 - d) The student housing development 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; and
 - e) The applicant agrees to include additional rental units for moderate-income students.
- 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 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%.

Background

DBL. 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. DBL requires local governments to allow affordable housing developers to increase the density of their project and waive expensive design standards, alleviating the need for direct financial subsidy. 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 DBL is to cover at least some of the financing gap of affordable housing with regulatory incentives, rather than additional subsidy.

Under DBL, 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. To qualify for benefits under DBL, a proposed housing development must contain a minimum percentage of affordable housing. Depending on the amount of affordable housing included in the project and the depth of the affordability level, 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. Under DBL, a developer is entitled to a sliding scale of density bonuses, up to a maximum of 50% of the maximum zoning density and up to four incentives, as specified, depending on the percentage of affordable housing included in the project. At the low end, a developer receives 20% additional density for 5% VLI units or 20% density for 10% low-income units. The maximum additional density permitted is 50%, in exchange for 15% VLI units or 24% low-income units. Additionally, specified 100% affordable housing projects may receive up to an 80% density bonus.

The developer also negotiates additional incentives, reduced parking, and design standard waivers, with the local government. This helps developers reduce costs while enabling a local government to determine what changes make the most sense for that site and community.

Comments

- 1) *Author's statement.* "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 housing developments near college campuses 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) *Homeless College Students.* According to studies by the Association of Community College Trustees, California State University, and University of California, 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

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

- 3) *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 student is attending or institution of higher education that the student is experiencing homelessness.

Unlike traditional affordable housing, identifying lower-income students eligible for student housing as permitted under this bill is trickier to calculate. Because many students do not work full-time jobs, on paper they appear to be lower-income. SB 1227 (Skinner) provided that a student's eligibility to receive a Cal Grant shall be used to verify a student's eligibility for lower-income housing. The Cal Grant program identifies income ceilings in statute based upon a student's household income, both for new and renewing participants.

SB 1227 was carefully crafted in a way to create an incentive for the development of desperately needed student housing near university campuses, while not over incentivizing student housing projects to the detriment of desperately needed multifamily housing projects available to the general public.

- 4) *Enhancing DBL for Student Housing*. AB 3116 (Garcia, Chapter 342, Statutes of 2024) made several changes to DBL to increase the incentives for student housing developments. Specifically, that bill expanded the student housing density bonus to allow 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. AB 3116 also made projects with at least 23% affordable units entitled to two concessions and incentives and no parking requirements for a bedspace, and prohibited student housing projects with a greater than 35% density bonus from being located on a site that requires replacement units.

AB 1287 (Alvarez, Chapter 755, Statutes of 2023) added an additional, “stackable” density bonus tier and an additional incentive/concession for projects that exceed existing DBL affordability thresholds. However, this additional bonus is structured around the existing DBL affordability categories, particularly very low-, low-, and moderate-income units as 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 (*e.g.*, 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 and concessions created by AB 1287, even if they provide deeper levels of affordability, because the law does not clearly map the student housing provisions onto the new bonus thresholds.

This bill expands the “stackable” DBL provisions created by AB 1287 to student housing developments. Specifically, this bill establishes an additional density bonus specifically for student housing developments that reserve units for both lower-income and moderate-income students. To qualify for the stackable DBL provisions, developments must be located in a campus development zone. This bill establishes a sliding-scale framework for calculating the additional density bonus that student housing developments can receive if they include additional moderate-income or VLI units, allowing projects to receive between 20% and 50% additional density depending on the extent to which they exceed baseline affordability requirements. This additional bonus is cumulative with existing density bonus provisions, effectively allowing qualifying student housing developments to achieve significantly higher overall densities in exchange for deeper or broader affordability targeting within student populations.

- 5) *Committee Amendments.* AB 2480 includes a modification to the existing rental limit calculation that applies to student housing projects. The limits are designed to ensure that student housing rooms and suites that include multiple beds are only eligible to count as low-income units if the total rent for the unit does not exceed the rent limit for a comparable apartment unit that is deed restricted for low-income tenants. For example, the total low-income rent limit for a two-bedroom dorm suite should be roughly comparable to the total rent limit that would apply to a two-bedroom apartment occupied by a low-income family. Student housing density bonuses are calculated based on the number of beds rented by low-income students. If four low-income students occupy a two bedroom suite, the total rental limit for that unit would equate to the rental limit

of 260% of AMI (4 beds each at paying the rental limit equivalent for a 65% AMI household). In order to prevent units producing market rate rents from being used to generate a density bonus, this bill attempts to cap the total rent at a higher percentage of AMI divided by the number of beds. The rental cap currently in the bill creates ambiguity that could complicate implementation.

In order to address this ambiguity and to provide greater clarity, the author has agreed to amend the bill as follows:

- a) With respect to rental limits for low-income students:**
 - i) Make technical clarifications regarding the language on rental limits in bedrooms that are not shared.**
 - ii) Replace the existing rental limit language for shared bedrooms with language that specifies that the rent charged in a shared bedroom shall not exceed the equivalent of the CTCAC rent limit (30% of income) that would apply to an efficiency unit occupied by a 65% of AMI household. The rent charged is then divided by the number of beds in the bedroom.**
- b) With respect to rent limits for moderate-income students:**
 - i) Make technical clarifications regarding the language on rental limits in bedrooms that are not shared.**
 - ii) Replace the existing rental limit language for shared bedrooms with language that specifies that the rent charged in a shared bedroom shall not exceed the equivalent of the CTCAC rent limit (30% of income) that would apply to a 100% of AMI household. The rent charged is then divided by the number of beds in the bedroom.**
- c) Extend the definition of “unit” that applies to low-income students to the portion of the bill related to moderate-income students.**
- d) CTCAC calculates rental limits in 10% intervals up to 100% of AMI. This bill and existing law specify AMI levels that are not specifically calculated by CTCAC (*i.e.*, 65% AMI). Existing law specifies that the rental limit shall be 30% of 65% of AMI. This bill specifies that the rent shall be the CTCAC limit (30%) applicable for that AMI. To solve the fact that CTCAC does not directly calculate rental limits for this AMI level, add language specifying that relevant fraction should be applied to AMI to determine the rental limit for these units (*i.e.*, 0.65 X 100% AMI).**

Related/Prior Legislation

AB 893 (Fong, Chapter 500, Statutes of 2025) — expanded the scope of the Affordable Housing and High Road Jobs Act of 2022, enacted by AB 2011 (Wicks, Chapter 647, Statutes of 2022) to include campus development zones.

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

AB 1287 (Alvarez), Chapter 755, Statutes of 2023 — added an additional, “stackable” density bonus tier and an additional incentive/concession for projects that exceed existing DBL affordability thresholds.

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.

SB 1227 (Skinner, Chapter 937, Statutes of 2018) — required 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.

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

POSITIONS: (Communicated to the committee before noon on Wednesday, June 10th, 2026.)

SUPPORT:

Davis College Democrats (Co-Sponsor)
Student Homes At Sjsu (Co-Sponsor)
Student Homes At Ucla (Co-Sponsor)
Student Homes At Ucsb (Co-Sponsor)
Student Homes Coalition (Co-Sponsor)
University Housing Rights Organization At UC Berkeley (Co-Sponsor)
Youthbridge Housing (Co-Sponsor)
Abundant Housing Los Angeles
California Apartment Association

California Yimby
East Bay Yimby
Eastside Housing for All
Faith and Housing Coalition
Grow the Richmond
Inner City Law Center
Mountain View Yimby
Napa-solano for Everyone
Nextgen California
Northern Neighbors Sf
Peninsula for Everyone
San Francisco Yimby
San Jose Yimby
San Mateo Forward
Santa Cruz Yimby
Santa Rosa Yimby
South Bay Yimby
The Two Hundred for Homeownership
Ventura County Yimby
Yes! in Redwood City
Yimby Action
Yimby Los Angeles
Yimby Monterey Peninsula
Yimby Slo

OPPOSITION:

None Received.

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