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April 5, 2016

Assembly Member Santiago Room 5119 State Capitol Sacramento, California 95814

SUBJECT: OPPOSITION TO AB 1934 (SANTIAGO) – DENSITY BONUS FOR COMMERICIAL DEVELOPMENT

Dear Assembly Member Santiago:

The American Planning Association, California Chapter (APA California) must respectfully oppose your bill, AB 1934 as amended. AB 1934 would require a city or county to grant to a commercial developer a density bonus when an applicant for commercial development agrees to partner with an affordable housing developer to construct a mixed-used project with the housing located in the commercial development or within a one-mile radius of the commercial development. This is a major departure from the nexus provided by existing density bonus requirements, which APA cannot support.

AB 1934 as amended appears to allow density bonuses on two sites (residential and commercial) for the production of housing on only one. There is no clarity on how the level of affordable housing created would relate to the proposed commercial intensification. The affordable housing provided could easily be overwhelmed by significant impacts from the increased commercial density. In addition, the density bonuses proposed in the bill for a 20% commercial floor area ratio (FAR) increase easily outweigh the benefits of the small amount of required affordable housing. Such a mandate is a huge increase in the footprint (square feet) and impacts of a commercial project, including parking and traffic impacts as well as the increased housing demand from the additional employment created. In contrast, density bonuses for housing generally do not result in an increase in the allowable FAR of the development, just an increased number of smaller units in permitted FAR. We would like to work with you on other options to offset the additional costs often associated with mixed use projects including some relief from linkage fees for on-site production of affordable housing.

If you have any questions, please contact APA California's lobbyist, Sande George with Stefan/George Associates, 916-443-5301 or <a href="mailto:sqeorge@stefangeorge.com">sqeorge@stefangeorge.com</a>.

Sincerely,

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## John Terell

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cc: The Governor, OPR, Republican Consultant, Local Government Committee

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