



Igor Tregub, Councilmember District 4

Ben Bartlett, Councilmember District 3

Terry Taplin, Councilmember District 2

CONSENT CALENDAR

June 30, 2026

To: Honorable Mayor and Members of the City Council

From: Councilmembers Igor Tregub (Author), Councilmember Bartlett (Co-Sponsor), Councilmember Taplin (Co-Sponsor)

Subject: Adopt a position of Support for California Senate Bill (SB) 1383 (Arreguín): Housing Development: Density Bonus: Labor Standards

RECOMMENDATION

Adopt a position of support for California Senate Bill (SB) 1383 (Arreguín), which would clarify that developers may not use concessions or incentives under California’s Density Bonus Law to waive or reduce local labor standards relating to wages, apprenticeship requirements, healthcare benefits, or working conditions, and distribute copies to California Governor Gavin Newsom, Senator Jesse Arreguín, and Assemblymember Buffy Wicks to support its passage.

POLICY COMMITTEE RECOMMENDATION

On June 8, 2026, the Land Use, Housing & Economic Development Committee adopted the following action: M/S/C (O’Keefe/Tregub) to send the item to the City Council with a qualified positive recommendation to approve the item including the revisions proposed by the author to remove the resolution and include a letter of support. Vote: Ayes – Tregub, O’Keefe; Noes – None; Abstain – None; Absent – Bartlett (recused due to Brown Act participation rules).

CURRENT SITUATION AND ITS EFFECTS

California’s Density Bonus Law (DBL) requires cities and counties to provide developers with increased density and regulatory concessions or incentives for qualifying housing

projects that include specified percentages of affordable housing units. Local jurisdictions are generally required to approve these requests unless they demonstrate at least one of a narrow set of findings supported by substantial evidence that the concession or incentive either does not produce actual and identifiable cost reductions for affordable housing, would create a specific adverse impact on public health, safety, or protected historical property that cannot be feasibly mitigated without making the project unaffordable, or would violate state or federal law.¹ Courts have interpreted Density Bonus Law broadly in recent years, limiting the ability of local governments to deny requested concessions and establishing presumptions in favor of developers seeking regulatory relief.²

As a result of these statutes and interpretations, housing developers in Berkeley have sought to use DBL concessions to exempt projects from the City's local labor standards adopted through the "Helping Achieve Responsible Development with Healthcare and Apprenticeship Training Standards" (HARD HATS) Ordinance.³ Effective January 1, 2024, the HARD HATS ordinance requires certain housing and commercial development projects to use apprenticeship programs and provide employer-sponsored healthcare benefits for construction workers in order to improve the recruitment, training, and retention of skilled workers. City leaders have viewed these standards as essential to supporting construction quality, workforce development, and equitable economic opportunity within Berkeley's rapidly growing housing sector.

In two instances, Berkeley developers requested DBL concessions specifically to avoid compliance with these labor protections. The Berkeley Zoning Adjustments Board (ZAB) approved Use Permit #ZP 2024-0162 on 10/9/2025 and Use Permit #ZP2024-0182 on 11/13/2025. Both Use Permits were appealed by Weinberg, Roger & Rosenfeld on behalf of the Building and Construction Trades Council of Alameda County, AFL-CIO and the Northern California Carpenters Regional Council on 10/28/2025 and 12/1/2025, respectively. The City Council denied the appeals and affirmed the ZAB decisions on 2/23/2026 in part or in whole because the City's authority to deny such concessions is significantly limited.⁴

Labor organizations have raised concerns that DBL has been interpreted in ways that extend beyond its intended purpose and undermines worker protections adopted through local democratic processes. SB 1383 would clarify that local labor standards

¹ Government Code Title 7, Division 1, Chapter 4.3, Section 65915 (d) (1)

https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?sectionNum=65915&lawCode=GOV

² <https://www.hklaw.com/en/insights/publications/2022/06/california-courts-of-appeal-strengthen-density-bonus-law>

³ <https://berkeley.municipal.codes/BMC/13.107.010>

⁴ <https://berkeleyca.gov/sites/default/files/city-council-meetings/2026-02-23%20Special%20Annotated%20Agenda%20-%20Council.pdf>

remain enforceable for projects receiving DBL benefits, preserving local authority to establish minimum labor protections within the broader affordable housing framework. Supporters of SB 1383 argue that preserving labor standards supports long-term economic stability, worker safety, and construction quality. They also note that construction workers disproportionately rely on public assistance programs when wages and benefits are inadequate, creating broader fiscal impacts for the state.

As of April 29, 2026, no formal opposition to SB 1383 has been submitted. Supporters include the State Building & Construction Trades Council of California (Co-source); Western States Council of Sheet Metal Workers (Co-source); California Federation of Labor Unions, AFL-CIO; California Safety and Legislative Board, Smart – Transportation Division; California State Association of Electrical Workers; California State Pipe Trades Council; Construction Trades Workforce Initiative; District Council 16, International Union of Painters and Allied Trades; and Western States Council Sheet Metal, Air, Rail and Transportation.

FINANCIAL IMPLICATIONS

Minimal staff time associated with outreach to the recipients.

ENVIRONMENTAL SUSTAINABILITY

The City of Berkeley supports both affordable housing production and sustainable economic development. Ensuring a stable, well-trained construction workforce promotes high-quality infill development and long-term building performance. Supporting apprenticeship programs also advances workforce development pathways in the clean construction and green building sectors necessary to achieve California's climate goals.

CONTACT PERSON

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ATTACHMENTS

1. Proposed Language for Letter of Support
2. Fact Sheet

Date: June 30, 2026

The Honorable Gavin Newsom

Governor of California

The Honorable Jesse Arreguín

California State Senate

The Honorable Buffy Wicks

California State Assembly

RE: Support for Senate Bill 1383 (Arreguín): Housing Development: Density Bonus: Labor Standards

Dear Governor Newsom, Senator Arreguín, and Assemblymember Wicks:

The Berkeley City Council is writing to express our strong support for Senate Bill 1383 (Arreguín), which would amend the Density Bonus Law (DBL) to clarify that developers may not use concessions or incentives to waive or reduce local labor standards relating to wages, apprenticeship requirements, healthcare benefits, or working conditions.

California's Density Bonus Law serves an important purpose by encouraging the production of affordable housing through increased density and regulatory incentives. The City of Berkeley is dedicated to advancing affordable housing development and recognizes the critical role that DBL plays in helping communities meet their housing needs.

At the same time, Berkeley has adopted local policies designed to promote responsible development and protect construction workers. In 2023, the City enacted the Helping Achieve Responsible Development with Healthcare and Apprenticeship Training Standards (HARD HATS) Ordinance, which establishes apprenticeship and healthcare requirements for qualifying development projects. These standards support the recruitment, training, retention, safety, and economic stability of a skilled construction workforce while helping ensure high-quality construction and long-term community benefits.

In recent years, housing development projects in Berkeley have sought exemptions from these labor standards through Density Bonus Law concessions. Under existing state law and current interpretations, the City's ability to uphold these local labor protections has been constrained. SB 1383 provides a necessary clarification that local labor standards may not be waived through the density bonus process.

By preserving local authority to maintain labor standards while continuing to support affordable housing production, SB 1383 advances both housing and workforce

development goals. The bill recognizes that affordable housing and strong labor protections are complementary public priorities that can and should be pursued together.

For these reasons, the City of Berkeley strongly supports SB 1383 and respectfully urges its passage. Thank you for your leadership on this important issue and for your continued commitment to equitable housing and economic opportunity throughout California.

Sincerely,

Berkeley City Council

cc: Governor Gavin Newsom
Senator Jesse Arreguín
Assemblymember Buffy Wicks



CALIFORNIA STATE SENATOR

Jesse Arreguín

REPRESENTING SENATE DISTRICT 07

SB 1383 – Housing development: density bonus: labor standards.

SUMMARY

SB 1383 (Arreguín) clarifies California’s Density Bonus Law to ensure that essential construction labor standards cannot be waived when seeking concessions or incentives. The bill protects construction workers while maintaining the law’s goal of promoting affordable housing development.

BACKGROUND

California’s Density Bonus Law was established to incentivize the development of affordable housing by allowing developers to receive concessions such as increased density, reduced parking requirements, or other regulatory relief. The intent of the law is to balance increased housing production with responsible development practices. However, recent cases have demonstrated that developers have attempted to use these concessions to bypass critical labor protections.

These labor standards, including prevailing wage laws, apprenticeship requirements, and employer-sponsored health care, are foundational to ensuring a skilled, safe, and fairly compensated construction workforce.

PROBLEM

Recent misuse of the Density Bonus Law has allowed developers to request waivers from core local labor protections under the guise of regulatory concessions.

For example, in Berkeley, developers sought exemptions from prevailing wage requirements, apprenticeship standards, and health care protections. This creates several serious issues, including undermining worker safety and economic security, weakening workforce training pipelines, creating unfair competition by undercutting responsible contractors, and misinterpreting the original intent of the Density Bonus Law. Allowing these waivers ultimately

threatens the stability of California’s construction workforce and the quality of housing development.

SOLUTION

SB 1383 restores the original intent of the Density Bonus Law by clarifying that concessions and incentives cannot include the waiver of essential labor standards. The bill preserves key labor standards that support fair compensation, workforce development, and essential protections for workers in the construction industry.

In doing so, SB 1383 prevents the misuse of density bonus concessions to erode critical worker protections and ensures that housing development can continue without compromising the safety, training, and economic security of the workforce responsible for building it.

CONTACT

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SUPPORT

(Co-Sponsors)
State Building and Construction Trades Council
Western States Council of Sheet Metal Workers