



American Planning Association  
**California Chapter**

*Creating Great Communities for All*

May 27, 2020

Senator Nancy Skinner  
Room 5094  
State Capitol  
Sacramento, CA 95814

SUBJECT: **NOTICE OF SUPPORT IF AMENDED – SB 1085 (SKINNER)**  
**DENSITY BONUS LAW BENEFITS FOR MODERATE-INCOME AND STUDENT HOUSING UNITS**

Dear Senator Skinner:

As a result of the most recent amendments, the American Planning Association, California Chapter, has moved from the position of oppose unless amended to support if amended on SB 1085.

The amendments removed most of APA's original concerns with the bill. APA has a few remaining issues that we'd like to continue to discuss with you as the bill moves:

1. Clarify the description of housing fees. The bill currently states that fees, including inclusionary zoning fees, in-lieu fees, and public benefit fees, shall not be imposed on a housing development's affordable units or bonus units. While APA agrees that providing affordable housing should proportionately reduce inclusionary fees, other in-lieu fees (which mitigate impacts instead of requiring a dedication) are still needed to address other project impacts and should still be authorized in the bill. The fees exempted should be limited to those imposed for the purpose of reducing a project's impact on the need for affordable housing within a jurisdiction or that are otherwise imposed to increase the supply of affordable housing. APA understands that you are working on an amendment to make the clarification that this provision applies to "affordable" housing impact fees. APA would like to work with you to finalize that amendment.
2. Modify the density bonus increase for moderate-income rental units to avoid disincentivizing the production of low-income units. APA's main concern with the original version of SB 1085 was the potential that the bill's increased benefits for building moderate-income units would also hurt very low-income production, since moderate units would become more appealing if the benefits were the same for both low and moderate units. APA appreciates that the other provisions in the bill related to incentives, waivers and concessions for moderate-income units were amended so that the percentage of moderate-income units are not the same as they are for low-income units. However, there is one remaining provision that still provides the same density bonus benefit for moderate-income housing as it does for low income households. As was discussed in the Senate Housing Committee, this equal treatment of both moderate-income and low-income units could incentivize moderate-income units at the expense of removing the incentive to produce low-income units, which are even less available throughout California than moderate-income units. This should be harmonized with the Density Bonus Law changes in AB 2345 using the amendments suggested by CRLA and Western Center which would maintain the higher benefits for 100% affordable projects in current law and add a new tier for other projects with a higher percentage of inclusionary units.

3. Consider increasing affordability in exchange for increased benefits in other sections of the bill. APA also suggests that you consider increasing the affordability required for very-low units above the existing 11% in exchange for the 5% increase in density bonus provided in the bill. That existing 11% threshold is already used often by developers as it is – there is no need to grant more density without also increasing the percentage of very-low income units that must be provided to receive this benefit. APA also suggests that you consider increasing the affordability requirements in the section that grants student housing an additional concession.

APA supports providing higher density and other benefits in exchange for higher levels of affordability in projects, similar to enhanced density bonus ordinances adopted and working successfully in many cities and counties around the state. We would like to continue to work with you on the amendments suggested above so that APA can move to full support.

If you have any questions, please contact our lobbyist, Sande George, with Stefan/George Associates, [sgeorge@stefangeorge.com](mailto:sgeorge@stefangeorge.com), 916-443-5301.

Sincerely,



Eric S. Phillips  
Vice President, Policy and Legislation - APA California

cc: Senate Housing Committee  
Senate Appropriations Committee  
Republican Caucus  
OPR