

AMENDED IN ASSEMBLY MARCH 29, 2007

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

**ASSEMBLY BILL**

**No. 1053**

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**Introduced by Assembly Members Nunez and Laird**

February 23, 2007

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An act to add Section 53545.5 to the Health and Safety Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

AB 1053, as amended, Nunez. Housing and Emergency Shelter Trust Fund Act of 2006: expenditure.

Existing law, 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.

~~This bill would set forth the intent of the Legislature that funds derived under the bond act be expended in a specified manner for certain specified purposes~~ *require the Secretary of Business, Transportation and Housing, in consultation with the Department of Housing and Community Development, the California Infrastructure and Economic Development Bank, the Department of Transportation, the California Environmental Protection Agency, the Department of Parks and Recreation, and other stakeholders, to prepare and submit to the Legislature a specified report and a strategic plan, and obtain approval from the Legislature for the plan, prior to expending any funds appropriated pursuant to the act that are not continuously appropriated.*

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~-yes.  
State-mandated local program: no.

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

- 1 SECTION 1. The Legislature finds and hereby declares all of
- 2 the following:
- 3 (a) In order to ensure the proper foundation for new investment
- 4 into the state’s infrastructure, it is the intent of the Legislature to
- 5 ensure that any new programs authorized for expenditure of the
- 6 funds derived under the Housing and Emergency Shelter Trust
- 7 Fund Act of 2006 be consistent with a long-term plan for the state’s
- 8 growth and infrastructure needs. The plan shall also ensure that
- 9 state agencies and departments that are recipients of new state
- 10 infrastructure funds are ready to use them, and can design, develop,
- 11 and deliver capital projects in a timely manner.
- 12 (b) It is the intent of the Legislature that new programs
- 13 authorizing the expenditure of funds derived under the Housing
- 14 and Emergency Shelter Trust Fund Act of 2006 be leveraged with
- 15 alternative funding sources to the extent practicable in order to
- 16 protect the state’s finances and reduce demands on the General
- 17 Fund.
- 18 (c) It is the intent of the Legislature that appropriations for the
- 19 expenditure of funds derived under the Housing and Emergency
- 20 Shelter Trust Fund Act of 2006 be based on, but not limited to,
- 21 the following purposes:
- 22 (1) To increase the supply of workforce housing, encourage
- 23 home ownership, and reduce homelessness.
- 24 (2) To promote infill development by rehabilitating, maintaining,
- 25 ~~and improving existing infrastructure that supports infill~~
- 26 ~~development and appropriate reuse and redevelopment of or~~
- 27 *improving existing infrastructure related to housing and*
- 28 *appropriate site development, reuse, and redevelopment of*
- 29 *previously developed, underutilized land that is presently served*
- 30 *by transit, streets, water, sewer, and other essential services,*
- 31 *particularly in underserved areas.*
- 32 (3) To protect environmental and agricultural resources by
- 33 protecting, preserving, and enhancing the state’s most valuable
- 34 natural resources, including working landscapes such as farm,
- 35 range, and forest lands; natural lands such as wetlands, watersheds,

1 wildlife habitats, and other wildlands; recreation lands such as  
2 parks, trails, greenbelts, and other open space; landscapes with  
3 locally unique features; and areas identified by the state as  
4 deserving special protection.

5 (4) To prepare this state for the population and demographic  
6 changes forecasted for the next two decades by providing a variety  
7 of workforce housing opportunities near job centers, and by  
8 expediting project approvals through more efficient implementation  
9 of government regulation.

10 (5) To encourage efficient development patterns by ensuring  
11 that any infrastructure associated with development that is not  
12 infill supports new development that uses land efficiently; is built  
13 adjacent to existing developed areas to the extent consistent with  
14 regional planning to meet local and state objectives in areas  
15 appropriately planned for growth; is served by adequate  
16 transportation and other essential utilities and services; reduces  
17 the risk to persons and property from natural and manmade  
18 disasters; and minimizes ongoing costs to taxpayers.

19 *SEC. 2. Section 53545.5 is added to the Health and Safety*  
20 *Code, to read:*

21 *53545.5. (a) Prior to expending any funds appropriated*  
22 *pursuant to Section 53545, excluding funds that are continuously*  
23 *appropriated under that section, the Secretary of Business,*  
24 *Transportation and Housing, in consultation with the department,*  
25 *the California Infrastructure and Economic Development Bank,*  
26 *the Department of Transportation, the California Environmental*  
27 *Protection Agency, the Department of Parks and Recreation, and*  
28 *other stakeholders, shall prepare and submit to the Legislature*  
29 *the report described under subdivision (b) and the strategic plan*  
30 *described under subdivision (c), and shall obtain approval from*  
31 *the Legislature for the strategic plan.*

32 *(b) The report shall include, but is not limited to, all of the*  
33 *following:*

34 *(1) An inventory of all existing federal, state, and local programs*  
35 *that have the same policy goals as programs to be funded from*  
36 *the Regional Planning, Housing, and Infill Incentive Account, the*  
37 *Transit-Oriented Development Account, and the Housing*  
38 *Urban-Suburban-and-Rural Parks Account. Specifically, the report*  
39 *shall provide an analysis of the effectiveness of each program, as*

1 well as recommendation on which state programs should be  
2 continued, expanded, or eliminated.

3 (2) An inventory of required federal, state, and local plans  
4 related to land use, transportation, housing, natural resources, or  
5 air quality, as well as an analysis of the effectiveness and  
6 deficiencies of these planning requirements, and recommendation  
7 as to how these planning requirements can best be coordinated to  
8 most efficiently and effectively achieve the legislative intent set  
9 forth in Section 1 of the act adding this section.

10 (c) Based on the report described under subdivision (b), the  
11 Secretary of Business, Transportation and Housing shall provide  
12 to the Legislature, not later than \_\_\_\_\_, a strategic plan for  
13 infrastructure investment to promote infill housing development.  
14 The plan shall include, but is not limited to, all of the following:

15 (1) Policy goals, objectives, and recommendations necessary  
16 to implement an incentive program to fund infrastructure that  
17 promotes infill housing development consistent with the state's  
18 land use priorities established under Section 65041 of the  
19 Government Code.

20 (2) An expenditure plan with a detailed description of all of the  
21 following:

22 (A) Proposed annual spending of recommended new programs.

23 (B) The criteria proposed to be used to evaluate projects and  
24 distribute funds for recommended new programs.

25 (C) The projected timetable for delivery of new infill housing  
26 resulting from projects funded by new programs.

27 (D) Projected costs to administer the new programs.

28 (E) A proposed strategy for ongoing monitoring and reporting  
29 of all program activities supported with funding provided pursuant  
30 to Section 53545.

31 (3) A plan by the Secretary of Business, Transportation and  
32 Housing to coordinate with, and seek input from, the department,  
33 the California Infrastructure and Economic Development Bank,  
34 the Department of Transportation, the California Environmental  
35 Protection Agency, the Department of Parks and Recreation, and  
36 other stakeholders.

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