Date of Hearing: April 30, 2025

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT Juan Carrillo, Chair AB 893 (Fong) – As Amended April 21, 2025

SUBJECT: Housing development projects: objective standards: campus development zone

SUMMARY: Expands the Affordable Housing and High Road Jobs Act of 2022, established by AB 2011 (Wicks) of 2022, to apply to campus development zones, as defined. Specifically, **this bill**:

- 1) Provides the following definitions for purposes of this bill:
 - a) "Campus development zone" means the set of parcels that are contained either wholly or partially within one-half mile of a "main campus" of the University of California (UC), California State University (CSU), or California Community College (CCC);
 - b) "Extremely low income faculty or staff" means an employee of a UC, CSU, or CCC earning less than 30% of the Area Median Income (AMI), adjusted for family size and geographic area, or as defined by the federal government.
 - c) "Very low income faculty or staff" means an employee of a UC, CSU, or CCC earning less than 50% of the AMI, adjusted for family size and geographic area, or as defined by the federal government.
 - d) "Lower income faculty or staff" means an employee of a UC, CSU, or CCC earning less than 80% of the AMI, adjusted for family size and geographic area, or as defined by the federal government.
 - e) "Lower income student" means a student who meets any of the following criteria:
 - i) Has a household income or asset level not exceeding the level for a:
 - (1) Cal Grant A or Cal Grant B award recipient; or
 - (2) California College Promise Grant (Promise Grant).
 - ii) Otherwise qualifies for a Promise Grant;
 - iii) Qualifies for a Federal Pell Grant;
 - iv) Qualifies for an exemption from paying nonresident tuition, as long as the student also meets the income criteria applicable to the California Dream Act; or
 - v) Is a graduate student with an income and asset level that would make them eligible for the benefits described in (e)(i)-(iv), above.
- 2) Requires the Department of Housing and Community Development (HCD) to report on the outcomes of projects built in campus development zones in its January 1, 2031 report, which is required to be posted on HCD's website and submitted to the Legislature.

- 3) Allows for the streamlined, ministerial review process established in AB 2011 to be used for housing development projects in campus development zones, provided that they meet the following requirements:
 - a) Requires a rental-occupied housing development in a campus development zone to include either of the following affordability requirements:
 - i) Five percent of the base units for extremely low income households, extremely low income faculty or staff, or students experiencing homelessness; and 8% of the base units for very low income households, very low income faculty or staff, or students experiencing homelessness; or
 - ii) Fifteen percent of the base units for lower income households, lower income students, or lower income faculty or staff.
 - b) Requires owner-occupied housing developments to include either of the following:
 - i) Thirty percent of the base units for moderate-income households; or
 - ii) Fifteen percent of the base units for lower income households, lower income students, or lower income faculty or staff.
 - c) Provides that the eligibility of a student to occupy an affordable unit, as described in (3)(a) and (3)(b), shall be verified by an affidavit, award letter, or letter of eligibility demonstrating that the student is eligible for financial aid, including an institutional grant or fee waiver, provided by: the institution of higher education in which the student is enrolled, by the Student Aid Commission, or by the federal government. For students experiencing homelessness, a homeless services provider or institution of higher education that has knowledge of a person's homelessness status may verify a person's status as homeless.
 - d) Establishes the following density limits in campus development zones:
 - i) For metropolitan jurisdictions: the greater of the local allowable density or 80 units per acre;
 - ii) For nonmetropolitan jurisdictions: the greater of the local allowable density or 70 units per acre; and
 - iii) A minimum density of 52.5 units per acre if the housing development application is deemed consistent with objective standards before January 1, 2027.
 - e) Establishes the following height limits for developments in campus development zones:
 - i) Forty-five feet, if not located in a metropolitan jurisdiction.
 - ii) Sixty-five feet, if located in a metropolitan jurisdiction.
 - f) Establishes the following objective standards for developments in campus development zones:

- i) No setbacks shall be required;
- ii) All parking must be set back at least 25 feet; and
- iii) On the ground floor, a building must have at least 80% of the street frontage within 10 feet of the street.
- 4) Specifies that the requirement for parking to be set back at least 25 feet applies only to aboveground parking for a development project to be subject to the streamlined, ministerial review process.
- 5) Provides that no reimbursement is required by this act because a local agency or school district has the authority to levy services charges, fees, or assessments sufficient to pay for the program or level of service mandated by this bill.
- 6) Makes related findings and declarations.

EXISTING LAW:

- Establishes the Affordable Housing and High Road Jobs Act of 2022 (AB 2011), which deems the development of 100% affordable and qualifying mixed-income housing development projects that are located in commercial corridors and zoning districts to be a use by right and requires local agencies to approve these projects ministerially if certain development and workforce criteria are met, including: (Government Code § § 65912.100-65912.140)
 - a) Requires the site on which the development is proposed to either abut a commercial corridor or be in a commercial zoning district; (Government Code § § 65912.114 & 65912.121)
 - b) Applies the greater of the following height limits: (Government Code § 65912.123)
 - i) The height allowed by the local government;
 - ii) For sites on a commercial corridor of less than 100 feet wide, 35 feet;
 - iii) For sites on a commercial corridor of 100 feet wide or greater, 45 feet; or
 - iv) 65 feet for sites that meet all of the following criteria:
 - (1) They are within one-half mile of a major transit stop.
 - (2) They are within a city with a population of greater than 100,000.
 - (3) They are not within a coastal zone.
 - c) Applies the following affordability standards, or the standards required by the local government, whichever is higher: (Government Code § 65912.122)
 - i) For rental housing:

- (1) Eight percent of the units for very low income households and 5% of the units for extremely low income households; or,
- (2) Fifteen percent of the units for lower income households.
- ii) For owner-occupied housing:
 - (1) Thirty percent of the units for moderate-income households; or,
 - (2) Fifteen percent of the units for lower income households.
- d) Requires the following base density limits: (Government Code § 65912.123)
 - i) For metropolitan jurisdictions, the greater of:
 - (1) The maximum allowable residential density permitted by the local government.
 - (2) For sites less than 1 acre: 30 units/acre.
 - (3) For sites greater than, or equal to, 1 acre on a commercial corridor that is greater than100 feet wide: 40 units/acre.
 - (4) For sites greater than or equal to 1 acre on a commercial corridor that is greater than or equal to 100 feet wide: 60 units/acre.
 - (5) Notwithstanding (1)-(4), for sites in a very low vehicle travel area or within ¹/₂ mile of a major transit stop, 80 units/acre.
 - ii) For non-metropolitan jurisdictions, the greater of:
 - (1) The maximum allowable residential density permitted by the local government.
 - (2) For sites less than 1 acre: 20 units/acre.
 - (3) For sites greater than, or equal to, 1 acre on a commercial corridor that is greater than 100 feet wide: 30 units/acre.
 - (4) For sites greater than or equal to 1 acre on a commercial corridor that is greater than or equal to 100 feet wide: 50 units/acre.
 - (5) Notwithstanding (1)-(4), for sites in a very low vehicle travel area or within ¹/₂ mile of a major transit stop, 70 units/acre.
- e) Applies the following objective standards: (Government Code § 65912.123)
 - i) No setbacks shall be required;
 - ii) All parking must be set back at least 25 feet; and
 - iii) On the ground floor, a building must have at least 80% of the street frontage within 10 feet of the street.

- 2) Defines "use by right" as a development project that satisfies both of the following conditions: (Government Code § 65912.101)
 - a) The development project does not require a conditional use permit, planned unit development permit, or other discretionary local government review.
 - b) The development project is not a "project" for purposes of the California Environmental Quality Act (CEQA).
- 3) Defines a "main campus" as the institution's sole or primary teaching location. (Education Code § 94849)

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

COMMENTS:

1) Author's Statement. According to the author, "California continues to be plagued by its housing crisis, short millions of the units needed to reduce the burden of housing costs. This has contributed to homelessness, eroded our quality of life, and stifled our economy. Recent changes in housing law have shown some results but we have yet to turn the tide on housing affordability. Furthermore, student housing insecurity and student homelessness affects millions of students in our city colleges, CSUs, and UCs. Students are excluded from many affordable housing units due to policies that don't reflect current conditions and current student demographics.

"AB 893 addresses these pressing issues by expanding the streamlined, ministerial review process created by AB 2011 to commercially zoned parcels that are within 1 mile of universities' main campuses. It expands and streamlines eligibility for affordable units to students who would be able to demonstrate need via their financial aid awards. AB 893 builds on existing momentum and sets the groundwork for California to move the needle on the housing costs that all our communities are feeling but are disproportionately affecting students. AB 893 does this while increasing the vitality and productivity of the campus communities we love.

"Any student homelessness is unacceptable - we must continue to address the economic conditions that put our current and future students at risk, so they can graduate and contribute to our communities."

- 2) Police Power. The California Constitution allows cities and counties to "make and enforce within its limits, all local, police, sanitary and other ordinances and regulations not in conflict with general laws." It is from this fundamental power (commonly called the police power) that cities and counties derive their authority to regulate behavior to preserve the health, safety, and welfare of the public—including land use authority.
- 3) Planning and Zoning Law. State law provides additional powers and duties for counties and cities regarding land use. Each city and county must prepare and periodically update a comprehensive, long-range general plan to guide future planning decisions. A general plan must contain seven mandatory elements, including a land use element and a housing element. Most of cities' and counties' major land use decisions subdivisions, zoning, public works

projects, use permits, etc. – must be consistent with their general plans. Development decisions must carry out and not obstruct a general plan's policies.

The California Supreme Court has called the general plan "the constitution for all future development" because it presents a vision and a set of principles for future growth in the community. It serves an important role in shaping the location and type of development that will occur, ensuring that there is adequate infrastructure to support that development, providing adequate open space, and mitigating future risks from fire, floods, and climate change. Zoning ordinances then effectuate the requirements in the housing element and general plan. Those ordinances are specific where the general plan is not.

4) Local Zoning. Local governments use their police power to enact zoning ordinances that establish the types of land uses that are allowed or authorized in an area. Local zoning laws are a foundational tool that cities and counties use to ensure compatible land uses that are in alignment with their general plan. By designating specific areas for residential, commercial, industrial, and other uses, zoning helps maintain public health, safety, and quality of life—such as by preventing a factory from being sited next to a school or a nightclub next to a quiet residential block. These local controls also allow communities to plan infrastructure, transportation, and public services in a coherent way. A use "by right" is a use permitted in a zoning district and is therefore not subject to special review and approval by a local government. For example, the operation of a shoe store on property zoned for commercial uses would be considered a use "by right."

Zoning often identifies a primary use for parcels in the area, as well as other uses that are allowed if they meet conditions imposed by the local government. For example, an agricultural area may be zoned to allow agricultural uses "by right"—without local discretion—but also allow development of a single family home as an ancillary use, so that the farmer has a house to inhabit. Zoning ordinances also contain provisions to physically shape development and impose other requirements, such as setting maximum heights and densities for housing units, minimum numbers of required parking spaces, setbacks, and lot coverage ratios. These ordinances can also include conditions on development to address aesthetics, community impacts, or other particular site-specific considerations.

5) The California Environmental Quality Act. CEQA requires the state and local governments to study and mitigate, to the extent feasible, the environmental impacts of proposed projects, providing a key protection for the environment and residents of California. CEQA requires lead agencies with the principal responsibility for carrying out or approving a proposed project to prepare a negative declaration, mitigated negative declaration, or environmental impact report (EIR) for this action, unless the project is exempt from CEQA. CEQA includes several statutory exemptions, as well as categorical exemptions in the CEQA guidelines, for housing projects.

In the housing context, CEQA applies when a development project requires discretionary approval from a local government agency. When a local agency has the discretion to approve a project, its CEQA evaluation begins with deciding whether an activity qualifies as a "project" subject to CEQA review. Most housing projects that require discretionary review and approval are subject to review under the CEQA, while projects permitted ministerially generally are not.

6) **Student Housing Crisis.** According to the May 2024 *Update on Student Housing Assistance* by the Legislative Analyst's Office (LAO), "Housing insecurity can refer to a range of challenges related to student's living arrangements. At California's higher education segments, students are commonly described as housing insecure if they face challenges such as difficulty paying rent or utilities, living in overcrowded units, or needing to move frequently. The higher education segments tend to use 'homelessness' to refer more specifically to lacking a stable place to stay at night. The segments' definitions of homelessness typically include students without a permanent home who are temporarily staying with relatives or friends ('couch surfing'), at hotels or motels, in emergency shelters or transitional housing, and in places not meant for habitation (such as cars or tents)...

"Despite a high degree of legislative interest in student housing insecurity, the state does not have a definitive count of the number of higher education students experiencing housing insecurity or a reliable measure of changes over time. To derive estimates, UC, CSU, CCC, and the California Student Aid Commission have all begun conducting surveys. The data from these surveys, however, have limitations. Most of the surveys had low response rates, such that the respondents might not be representative of the broader student population. Moreover, some surveys limited their sample to specific student groups (such as financial aid applicants) that might have a different likelihood of experiencing housing challenges. Additionally, all of the surveys were administered electronically, which might have resulted in certain students (such as those with less technology access) being less likely to respond. Furthermore, few of the surveys have been undertaken regularly, with results tracked over time to determine whether student housing insecurity is increasing or decreasing.

"Recognizing these data limitations, a notable share of students surveyed at each segment have reported experiencing housing insecurity and homelessness... Rates of students reporting homelessness at some point over the past 12 months ranged from 8 percent of respondents at UC to 24 percent of respondents at CCC. (These results may not be directly comparable across the segments due to differences across surveys in methodology, questions, and when they were conducted.) Rates of reported housing insecurity or homelessness varied among certain student groups. For example, surveys at all three segments found that Black students and students receiving Pell Grants (federal financial aid for low-income students) reported higher-than-average rates of homelessness. In addition, the CCC and UC surveys disaggregated the data by sexual orientation and found that students who are lesbian, gay, bisexual, transgender, or queer (LGBTQ) reported higher-than-average rates of homelessness. The CCC survey also disaggregated the data by age group and found that reported rates of homelessness were highest among students age 26 to 30."

7) AB 2011 of 2022. In response to the housing affordability crisis, the Legislature passed AB 2011 (Wicks), Chapter 647, Statutes of 2022, also known as the Affordable Housing and High Road Jobs Act of 2022. AB 2011 streamlines the approval process for certain housing developments along commercial corridors and in commercial zones, while ensuring labor standards for construction workers and facilitating the development of affordable housing units. The law allows for by-right approval of mixed-income and 100% affordable housing projects on sites currently zoned for office, retail, or parking uses, provided they meet specific affordability, labor, and environmental criteria. This means qualifying projects can bypass certain discretionary local approvals, such as conditional use permits, making it easier and faster to build housing.

8) Bill Summary. This bill expands the eligibility for the streamlined, ministerial approval process established under AB 2011 (Wicks) of 2022 to include developments located in a campus development zone, defined as the set of parcels within a one-half mile radius of a main campus of a UC, CSU, or CCC. The development must also meet certain affordability requirements and objective standards, including density and height limits, which align with those set forth in AB 2011. This bill requires the outcomes of projects built under campus development zones to be reported in HCD's January 1, 2031 outcomes report.

This bill is sponsored by the Student HOMES Coalition and the University of California Student Association.

9) Arguments in Support. The Student HOMES Coalition, sponsor of this bill, states, "The shortage of student housing has led to skyrocketing rental prices, forcing many students to decide between financial stress, lengthy commutes, or substandard living conditions. At UCs, for example, the average cost of living off-campus increased by 54% between 2014 and 2022.1 Thousands of students are unable to keep up with the rising rents, and thus UCLA reports that 20% of California community college students, 11% of CSU students, and 4% of UC students experience homelessness in a given academic year. 2 Restrictive zoning laws and lengthy permitting processes exacerbate the crisis and contribute to student homelessness, making it difficult to build the high-density housing necessary to accommodate growing student populations. By streamlining the approval process and allowing for higher-density development within campus development zones, AB 893 will remove unnecessary barriers to housing construction and ensure students have access to safe, affordable housing.

"Existing streamlining laws like AB 2011 have opened up some commercial land for development around college universities, but have not reached the scale needed to address the ongoing crisis. In addition, students are often barred from accessing the affordable units that are built under existing streamlining laws. By creating a new system for verifying income status based on Cal Grant, Pell Grant, and Promise Grant eligibility, AB 893 will ensure that students in need are able to access affordable units by their campuses.

"The shortage of housing near California's campuses also exacerbates the broader affordability crisis by increasing competition for limited rental units in surrounding communities. With a limited number of university-affiliated housing bedspaces available, most students are forced into the private rental market, driving up rents for residents of the broader community. By facilitating the construction of housing through a ministerial approval process, AB 893 will alleviate pressure on local rental markets and contribute to a more equitable housing landscape..."

10) Arguments in Opposition. The South Bay Cities Council of Governments states,

"Unfortunately, AB 893 would disregard the state-mandated planning processing and instead force cities to ministerially approve housing on nearly all parcels within a half-mile of a university campus without any regard to the existing zoning or local conditions.

"By-right and one-size-fits-all approaches will not solve the housing crisis. The state should work with, and provide funding to, cities and counties to prevent and reduce homelessness and spur affordable housing development in a way that makes sense for their individual communities, which would also address the needs of students, faculty, and staff at these important educational institutions..."

The League of California Cities, in opposition to a previous version of the bill, states, "California cannot by-right its way out of the housing crisis. That is why Cal Cities is calling on the Governor and lawmakers to include an annual investment in the state budget to help cities prevent and reduce homelessness and spur housing development, including housing for students and faculty and staff. Targeted, ongoing funding is the only way cities can find community-based solutions that produce housing at all income levels."

11) **Related Legislation.** AB 648 (Zbur) exempts from a city's or county's local zoning regulations the construction of faculty, staff, and student housing projects when constructed on property owned or leased by a community college district (CCD). This bill is pending in this Committee.

AB 1021 (Wicks) makes a number of changes to AB 2295 (Bloom), Chapter 652, Statutes of 2022, which authorized a housing development project as an allowable use on any real property owned by a local educational agency (LEA), and exempts these housing development projects from CEQA. This bill is pending in this Committee.

12) **Previous Legislation.** AB 2243 (Wicks), Chapter 272, Statutes of 2024, made changes to the Affordable Housing and High Road Jobs Act.

AB 2011 (Wicks), Chapter 647, Statutes of 2022, created the Affordable Housing and High Road Jobs Act, which deemed the development of 100% affordable and qualifying mixedincome housing development projects that are located in commercial corridors and zoning districts to be a use by right and required local agencies to approve these projects ministerially if certain development and workforce criteria are met.

SB 35 (Wiener), Chapter 366, Statutes of 2017, established a streamlined, ministerial review process for certain multifamily affordable housing projects that are proposed in local jurisdictions that have not met regional housing needs, among other things. That provision is repealed as of January 1, 2026.

SB 9 (Atkins), Chapter 162, Statutes of 2021, required ministerial approval of housing developments with two units (duplexes) and subdivision maps that meet certain conditions, and increases the length of time that cities and counties can extend the validity of existing subdivision maps.

SB 10 (Wiener), Chapter 163, Statutes of 2021, authorized a city or county to pass an ordinance that is not subject to CEQA to upzone any parcel for up to ten units of residential density if the parcel is located in a transit-rich area or an urban infill site.

13) **Double-Referral.** This bill is double-referred to the Assembly Committee on Housing and Community Development, where it passed on a vote of 10-1 on April 9, 2025.

REGISTERED SUPPORT / OPPOSITION:

Support

Student HOMES Coalition [SPONSOR] (prior version) University of California Student Association [SPONSOR] Associated General Contractors of California California Apartment Association (prior version) California College Democrats California Community Builders (prior version) California Yimby (prior version) CFT- A Union of Educators & Classified Professionals Construction Employers' Association (prior version) East Bay for Everyone (prior version) East Bay Yimby (prior version) Genup (prior version) Grow the Richmond (prior version) Mountain View Yimby (prior version) Napa-solano for Everyone (prior version) Northern Neighbors (prior version) Our Time to Act (prior version) Peninsula for Everyone (prior version) Santa Cruz Yimby (prior version) Santa Rosa Yimby (prior version) SF Yimby (prior version) South Bay Yimby (prior version) South Pasadena Residents for Responsible Growth (prior version) Streets for All (prior version) Student Senate for California Community Colleges UC San Diego Associated Students Office of Local Affairs (prior version) UC San Diego Housing Commission (prior version) UCSB Campus Democrats (prior version) Ventura County Yimby (prior version) Welcoming Neighbors Home (prior version) Yimby Action (prior version) Yimby LA (prior version) Yimby SLO (prior version) Youthbridge Housing (prior version)

Opposition

South Bay Cities Council of Governments League of California Cities (unless amended) (prior version)

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