

Senate Bill No. 732

CHAPTER 729

An act to amend Sections 75076 and 75077 of, and to add Chapter 12 (commencing with Section 75100) and Chapter 13 (commencing with Section 75120) to Division 43 of, the Public Resources Code, relating to the environment, and making an appropriation therefor.

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

LEGISLATIVE COUNSEL'S DIGEST

SB 732, Steinberg. Environment.

The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006, an initiative statute approved by the voters at the November 7, 2006, statewide general election makes about \$5.4 billion in bond funds available for safe drinking water, water quality and supply, flood control, natural resource protection, and park improvements.

This bill would require the State Department of Public Health, the Department of Fish and Game, and the San Francisco Bay Area Conservancy, when implementing the provisions of the initiative, among other things, to develop and adopt guidelines and regulations, consult with other entities, conduct studies, and follow certain procedures for establishing a project, grant, loan, or other financial assistance program implementing the initiative.

The bill would establish the Strategic Growth Council and would appropriate \$500,000 from the funding provided by the initiative to the Resources Agency to support the council and its activities. The bill would require the council to take certain actions with regard to coordinating programs of member state agencies to improve air and water quality, improve natural resource protection, increase the availability of affordable housing, improve transportation, meet the goals of the California Global Warming Solutions Act of 2006, encourage sustainable land use planning, and revitalize urban and community centers in a sustainable manner. The council would be required to manage and award grants and loans to support the planning and development of sustainable communities, for preparing, adopting, and implementing general plans, general plan elements, regional plans, or other planning instruments, and for preparing, planning, and implementing urban greening plans. The council would also be required to, not later than July 1, 2010, and every year thereafter, provide a report to the Legislature with specified information regarding the management of the grants and loans.

The bill would provide that in any case in which the provisions of the bill and the initiative conflict, the initiative shall prevail.

Appropriation: yes.

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

SECTION 1. Section 75076 of the Public Resources Code is amended to read:

75076. Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code does not apply to the development and adoption of program guidelines and selection criteria adopted pursuant to this division.

SEC. 2. Section 75077 of the Public Resources Code is amended to read:

75077. Funds provided pursuant to this division, and any appropriation or transfer of those funds, shall not be deemed to be a transfer of funds for the purposes of Chapter 9 (commencing with Section 2780) of Division 3 of the Fish and Game Code.

SEC. 3. Chapter 12 (commencing with Section 75100) is added to Division 43 of the Public Resources Code, to read:

CHAPTER 12. IMPLEMENTATION PROVISIONS

75100. (a) (1) Each state agency disbursing a competitive grant pursuant to this division shall develop project solicitation and evaluation guidelines. The guidelines may include a limitation on the size of a competitive grant to be awarded.

(2) Prior to disbursing a competitive grant, each state agency shall conduct at least one public meeting to consider public comments prior to finalizing the guidelines. Each state agency shall publish the draft solicitation and evaluation guidelines on its Internet Web site at least 30 days before the public meetings. Meetings shall be held at geographically appropriate locations. Upon adoption, each state agency shall transmit copies of the guidelines to the fiscal committees and the appropriate policy committees of the Legislature. To the extent feasible, each state agency shall provide outreach to disadvantaged communities to promote access and participation in those meetings.

(3) The guidelines may include a requirement for the applicant to illustrate an ongoing commitment of financial resources, unless the purposes of awarding a grant financed by this division is to assist a disadvantaged community.

(4) The guidelines shall require a new grant solicitation for each funding cycle. Each funding cycle shall consider only those applications received as a part of the solicitation for that funding cycle.

(b) Notwithstanding subdivision (a), a state agency, in lieu of adopting guidelines pursuant to subdivision (a), may use guidelines existing on January 1, 2007, and those guidelines as periodically amended thereafter.

75101. (a) For the purposes of implementing Section 75025, the State Department of Public Health shall do all of the following:

(1) Develop guidelines pursuant to Section 75100 in collaboration with the Department of Toxic Substances Control and the state board.

(2) In collaboration with the Department of Toxic Substances Control and the state board, develop and adopt regulations governing the repayment of costs that are subsequently recovered from parties responsible for the contamination.

(b) For the purposes of implementing subdivision (a) of Section 75050, the Department of Fish and Game, when funding a natural community conservation plan, shall fund only the development of a natural community conservation plan that is consistent with the Natural Community Conservation Planning Act (Chapter 10 (commencing with Section 2800) of Division 3 of the Fish and Game Code).

(c) The San Francisco Bay Area Conservancy may use the funds made available pursuant to subdivision (c) of Section 75060 to restore the salt ponds in the south San Francisco Bay and to create trails and visitor facilities for public use in that area.

75102. Before the adoption of a negative declaration or environmental impact report required under Section 75070, the lead agency shall notify the proposed action to a California Native American tribe, which is on the contact list maintained by the Native American Heritage Commission, if that tribe has traditional lands located within the area of the proposed project.

75103. It is the intent of the Legislature that any public funds made available by this division to investor-owned utilities regulated by the Public Utilities Commission should be for the benefit of the ratepayers or the public and not the investors pursuant to oversight by the Public Utilities Commission.

75104. State agencies that are authorized to award a loan or grant financed by this division shall provide technical assistance with regard to the preparation of an application for a loan or grant in a manner that, among other things, addresses the needs of economically disadvantaged communities.

SEC. 4. Chapter 13 (commencing with Section 75120) is added to Division 43 of the Public Resources Code, to read:

CHAPTER 13. STRATEGIC GROWTH COUNCIL AND CLIMATE CHANGE
REDUCTION

75120. For purposes of this chapter, the following definitions shall apply:

(a) "Council" means the Strategic Growth Council established pursuant to Section 75121.

(b) "Regional plan" means either of the following:

(1) A long-range transportation plan developed pursuant to Section 134(g) of Title 23 of the United States Code and any applicable state requirements.

(2) A regional blueprint plan, which is 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. A 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-occupancy vehicle trips; accommodates an adequate supply of housing for all income levels; reduces impacts on valuable farmland, natural resources, and air quality, including 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.

75121. (a) The Strategic Growth Council is hereby established in state government and it shall consist of the Director of State Planning and Research, the Secretary of the Resources Agency, the Secretary for Environmental Protection, the Secretary of Business, Transportation and Housing, the Secretary of California Health and Human Services, and one member of the public to be appointed by the Governor. The public member shall have a background in land use planning, local government, resource protection and management, or community development or revitalization.

(b) Staff for the council shall be reflective of the council's membership.

75122. The members of the council shall elect a chair of the council every two years.

75123. (a) The council's meetings shall be open to the public and shall be subject to the Bagley-Keene Open Meeting Act (Article 9 (commencing with Section 11120) of Chapter 1 of Part 1 of Division 3 of Title 2 of the Government Code).

(b) The council may sponsor conferences, symposia, and other public forums, to seek a broad range of public advice regarding local, regional, and natural resource planning, sustainable development, and strategies to reduce and mitigate climate change.

75124. Of the funds made available pursuant to subdivisions (a) and (c) of Section 75065, the sum of five hundred thousand dollars (\$500,000) is hereby appropriated to the Resources Agency to be used in support of the council and its activities in accordance with this chapter.

75125. The council shall do all of the following:

(a) Identify and review activities and funding programs of member state agencies that may be coordinated to improve air and water quality, improve natural resource protection, increase the availability of affordable housing, improve transportation, meet the goals of the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code), encourage sustainable land use planning, and revitalize urban and community centers in a sustainable manner. At a minimum, the council shall review and comment on the five-year infrastructure plan developed pursuant to Article 2 (commencing with Section 13100) of Chapter 2 of Part 3 of Division 3 of the Government Code and the State Environmental Goals and Policy Report developed pursuant to Section 65041 of the Government Code.

(b) Recommend policies and investment strategies and priorities to the Governor, the Legislature, and to appropriate state agencies to encourage the development of sustainable communities, such as those communities that promote equity, strengthen the economy, protect the environment, and promote public health and safety, and is consistent with subdivisions (a) and (c) of Section 75065.

(c) Provide, fund, and distribute data and information to local governments and regional agencies that will assist in developing and planning sustainable communities.

(d) Manage and award grants and loans to support the planning and development of sustainable communities, pursuant to Sections 75127, 75128, and 75129. To implement this subdivision, the council may do all of the following:

(1) Develop guidelines for awarding financial assistance, including criteria for eligibility and additional consideration.

(2) Develop criteria for determining the amount of financial assistance to be awarded. The council shall award a revolving loan to an applicant for a planning project, unless the council determines that the applicant lacks the fiscal capacity to carry out the project without a grant. The council may establish criteria that would allow the applicant to illustrate an ongoing commitment of financial resources to ensure the completion of the proposed plan or project.

(3) Provide for payments of interest on loans made pursuant to this article. The rate of interest shall not exceed the rate earned by the Pooled Money Investment Board.

(4) Provide for the time period for repaying a loan made pursuant to this article.

(5) Provide for the recovery of funds from an applicant that fails to complete the project for which financial assistance was awarded. The council shall direct the State Controller to recover funds by any available means.

(6) Provide technical assistance for application preparation.

(7) Designate a state agency or department to administer technical and financial assistance programs for the disbursing of grants and loans to support the planning and development of sustainable communities, pursuant to Sections 75127, 75128, and 75129.

(e) No later than July 1, 2010, and every year thereafter, provide a report to the Legislature that shall include, but is not limited to, all of the following:

(1) A list of applicants for financial assistance.

(2) Identification of which applications were approved.

(3) The amounts awarded for each approved application.

(4) The remaining balance of available funds.

(5) A report on the proposed or ongoing management of each funded project.

(6) Any additional minimum requirements and priorities for a project or plan proposed in a grant or loan application developed and adopted by the council pursuant to subdivision (c) of Section 75216.

75126. (a) An applicant shall declare, in the application submitted to the council for financial assistance for a plan or project pursuant to this chapter, the applicant's intention to follow a detailed budget and schedule for the completion of the plan or project. The budget and schedule shall be of sufficient detail to allow the council to assess the progress of the applicant at regular intervals.

(b) A project or plan funded pursuant to this chapter shall meet both of the following criteria:

(1) Be consistent with the state's planning policies pursuant to Section 65041.1 of the Government Code.

(2) Reduce, on as permanent a basis that is feasible, greenhouse gas emissions consistent with the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code), and any applicable regional plan.

(c) The council may develop additional minimum requirements and priorities for a project or plan proposed in a grant and loan application, including those related to improving air quality.

75127. (a) To support the planning and development of sustainable communities, the council shall manage and award financial assistance to a city or county for preparing, adopting, and implementing a general plan or general plan element that is designed to reduce greenhouse gas emissions, promote water conservation, reduce automobile use and fuel consumption, encourage greater infill and compact development, protect natural resources and agricultural lands, and revitalize urban and community centers.

(b) For the purposes of this section, the preparation and adoption of a general plan may include a comprehensive update of a general plan, amendment or adoption of an individual element of a general plan, or any other revision consistent with the intent of Section 75065.

(c) For the purposes of this section, the implementation of a general plan may include amendment or adoption of a specific plan, community plan, zoning ordinance, or any other plan, ordinance, or policy that is consistent with the intent of Section 75065.

(d) The funding provided pursuant to this section for the preparation, adoption, and implementation of a general plan may also include funding any activity necessary to conform a general plan to a regional plan.

75128. (a) To support the planning and development of sustainable communities, the council shall manage and award financial assistance to a council of governments, metropolitan planning organization, regional transportation planning agency, city, county, or joint powers authority, to develop, adopt or implement a regional plan or other planning instrument consistent with a regional plan that improves air and water quality, improves natural resource protection, increases the availability of affordable housing, improves transportation, meets the goals of the California Global Warming Solutions Act of 2006 (Division 25.5 (commencing with Section 38500) of the Health and Safety Code), and encourages sustainable land use. The financial assistance provided pursuant to this section shall be funded from moneys made available pursuant to subdivision (c) of Section 75065.

(b) In awarding financial assistance pursuant to this section, the council shall give first priority to an application seeking funding to add or enhance elements of a regional plan that are not funded with federal moneys.

75129. (a) To support the planning and development of sustainable communities, the council shall manage and award financial assistance to a city, county, or nonprofit organization for the preparation, planning, and implementation of an urban greening project that provides multiple benefits, including, but not limited to, a decrease in air and water pollution, a reduction in the consumption of natural resources and energy, an increase in the reliability of local water supplies, or an increased adaptability to climate change. An eligible project funded pursuant to this section shall not include a mitigation action that is required under existing law. The financial assistance provided pursuant to this section shall be funded from moneys made available pursuant to subdivision (a) of Section 75065.

(b) The council shall develop minimum requirements for funding eligible projects pursuant to this section, which shall require a project to meet at least one of the following criteria:

(1) Use natural systems, or systems that mimic natural systems, to achieve the benefits identified in subdivision (a).

(2) Create, enhance, or expand community green spaces.

(c) The multiple benefits of a project, may include, but are not limited to, the establishment or enhancement of one or more of the following:

(1) Tree canopy.

(2) Urban forestry.

(3) Local parks and open space.

(4) Greening of existing public lands and structures, including schools.

(5) Multi-objective stormwater projects, including construction of permeable surfaces and collection basins and barriers.

(6) Urban streams, including restoration.

(7) Community, demonstration, or outdoor education gardens and orchards.

(8) Urban heat island mitigation and energy conservation efforts through landscaping and green roof projects.

(9) Nonmotorized urban trails that provide safe routes for both recreation and travel between residences, workplaces, commercial centers, and schools.

(d) The council shall give additional consideration to a funding project pursuant to this section that meets one or more of the following criteria:

(1) The project uses interagency cooperation and integration.

(2) The project uses existing public lands and facilitates use of public resources and investments including schools.

(3) The project is proposed by an economically disadvantaged community.

(e) Up to 25 percent of the moneys allocated pursuant to subdivision (a) of Section 75065 may be used to award revolving loans or grants to a council of governments, countywide authority, a metropolitan planning organization, local government, or nonprofit organization, for the purpose of creating urban greening plans that will serve as the master document guiding and coordinating greening projects in the applicant's jurisdiction. These urban

greening plans shall be consistent with the jurisdiction's general plan or regional plan, where one exists.

75130. This chapter does not authorize the council to take an action with regard to the exercise of a local government's land use permitting authority.

SEC. 5. In any case in which any of the provisions of this act, and Division 43 (commencing with Section 75001) of the Public Resources Code conflict, that division shall prevail.

SEC. 6. The provisions of this act are severable. If any provision of this act or its application is held invalid, that invalidity shall not affect other provisions or applications that can be given effect without the invalid provision or application.