

Date of Hearing: April 25, 2018

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT

Cecilia Aguiar-Curry, Chair

AB 2753 (Friedman) – As Amended April 19, 2018

**SUBJECT:** Density bonuses: density bonus application.

**SUMMARY:** Requires a city or county to provide additional information to an applicant who is applying for a density bonus, when an application is deemed complete. Specifically, **this bill:**

- 1) Clarifies that a city or county must notify the applicant for a density bonus whether the application is complete in a manner consistent with the *timelines* that are specified in the Permit Streamlining Act.
- 2) Provides that if the local government notifies the applicant that the application is deemed complete, the local government shall provide the applicant with a determination as to the following matters:
  - a) The amount of the density bonus for which the applicant is eligible;
  - b) If the applicant requests a parking ratio, the parking ratio for which the applicant is eligible; and,
  - c) If the applicant requests incentives or concessions or waivers or reductions of development standards, whether the applicant has provided adequate information for the local government to make a determination as to those incentives, concessions, or waivers or reductions of development standards.
- 3) Specifies that any determination required by 2), above, shall be based on the development project at the time the application is deemed complete. Requires the local government to adjust the amount of density bonus and parking ratios awarded based on any changes to the project during the course of the development.
- 4) Finds and declares that establishing a uniform process for the review of density bonus applications, including any requested incentives, concessions, waivers, or reductions of development standards, is a matter of statewide concern and is not a municipal affair, thereby applying provisions of the bill to all cities, including charter cities.
- 5) States that no reimbursement is required because a local agency has the authority to levy service charges, fees, or assessment sufficient to pay for the program or level of service mandated by the bill's provisions.

**EXISTING LAW:**

- 1) Requires a city or county to comply with density bonus law (DB law) and requires that city or county to adopt an ordinance that specifies how compliance of the law will be implemented. Provides that failure to adopt an ordinance shall not relieve a city or county from complying with DB law.

- 2) Prohibits a local government from conditioning the submission, review, or approval of a DB application on the preparation of an additional report or study that is not otherwise required by state law. Specifies that this does not prohibit a local government from requiring an applicant to provide reasonable documentation to establish eligibility for a requested density bonus, incentive or concessions, as described, waivers or reductions of development standards, as described, and parking ratios, as described.
- 3) Requires the local government to do all of the following, in order to provide for the expeditious processing of a density bonus application:
  - a) Adopt procedures and timelines for processing a density bonus application;
  - b) Provide a list of all documents and information required to be submitted with the DB application in order for the DB application to be deemed complete; and,
  - c) Notify the applicant for a DB whether the application is complete in a manner consistent with DB law.
- 4) Requires, pursuant to the Permit Streamlining Act, the agency to determine in writing whether an application is complete, not later than 30 calendar days after any public agency has received an application for a development project, as specified.

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

**COMMENTS:**

- 1) **Bill Summary.** This bill requires a city or county to provide an applicant for a density bonus with a determination as to amount of density bonus and any parking ratios requested by the application for which the development is eligible, when an application is deemed complete under DB law. Additionally, the bill specifies that the determination must be based on the development project at the time the application is deemed complete. Should a project change during the course of development, the bill requires the local government to adjust the amount of density bonus and parking ratios that will be awarded.

This bill is an author-sponsored measure.

- 2) **Author's Statement.** According to the author, "State density bonus law has a number of ambiguous provisions that discourage developers from utilizing it or are used by local governments to delay projects. Affordable housing projects are delayed across the state due to a lack of a consistent, state mandated timeline for when and how municipalities process density bonus applications. AB 2753 creates assurance for developers trying to build affordable housing. It ensures that once a local municipality deems a Density Bonus application complete, the local will provide an estimate of density bonus, parking ratio, and agreed upon waivers and concessions for which the developer is eligible. Should the project change, AB 2753 allows the eligibility to also change, as agreed upon by the local and the developer. AB 2753 allows developers to plan and anticipate how their density bonus application will be determined, and therefore allows for a more expeditious development process overall."

- 3) **Arguments in Support.** Unknown.
- 4) **Arguments in Opposition.** Unknown.
- 5) **Double-referral.** This bill is double-referred to the Housing and Community Development Committee where it is scheduled to be heard on April 25, 2018.

**REGISTERED SUPPORT / OPPOSITION:**

**Support**

Unknown

**Opposition**

Unknown

**Analysis Prepared by:** Debbie Michel / L. GOV. / (916) 319-3958