

AMENDED IN ASSEMBLY APRIL 23, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 596

Introduced by Assembly Member Evans

February 25, 2009

~~An act to add Section 65040.13 to the Government Code, relating to land use.~~ *An act to amend Section 75125 of, and to add Section 75131 to, the Public Resources Code, relating to community planning.*

LEGISLATIVE COUNSEL'S DIGEST

AB 596, as amended, Evans. ~~Land use: model-home, form-based ordinances.~~ *Community planning grants.*

Existing law establishes the Strategic Growth Council that is required to take 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.

This bill would establish the Community Planning Grant and Loan Fund and would authorize the council to expend the revenues in the fund, upon appropriation by the Legislature, to carry out the Community Planning Grant and Loan Program which this bill would establish. The bill would require the council to expend these funds to provide competitive grants and loans to support community planning by providing grants and loans for projects to improve sustainability and livability of California's communities by reducing communities' contributions to global warming.

The bill would specify procedures for the council to follow in managing and awarding these grants. The bill would create a local advisory committee to make recommendations to the council regarding the program and would require the council to develop guidelines for awarding financial assistance. The bill would require the council to provide an annual report to the Legislature regarding the grant and loan program.

~~Existing law provides that the Office of Planning and Research within the Governor’s office serves as the state’s comprehensive planning agency in the formulation, evaluation, and updating of, among other things, long-range goals and policies for land use, population growth and distribution, urban expansion, development, open space, resource preservation and utilization, air and water quality, and other factors that shape statewide development patterns and significantly influence the quality of the state’s environment.~~

~~This bill would require the Office of Planning and Research to develop an urban model-home, form-based ordinance and a rural model-home, form-based ordinance that a local agency can use as a planning tool to revitalize and preserve communities in compliance with smart-growth principles. The ordinances would be required to include minimum requirements or parameters that are clear and easy-to-follow.~~

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. The Legislature finds and declares all the*
- 2 *following:*
- 3 *(a) In 2002, the Legislature enacted Assembly Bill 857 (Chapter*
- 4 *1016 of the Statutes of 2001), which provided the following three*
- 5 *state planning priorities that are intended to promote equity,*
- 6 *strengthen the economy, protect the environment, and promote*
- 7 *public health and safety in the state:*
- 8 *(1) To improve infill development and equity by rehabilitating,*
- 9 *maintaining, and improving existing infrastructure that supports*
- 10 *infill development and appropriate reuse and redevelopment*
- 11 *particularly in underserved areas.*
- 12 *(2) To protect environmental and agricultural resources by*
- 13 *protecting, preserving, and enhancing the state’s most valuable*
- 14 *natural resources.*

1 (3) *To encourage efficient development patterns by ensuring*
2 *that any infrastructure associated with development, other than*
3 *infill development, is located in an area appropriately planned for*
4 *growth that is served by adequate transportation and that uses*
5 *land efficiently.*

6 (b) *In 2008, the Legislature passed and the Governor signed*
7 *Senate Bill 375 (Chapter 728 of the Statutes of 2008), which sought*
8 *to achieve reduction of greenhouse gas emissions from cars and*
9 *light trucks through the adoption of sustainable communities*
10 *strategies by metropolitan planning organizations.*

11 (c) *The Legislature finds and declares that California local*
12 *governments need a sustainable source of funding to be able to*
13 *accommodate patterns of growth consistent with the state's climate,*
14 *air quality, and energy conservation goals.*

15 (d) *In 2008, the Legislature passed and the Governor signed*
16 *Senate Bill 732 (Chapter 729 of the Statutes of 2008), which added*
17 *Chapter 13 (commencing with Section 75120) to Division 43 of*
18 *the Public Resources Code to establish the Strategic Growth*
19 *Council.*

20 (e) *Among other things, the Strategic Growth Council is required*
21 *to encourage sustainable land use planning, and to take steps to*
22 *revitalize urban and community centers in a sustainable manner.*

23 (f) *Local planning decisions play a critical role not only in*
24 *implementing the state's climate goals, but also goals related to*
25 *infrastructure development, open space and farmland protection,*
26 *affordable housing, ground and surface water quality, and coastal*
27 *protection. Thus, the state has an interest in ensuring that local*
28 *planning processes are well funded and have the opportunity to*
29 *address new state goals.*

30 (g) *Cities and counties have the opportunity to help achieve the*
31 *state's planning objectives and infrastructure goals by using new*
32 *planning methodologies, such as improved geographic information*
33 *system (GIS) technology or form-based codes, to appropriately*
34 *balance the new growth with a variety of existing challenges,*
35 *including deterioration of historic neighborhoods, protection of*
36 *farmland and important natural areas, and improved pedestrian*
37 *safety.*

38 (h) *In creating a competitive grant fund that is replenished*
39 *annually for local planning agencies, the state can leverage its*
40 *resources to encourage local governments to develop and adopt*

1 *policies that are consistent with the state’s infrastructure, climate,*
2 *affordable housing, and open-space goals without creating a new*
3 *mandate.*

4 *(i) The Legislature supports innovative local planning efforts*
5 *by establishing the Community Planning Grant Program pursuant*
6 *to this act.*

7 *SEC. 2. Section 75125 of the Public Resources Code is*
8 *amended to read:*

9 75125. The council shall do all of the following:

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

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

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

33 (d) Manage and award grants and loans to support the planning
34 and development of sustainable communities, pursuant to Sections
35 75127, 75128, and 75129. To implement this subdivision, the
36 council may do all of the following:

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

39 (2) Develop criteria for determining the amount of financial
40 assistance to be awarded. The council shall award a revolving loan

1 to an applicant for a planning project, unless the council determines
2 that the applicant lacks the fiscal capacity to carry out the project
3 without a grant. The council may establish criteria that would allow
4 the applicant to illustrate an ongoing commitment of financial
5 resources to ensure the completion of the proposed plan or project.

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

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

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

15 (6) Provide technical assistance for application preparation.

16 (7) Designate a state agency or department to administer
17 technical and financial assistance programs for the disbursing of
18 grants and loans to support the planning and development of
19 sustainable communities, pursuant to Sections 75127, 75128, and
20 75129.

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

24 (1) A list of applicants for financial assistance.

25 (2) Identification of which applications were approved.

26 (3) The amounts awarded for each approved application.

27 (4) The remaining balance of available funds.

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

30 (6) Any additional minimum requirements and priorities for a
31 project or plan proposed in a grant or loan application developed
32 and adopted by the council pursuant to subdivision (c) of Section
33 75216.

34 (f) *Manage and award grants and loans from funds made*
35 *available from the Community Planning Grant and Loan Program*
36 *established by Section 75131.*

37 (1) *The Local Advisory Committee is hereby created, which*
38 *shall be comprised of two representatives recommended by the*
39 *League of California Cities, two representatives recommended by*
40 *the County Supervisors Association of California, and the director*

1 of the Governor’s Office of Planning and Research or designee
 2 thereof.

3 (2) To implement this subdivision, the council shall do all of
 4 the following:

5 (A) Receive recommendations from the local advisory committee
 6 to ensure that achieving the goals of the program is balanced with
 7 local needs and autonomy.

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

10 (C) Develop criteria for determining the amount of financial
 11 assistance to be awarded. The council may establish criteria that
 12 would allow the applicant to illustrate an ongoing commitment of
 13 financial resources to ensure the completion of the proposed plan
 14 or project.

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

19 (E) Provide technical assistance for application preparation.

20 (3) When funds are appropriated to the Community Planning
 21 Grant Fund established pursuant to Section 75131, the council
 22 shall provide an annual report to the Legislature that shall include
 23 all of the following:

24 (A) A list of applicants for financial assistance.

25 (B) Identification of which applications were approved.

26 (C) The amounts awarded for each approved application.

27 (D) The remaining balance of available funds.

28 (E) A report on the proposed or ongoing management of each
 29 funded project.

30 SEC. 3. Section 75131 is added to the Public Resources Code,
 31 to read:

32 75131. (a) For purposes of this section, the following
 33 definitions shall apply:

34 (1) “Community planning” means the adoption or improved
 35 capacity or public engagement related to a general plan, specific
 36 plan, zoning ordinance, or an amendment to any of these
 37 documents by a city, county, or city and county.

38 (2) “Fund” means the Community Planning Grant and Loan
 39 Fund established pursuant to this section.

1 (3) “Program” means the Community Planning Grant and Loan
2 Program created pursuant to this section.

3 (b) The Community Planning Grant and Loan Fund is hereby
4 established in the State Treasury and may be expended by the
5 council, upon appropriation by the Legislature, to carry out the
6 Community Planning Grant and Loan Program created pursuant
7 to this section.

8 (c) The council shall expend the money in the fund to provide
9 competitive grants and loans for community planning projects that
10 would improve the sustainability and livability of California’s
11 communities by reducing communities’ contribution to global
12 warming, including, but not limited to, projects for any of the
13 following:

14 (1) Adopting form-based codes.

15 (2) Using technology to improve planning capacity.

16 (3) Increasing the supply of affordable housing.

17 (4) Planning for public transit improvements.

18 (5) Revitalizing urban centers.

19 (6) Establishing public engagement processes, including
20 charettes, environmental planning, and other planning processes.

21 (d) The Governor’s Office of Planning and Research may expend
22 up to 5 percent of any funds appropriated to the fund for costs in
23 administering the program.

24 ~~SECTION 1. Section 65040.13 is added to the Government~~
25 ~~Code, to read:~~

26 ~~65040.13. The office shall develop an urban model-home,~~
27 ~~form-based ordinance and a rural model-home, form-based~~
28 ~~ordinance that a local agency can use as a planning tool to revitalize~~
29 ~~and preserve communities in compliance with smart-growth~~
30 ~~principles. The ordinances shall include minimum requirements~~
31 ~~or parameters that are clear and easy-to-follow.~~