

AMENDED IN SENATE JULY 9, 2007
AMENDED IN ASSEMBLY MAY 2, 2007
AMENDED IN ASSEMBLY APRIL 10, 2007

CALIFORNIA LEGISLATURE—2007—08 REGULAR SESSION

ASSEMBLY BILL

No. 1252

**Introduced by Assembly Members Caballero and Garcia
(Coauthor: Assembly Member Saldana)**

February 23, 2007

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.

LEGISLATIVE COUNSEL'S DIGEST

AB 1252, as amended, 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, in conjunction with the Department of Parks and Recreation, for the creation, development, or rehabilitation of community or neighborhood parks, to cities, counties, and cities and counties that meet certain criteria and issue building permits for housing developments consisting of newly constructed units that are affordable to low- or very low income households.

The bill would require the department to adopt guidelines for the program, which would be exempt from the procedural requirements for the adoption of regulations. The department would be authorized to enter into an interagency agreement with the Department of Parks and Recreation to assist in the administration of the program.

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

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

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

4

5 CHAPTER 8. HOUSING-RELATED PARKS PROGRAM

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7 50700. There is hereby established in state government the
8 Housing-Related-Park *Parks* Program, to be administered by the
9 department, using funds allocated, upon appropriation, under
10 subdivision (d) of Section 53545, for the purpose of providing
11 grants for the creation, development, or rehabilitation of community
12 or neighborhood parks to cities, counties, and cities and counties
13 that issue building permits for housing developments consisting
14 of newly constructed units that are affordable to very low or
15 low-income households.

16 50702. (a) To the extent that funds are available for this
17 purpose, the department, in conjunction with the Department of
18 Parks and Recreation, shall provide grants under this chapter to
19 any city, county, or city and county that meets all of the following
20 criteria:

21 (1) *The jurisdiction shall be a park-deficient community, based*
22 *on criteria established by the Department of Parks and Recreation.*

1 (2) On or before the end of the period covered by the Notice of
2 Funding Availability required under subdivision (b), the jurisdiction
3 has adopted a housing element that the department, pursuant to
4 Section 65585 of the Government Code, has found to be in
5 substantial compliance with the requirements of Article 10.6
6 (commencing with Section 65580) of Chapter 3 of Division 1 of
7 Title 7 of the Government Code, and the jurisdiction has submitted
8 to the department the annual progress report required under Section
9 65400 of the Government Code within the preceding 12 months.

10 ~~(2) The jurisdiction has met or exceeded housing production~~
11 ~~thresholds established by the department, in consultation with the~~
12 ~~Department of Finance.~~

13 (3) The jurisdiction has issued a building permit for a housing
14 development that consists of newly constructed units that are
15 affordable to low- or very low income households within the
16 designated time period and that meets either of the following
17 criteria:

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

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

33 (b) For each year that funds are available, the department shall
34 issue a Notice of Funding Availability to cover permits issued
35 during the designated time period. The department shall accept
36 applications at the close of the designated period. Grant amounts
37 shall be determined as a per-bedroom incentive for each unit
38 restricted for low- and very low income households. For the
39 purposes of this section, single-room occupancies and studio
40 apartments shall be considered as one-bedroom units. The grant

1 for very low income units shall be greater than the grant for
 2 low-income units. If the eligibility for funds exceeds the amount
 3 of funding available for this program, the department shall reduce
 4 all qualifying grant amounts proportionally.

5 (c) (1) Additional bonus funds may be awarded for jurisdictions
 6 for any of the following:

7 (A) Jurisdictions with a high need for park renovation or park
 8 acreage, as determined by the Department of Parks and Recreation,
 9 and for qualifying Recreation.

10 (B) Qualifying units affordable to low- and very low income
 11 households developed in infill housing projects. For

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

15 (2) For the purposes of this program, a qualifying infill project
 16 shall be located within an urbanized area or within an urban cluster
 17 on a site that has been previously developed for urban uses, or a
 18 vacant site where the properties adjoining at least two sides of the
 19 project site are, or previously have been, developed for urban uses.
 20 For the purposes of this program, an urbanized area or an urban
 21 cluster is as defined by the United States Census Bureau. The

22 (3) The amount of the bonus grants to be awarded shall be
 23 established in the Notice of Funding Availability.

24 50704. (a) Grants provided pursuant to this chapter shall be
 25 used for the costs of community or neighborhood park creation,
 26 development, or rehabilitation, including, but not limited to, the
 27 acquisition of land for the purposes of those activities, consistent
 28 with the requirements set forth in Section 16727 of the Government
 29 Code.

30 (b) To be eligible for funding, the construction, development,
 31 or rehabilitation of a park shall meet minimum park standards
 32 based on criteria established by the Department of Parks and
 33 Recreation.

34 (c) To be eligible for funding, the acquisition, construction,
 35 development, or rehabilitation of a park shall be in a park-deficient
 36 neighborhood within the community, based on criteria established
 37 by the Department of Parks and Recreation.

38 (d) The department shall adopt guidelines for the operation of
 39 the program. The guidelines shall not be subject to the requirements

1 of Chapter 3.5 (commencing with Section 11340) of Part 1 of Title
2 2 of the Government Code.

3 (e) The department may deny funding to any jurisdiction that
4 it determines, based on reasonable evidence, failed to issue permits
5 for qualifying residential units on a timely basis, as set forth in the
6 guidelines established under subdivision (d).

7 (f) The department may enter into an interagency agreement
8 with the Department of Parks and Recreation to assist in the
9 administration of the program.

10 (g) *A grantee may contract with another entity to complete the*
11 *park project for which it has received funds.*