

July 16, 2025

TO: Staff

FROM: Amy J. Bodek, AICP  
Department of Regional Planning



**ASSEMBLY BILL 846: AFFORDABLE RENT FOR CERTAIN ONE HUNDRED PERCENT AFFORDABLE HOUSING DEVELOPMENTS**

On September 27, 2024, the Governor signed Assembly Bill (AB) 846, which, among other things, amended the definition of “affordable rent” in Section 50053 of the Health and Safety Code and became effective January 1, 2025.

This memo clarifies the applicable affordable rent limits in certain one hundred percent affordable housing developments pursuant to the state Density Bonus Law. The memo supersedes any conflicting provisions in the Zoning Code (Title 22) and any previously issued memos and shall apply until such time when Title 22 is amended. A copy of AB 846 is attached for your reference.

The following requirements apply to certain one hundred percent affordable housing developments, including 1) projects that are subject to Paragraph II (Affordable Housing Development in Very Low Vehicle Travel Area) and/or Paragraph III (Parking) of [the AB 682 and AB 2334 memo dated June 15, 2023](#); and 2) projects that are subject to subparagraph A of Paragraph III (Incentives) of [the AB 323 and AB 1287 memo dated January 8, 2024](#):

**I. AFFORDABLE HOUSING SET-ASIDE.** All dwelling units (including the density bonus units and any accessory dwelling units but excluding a manager’s unit) shall be for lower income households, except that up to 20 percent of all dwelling units (including the density bonus units and any accessory dwelling units but excluding a manager’s unit) may be for moderate income households.

**II. AFFORDABLE RENT.**

- A. The rent for at least 20 percent of all dwelling units (including the density bonus units and any accessory dwelling units but excluding a manager’s unit) shall be set at an affordable rent as defined in section 50053(b)(1) of the California Health and Safety Code (HCD rent limits), with the rent for the remaining units excluding a manager’s unit set at an amount consistent with the maximum rent levels for lower income households published by the California Tax Credit Allocation Committee.
- B. Notwithstanding subparagraph A, above, the rent for all dwelling units (including the density bonus units and any accessory dwelling units but excluding a manager’s unit) shall be set at an affordable rent as prescribed by the terms of the public financing or public financial assistance, if the rental housing development

receives an award of federal or state low-income housing tax credits, tax-exempt private activity bonds, or general obligation bonds, or local, state, or federal loans or grants.

If you have any questions regarding this memo, please contact Tina Fung in the Housing Policy Section at (213) 974-6417 or [tfung@planning.lacounty.gov](mailto:tfung@planning.lacounty.gov).

AJB:CC:ER:TF:lj

Attachment:  
AB 846 (Bonta)

c: Los Angeles County Development Authority  
County Counsel

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