

# Senate Bill 290

## Clarifying CA's Density Bonus Law

### Senator Nancy Skinner (D-Berkeley)

**NOTE:** Language in SB 290 is identical to last year's SB 1085, passed by Assembly but not concurred by Senate due to last day of session time constraints.

### THIS BILL

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California's Density Bonus Law is a unique tool that incentivizes developers to build more affordable housing. However, unintended flaws in the program result in many cities underutilizing the density bonus tool or not using it at all.

SB 290 improves and clarifies the state's Density Bonus statute to ensure it achieves its intended outcome of increasing affordable housing production.

### ISSUE

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California is facing a massive shortage of affordable housing. One tool to increase the production of affordable homes is the state's Density Bonus Law, which allows proposed housing projects to increase the density or number of units in the project by up to 50%, depending on the number of affordable housing units being included.

According to UC Berkeley's Turner Center for Housing Innovation, less than half of California cities and counties have had a development project that used a density bonus, and most jurisdictions have had only one or two projects.

There are several provisions in the state's Density Bonus Law that create unintentional barriers to achieving additional affordable housing units. For example, most of the density bonus options do not provide sufficient incentives to cover the cost of the required affordable units.

Also, the differing requirements to disapprove a project under the Housing Accountability Act (HAA) and the Density Bonus Law allow local governments to approve a project under the HAA but then deny the underlying density bonus on which a project's financing relies. This can have the impact of stopping both the development and its affordable housing units.

Lastly, unlike other low-income housing, low-income student housing projects that employ the Density Bonus Law are currently not eligible to receive any incentives despite the fact that student dorms require zoning waivers in order to accommodate their unique needs, such as shared dining.

### SOLUTION

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SB 290 makes the following improvements and clarifications to the state's Density Bonus Law to address the described issues:

- Allows low-income student housing projects to receive up to one incentive.
- Aligns the density bonus approval requirements with those in the HAA.
- Expands the definition of for-sale projects beyond common interest developments, including units that could be sold to low-income families.
- Adds a parking waiver for housing developments within one-half mile of transit that include 40% moderate-income, for-sale units.

### SUPPORT

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American Planning Association  
BRIDGE Housing  
CalChamber  
California Association of Realtors  
California Building Industry Association  
California YIMBY  
Chan Zuckerberg Initiative  
Circulate San Diego  
Council of Infill Builders  
Generation Housing  
Greenbelt Alliance  
Habitat for Humanity California  
Habitat for Humanity Greater San Francisco  
Housing Action Coalition  
LISC San Diego  
Non-Profit Housing Association of Northern CA (NPH)  
San Jose-Evergreen Community College District  
Sand Hill Property Company  
Santa Barbara Women's Political Committee  
SF Bay Area Planning Urban Research Assoc. (SPUR)  
Silicon Valley at Home (SV@Home)  
Silicon Valley Community Foundation  
South Pasadena Residents for Responsible Growth  
Turner Center for Housing Innovation  
The Two Hundred  
TMG Partners  
Zillow Group

### CONTACT

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