

Assembly Bill No. 2494

CHAPTER 641

An act to add Chapter 8 (commencing with Section 50700) to Part 2 of Division 31 of the Health and Safety Code, relating to housing, and making an appropriation therefor.

[Approved by Governor September 30, 2008. Filed with
Secretary of State September 30, 2008.]

LEGISLATIVE COUNSEL'S DIGEST

AB 2494, Caballero. Housing-Related Parks Program.

The Housing and Emergency Shelter Trust Fund Act of 2006 authorizes the issuance of bonds in the amount of \$2,850,000,000 pursuant to the State General Obligation Bond Law. Proceeds from the sale of these bonds are required to be used to finance various existing housing programs, capital outlay related to infill development, brownfield cleanup that promotes infill development, and housing-related parks. The act establishes the Housing and Emergency Shelter Trust Fund of 2006 in the State Treasury, requires the sum of \$200,000,000 to be deposited in the Housing Urban-Suburban-and-Rural Parks Account, which the act establishes in the fund, and makes the money in the account available, upon appropriation, for housing-related parks grants in urban, suburban, and rural areas, subject to the conditions and criteria that the Legislature may provide in statute.

This bill would establish the Housing-Related Parks Program under the administration of the Department of Housing and Community Development. The bill would require the department to use funds allocated from the account, upon appropriation by the Legislature, to provide grants for the creation, development, or rehabilitation of park and recreation facilities, to cities, counties, and cities and counties that meet certain criteria and issue housing starts, as defined, for newly constructed units that are affordable to very low or low-income households.

The bill would appropriate the sum of \$459,000 from the account to the department to fund the startup administrative costs of the program.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. Chapter 8 (commencing with Section 50700) is added to Part 2 of Division 31 of the Health and Safety Code, to read:

CHAPTER 8. HOUSING-RELATED PARKS PROGRAM

50700. For the purposes of this chapter, the following terms have the following meanings, unless the context clearly requires otherwise:

(a) “Designated time period” means the time period designated in the Notice of Funding Availability required under subdivision (b) of Section 50702.

(b) “Disadvantaged community,” for the purposes of this program, means an area within a city, county, or city and county that is composed solely of those census tracts designated by the United States Department of Housing and Urban Development as having at least 51 percent of its residents of low- or moderate-income levels, using the most recent United States Department of Census data available at the time of the Notice of Funding Availability.

(c) “Housing start” means documentation of a completed foundation inspection issued during the designated time period.

(d) “Infill project” means a residential or mixed-use residential project located within an urbanized area on a site that has been previously developed, or on a vacant site where at least 75 percent of the perimeter of the site adjoins parcels that are developed with urban uses. For these purposes, a property is adjoining the side of a project site if the property is separated from the project site only by an improved public right-of-way.

(e) “Park and recreation facility” means a facility that provides benefits to the community and includes, but is not limited to, places for organized team sports, outdoor recreation, and informal turf play; nonmotorized recreational trails; permanent play structures; landscaping; community gardens; places for passive recreation; multipurpose structures designed to meet the special recreational, educational, vocational, and social needs of youth, senior citizens, and other population groups; recreation areas created by the redesign and retrofit of urban freeways; community swim centers; regional recreational trails; and infrastructure and other improvements that support these facilities.

(f) “Parks deficient community” means a community that has less than three acres of usable parkland per 1000 residents.

(g) “Regional blueprint plan” means a regional plan that implements statutory requirements intended to foster comprehensive planning, as defined in Section 65041.1 of, Chapter 2.5 (commencing with Section 65080) of Division 1 of Title 7 of, and Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of, the Government Code. The regional blueprint plan articulates regional consensus and performance outcomes on a more efficient land use pattern that supports improved mobility and reduces dependency on single-occupant vehicle trips; accommodates an adequate supply of housing for all income levels; reduces impacts on valuable farmland, natural resources, and air quality; includes the reduction of greenhouse gas emissions; increases water and energy conservation and efficiency; and promotes a prosperous economy and safe, healthy, sustainable, and vibrant neighborhoods.

(h) “Urbanized area” means an incorporated city or an urbanized area or urban cluster as defined by the United States Census Bureau. For unincorporated areas outside of an urban area or urban cluster, the area shall be within a designated urban service area that is designated in the local general plan for urban development and is served by public sewer and water.

(i) “Urban use” means any residential, commercial, industrial, public institutional, transit, transportation passenger facility, or retail use, or any combination of those uses.

50701. There is hereby established in state government the Housing-Related Parks Program, to be administered by the department, using funds allocated, upon appropriation, under subdivision (d) of Section 53545, for the purpose of providing grants for the creation, development, or rehabilitation of park and recreation facilities to cities, counties, and cities and counties for housing starts for newly constructed units that are affordable to very low or low-income households.

50702. (a) To the extent that funds are available for this purpose, the department shall determine a base grant amount to be provided under this chapter to any city, county, or city and county that meets all of the following criteria:

(1) On or before the end of the period covered by the Notice of Funding Availability required under subdivision (b), the jurisdiction has adopted a housing element that the department, pursuant to Section 65585 of the Government Code, has found to be in substantial compliance with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code, and the jurisdiction has submitted to the department the annual progress report required under Section 65400 of the Government Code within the preceding 12 months.

(2) The jurisdiction can document housing starts for newly constructed units that are affordable to very low or low-income households within the designated time period and that meet either of the following criteria:

(A) In the case of rental units, the development is subject to a regulatory agreement recorded against the property that obligates the owner to maintain rents on the restricted units at levels affordable to very low or low-income households for at least 55 years.

(B) In the case of ownership housing, units in the development are initially sold to households of very low or low income at an affordable housing cost. If public funds are used to achieve an affordable housing cost, then upon the sale of an assisted unit to a very low or low-income household, the public entity shall ensure the repayment of the public funds and reuse of those funds for affordable housing for a period of at least 20 years. The proposed mechanism for restrictions of ownership units shall be consistent with criteria established by the department and specified in the Notice of Funding Availability.

(b) For each year that funds are available, the department shall issue a Notice of Funding Availability for housing starts issued during the designated time period. The department shall accept applications at the close of the designated period. Grant amounts shall be based on a per-bedroom incentive

for each unit restricted for very low and low-income households. For the purposes of this section, single-room occupancies and studio apartments shall be considered one-bedroom units.

(c) If eligibility for funds exceeds the amount of funding available for the program, the department shall reduce all grants proportionally. Funds awarded shall be disbursed upon documentation of a certificate of occupancy, final inspection, or other comparable local approval.

50703. (a) The department shall award bonus funds in addition to the base grant award for applicants that meet the requirements under Section 50702. The department shall determine the amount of the bonus funds to be awarded pursuant to this chapter.

(b) The amount of the bonus funds to be awarded shall be established in the Notice of Funding Availability.

(c) Bonus funds shall be awarded for any of the following:

(1) Qualifying units that are affordable to extremely low income households.

(2) Qualifying units that are affordable to very low and low-income households and are developed in infill projects.

(3) Jurisdictions that have met or exceeded housing production thresholds established by the department, in consultation with the Department of Finance.

(4) Jurisdictions that demonstrate that grant funds will be spent to improve a park or community recreational facility that will serve a disadvantaged community, as defined in subdivision (a) of Section 50700.

(5) Jurisdictions that demonstrate that grant funds will be spent to create a new park or community recreational facility that will serve a disadvantaged community, as defined in subdivision (a) of Section 50700.

(6) Jurisdictions that meet the definition of a park deficient community, as defined in subdivision (b) of Section 50700.

(7) Those jurisdictions that can demonstrate that grant funds will be spent to create or improve a park or community recreational facility to support infill development, or development within a jurisdiction that has conformed its general plan to the regional blueprint, as determined by the council of governments.

50704. (a) (1) Except as authorized under paragraph (2), a city, county, or city and county shall not receive a grant unless it qualifies, based on housing starts issued during the period designated in the Notice of Funding Availability, for a grant in an amount of seventy-five thousand dollars (\$75,000) or more.

(2) If a city, county, or city and county is not able to meet the minimum qualification amount under paragraph (1), it may delay application, combine the number of housing starts issued during the designated period described in paragraph (1) with the number of housing starts issued during one or more subsequent Notice of Funding Availability periods, and apply once it is able to meet the minimum qualification amount by using the combined amount of housing starts issued.

(b) Grants provided pursuant to this chapter shall be used for the costs of park and recreation facility creation, development, or rehabilitation, including, but not limited to, the acquisition of land for the purposes of those activities, consistent with the requirements set forth in Section 16727 of the Government Code.

(c) Funds awarded pursuant to this chapter shall supplement, not supplant, other available funding.

(d) A city, county, or city and county that receives funds under this chapter may subcontract through a recreation and park district formed under Chapter 4 (commencing with Section 5780) of Division 5 of the Public Resources Code, or a district formed pursuant to Section 5500 or 35100 of the Public Resources Code, for the creation or improvement of a park or recreational facility, or any nonprofit organization described in Section 501(c)(3) of the Internal Revenue Code (26 U.S.C. Sec. 501(c)(3)), that is exempt from taxation under Section 501(a) of that code (26 U.S.C. Sec. 501(a)), and that has among its purposes the conservation of natural or cultural resources.

50704.5. The department shall adopt guidelines for the operation of the program. The guidelines shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Division 3 of Title 2 of the Government Code.

SEC. 2. The sum of four hundred fifty-nine thousand dollars (\$459,000) is hereby appropriated from the Housing Urban-Suburban-and-Rural Parks Account in the Housing and Emergency Shelter Trust Fund of 2006 to the Department of Housing and Community Development to fund the startup administrative costs of the Housing-Related Parks Program established under this act.