

AMENDED IN SENATE MAY 5, 2009
AMENDED IN SENATE APRIL 22, 2009
AMENDED IN SENATE APRIL 13, 2009

SENATE BILL

No. 194

Introduced by Senator Florez

February 23, 2009

An act to add Section 65302.10 to the Government Code, to amend Sections 43015 and 50829 of, and to add Section 50834.5 to, the Health and Safety Code, to add Sections 75067 and 75130 to the Public Resources Code, to amend Section 2333.5 of the Streets and Highways Code, and to amend Section 13477.6 of the Water Code, relating to community development.

LEGISLATIVE COUNSEL'S DIGEST

SB 194, as amended, Florez. Community Equity Investment Act of 2009.

(1) Existing law requires the legislative body of each county and city to adopt a comprehensive, long-term general plan for the physical development of the county or city, and of specified land outside its boundaries.

This bill would enact the Community Equity Investment Act of 2009 and require the legislative bodies of each county and city that elect to receive specified funds pursuant to the Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 to amend portions of its general plan, including, among others, the land use, circulation, housing, conservation, and open-space elements to include data and analysis, goals, policies and objectives, and feasible implementation measures addressing the presence of

disadvantaged unincorporated communities in or near their boundaries, as specified.

(2) Existing law requires each city or county that requests funding pursuant to the federal State Community Development Block Grant Program to submit a housing element to the Department of Housing and Community Development, as specified.

This bill would also require each city or county, for applications submitted on or after January 1, 2013, to certify that it has amended its general plan in accordance with specified law. The bill would also specify how funds received pursuant to a federal entitlement are expended at the local government level.

(3) Existing law requires the Strategic Growth Council to manage and award financial assistance to specified entities for planning activities to achieve various environmental purposes.

This bill would require the council, in awarding the financial assistance, to ensure that those planning activities comply with the amendments to a general plan that would be required under this bill.

(4) The Safe Drinking Water, Water Quality and Supply, Flood Control, River and Coastal Protection Bond Act of 2006 (Proposition 84), an initiative bond measure, makes available \$90,000,000 for urban greening projects and \$90,000,000 for planning grants and planning incentives to encourage the development of regional and local land use plans that are designed for various purposes. Proposition 84 specifies that appropriation of those funds may be made only upon enactment of implementation legislation.

This bill would require a recipient of the above funds to incorporate the adoption of the amendments to a general plan that would be required by this bill into the planning activities funded by those funds. The bill would require the council to require a city, county, or city and county to specify the date by which the amendments to a general plan that would be required by this bill would be adopted, which would be required to be concurrent with the adoption of other planning activities funded by the above funds, but in no case later than January 1, 2013.

(5) Existing law requires the Department of Transportation, in consultation with the Department of the California Highway Patrol, to establish and administer a “Safe Routes to School” construction program pursuant to authority granted under specified federal law and to use federal transportation funds for construction of bicycle and pedestrian safety and traffic calming projects. Existing law requires the department to make grants available to local agencies under the program through

a competitive grant process that considers various factors in rating the proposals.

This bill would additionally require, in rating a proposal, the consideration of the proposal’s benefit to a disadvantaged community.

(6) Existing law establishes the Air Pollution Control Fund and, upon appropriation by the Legislature, the moneys in the fund are available to the State Air Resources Board to carry out its duties and functions.

This bill would additionally require, upon appropriation by the Legislature, that the moneys in the fund be available for investment in the provision of public transit to disadvantaged unincorporated communities, accelerate greenhouse gas emission reductions, and mitigate the health impacts of climate change.

(7) Existing law authorizes the State Water Resources Control Board to assess a specified annual charge in connection with any financial assistance made pursuant to the revolving State Water Pollution Control Revolving Fund program in lieu of interest that otherwise would be charged. Existing law requires the proceeds generated from the imposition of the annual charge, along with other moneys, to be deposited in the State Water Pollution Control Revolving Fund Small Community Grant Fund. Existing law authorizes the board to expend the money in the fund, upon appropriation by the Legislature to the board, for grants for eligible projects under the revolving fund program that serves small communities. For the purpose of expending these funds, the board is required to give priority to projects that serve severely disadvantaged communities.

This bill would make a technical nonsubstantive change to that provision.

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. (a) This act shall be known and may be cited as
- 2 the Community Equity Investment Act of 2009.
- 3 (b) The Legislature finds and declares both of the following:
- 4 (1) There exists in California hundreds of disadvantaged
- 5 unincorporated communities, commonly referred to as “colonias.”
- 6 There are more than 200 of these communities in the San Joaquin
- 7 Valley alone. Many of these communities are geographically

1 isolated islands, surrounded by the city limits of large and
2 medium-sized cities.

3 (2) The conditions within these disadvantaged unincorporated
4 communities evidence a distinct lack of public and private
5 investment that presents a threat to the health and safety of the
6 residents and fosters economic, social, and educational inequality.
7 Many of these communities lack basic infrastructure, including,
8 but not limited to, streets, sidewalks, storm drainage, clean drinking
9 water, and adequate sewer service.

10 SEC. 2. Section 65302.10 is added to the Government Code,
11 to read:

12 65302.10. (a) The legislative body of each city, county, or city
13 and county that elects to receive funds pursuant to subdivision (a)
14 or (c) of Section 75065 of the Public Resources Code shall amend,
15 where appropriate, each element of its general plan in a manner
16 that meets the requirements of this section. The amendments may
17 amend, but are not limited to, the required elements relating to
18 land use, circulation, housing, conservation, and open space, to
19 include data and analysis, goals, policies and objectives, and
20 feasible implementation measures addressing the presence of
21 disadvantaged unincorporated communities in or near their
22 boundaries. The amendments to the related elements shall include
23 all of the following:

24 (1) An identification of each disadvantaged unincorporated
25 community within or proximate to the boundaries of the ~~locality~~
26 *city or county*. The identification shall include a description of the
27 community and a map designating its location.

28 (2) For each disadvantaged unincorporated community, a
29 quantification and analysis of each of the following:

30 (A) The number of homes and residents that lack access to
31 sanitary sewer service.

32 (B) The number of homes and residents that lack access to safe
33 drinking water service.

34 (C) The number of residential neighborhoods or areas that lack
35 one or more of the following:

36 (i) Paved roadways.

37 (ii) Storm drainage.

38 (iii) Sidewalks.

39 (iv) Lighting.

1 (D) The proportion of households living more than one-quarter
2 of a mile from a public park.

3 (E) The proportion of households living more than one-quarter
4 of a mile from public transit.

5 (F) The proportion of housing units that are in a substandard
6 condition, or in which the household is overcrowded or paying
7 more than 30 percent of its income toward housing.

8 (3) A statement setting forth the city or county’s specific
9 quantified goals, policies, and objectives for eliminating or
10 reducing each identified deficiency no

11 later than January 1, 2015. The statement shall include an
12 analysis of the feasibility of annexation of island and fringe
13 communities, and the development or expansion of regionalized
14 services and infrastructure for legacy communities.

15 (4) A program of actions necessary to achieve each goal,
16 including, but not limited to, activities the city or county will
17 undertake, and a timeline of when those actions will be taken. The
18 program shall include an identification of resources available to
19 achieve each goal.

20 (b) As used in this section, the following terms have the
21 following meanings:

22 (1) “Disadvantaged unincorporated community” means a fringe,
23 island, or legacy community in which the median household
24 income is 80 percent or less than the statewide median household
25 income.

26 (2) “Fringe community” means any ~~settled, unincorporated area~~
27 ~~that is within 1.5 miles of a municipality or within or adjacent to~~
28 ~~a municipality’s inhabited unincorporated territory that is within~~
29 ~~a city’s sphere of influence.~~

30 ~~(3) “Island” means an unincorporated county area that is~~
31 ~~surrounded by a city’s geographical boundaries on at least 75~~
32 ~~percent of its sides.~~

33 (3) “Island community” means any inhabited unincorporated
34 territory that is surrounded or substantially surrounded by one or
35 more cities or by one or more cities and a county boundary or the
36 Pacific Ocean.

37 (4) “Legacy community” means a geographically isolated
38 community that has existed for at least 50 years.

39 SEC. 3. Section 43015 of the Health and Safety Code is
40 amended to read:

1 43015. The Air Pollution Control Fund is continued in existence
2 in the State Treasury. Upon appropriation by the Legislature, the
3 money in the fund shall be expended as follows:

- 4 (a) To carry out the state board’s duties and functions.
- 5 (b) To invest in the provision of public transit to the
- 6 disadvantaged communities of the state, in particular, the
- 7 disadvantaged unincorporated communities of the state, as defined
- 8 in Section 65302.10 of the Government Code, accelerate
- 9 greenhouse gas emission reductions, and mitigate the health
- 10 impacts of climate change.

11 SEC. 4. Section 50829 of the Health and Safety Code is
12 amended to read:

13 50829. As a condition of receiving funds pursuant to this
14 chapter, an eligible city or county shall submit a housing element
15 to the department in accordance with the requirements of Article
16 10.6 (commencing with Section 65580) of Chapter 3 of Division
17 1 of Title 7 of the Government Code and for applications submitted
18 on or after January 1, 2013, certify that the city or county has
19 amended its general plan in accordance with the requirements of
20 Section 65302.10 of the Government Code. However, except as
21 otherwise provided in Section 50830, no application for funds shall
22 be denied because of the content of the housing element or because
23 of the findings made by the department pursuant to Section 65585
24 of the Government Code.

25 SEC. 5. Section 50834.5 is added to the Health and Safety
26 Code, to read:

27 50834.5. (a) Unless prohibited by federal law, where a federal
28 entitlement exists under the Community Development Block Grant
29 Program (24 C.F.R. Part 570), a ~~local government~~ *city or county*
30 shall comply with the following requirements the funds made
31 available pursuant to this chapter:

32 (1) The funds shall be expended within each supervisorial or
33 city council district, to the extent those districts exist, based on the
34 percentage of low- and moderate-income persons within each
35 district.

36 (2) No less than 75 percent of all funds shall benefit targeted
37 income groups.

38 (b) For the purposes of this section, “targeted income group”
39 means families, households, and individuals whose income does

1 not exceed 80 percent of the county median income, with
2 adjustments for family and household size.

3 SEC. 6. Section 75067 is added to the Public Resources Code,
4 to read:

5 75067. (a) All recipients of funds made available pursuant to
6 subdivisions (a) and (c) of Section 75065 shall incorporate the city
7 or county general plan amendments ~~developed~~ *adopted* pursuant
8 to Section 65302.10 of the Government Code into the planning
9 activities funded pursuant to those subdivisions.

10 (b) The Strategic Growth Council established pursuant to Section
11 75121 shall require the city or county to specify a date by which
12 the general plan amendments required by Section 65302.10 will
13 be adopted, which shall be concurrent with the adoption of any
14 other planning activities funded by Section 75065, but in no case
15 later than January 1, 2013.

16 SEC. 7. Section 75130 is added to the Public Resources Code,
17 to read:

18 75130. (a) The Strategic Growth Council shall, in awarding
19 financial assistance pursuant to Sections 75127 and 75129, ensure
20 that the planning activities funded under those sections comply
21 with Section 65302.10 of the Government Code.

22 (b) (1) The Strategic Growth Council shall, in awarding
23 financial assistance pursuant to Section 75128, require that the
24 development, adoption, or implementation of any regional plan or
25 other planning instrument receiving financial assistance include
26 an assessment of island and fringe communities and an analysis
27 of how investment in these communities would assist in meeting
28 regional greenhouse gas reduction targets by improving transit,
29 increasing affordable housing, and encouraging sustainable land
30 use strategies.

31 (2) For the purposes of this subdivision, “island” and “fringe”
32 have the same meanings as those set forth in subdivision (b) of
33 Section 65302.10 of the Government Code.

34 SEC. 8. Section 2333.5 of the Streets and Highways Code is
35 amended to read:

36 2333.5. (a) The department, in consultation with the
37 Department of the California Highway Patrol, shall establish and
38 administer a “Safe Routes to School” construction program for
39 construction of bicycle and pedestrian safety and traffic calming
40 projects.

- 1 (b) The department shall award grants to local governmental
2 agencies under the program based on the results of a statewide
3 competition that requires submission of proposals for funding and
4 rates those proposals on all of the following factors:
- 5 (1) Demonstrated needs of the applicant.
 - 6 (2) Potential of the proposal for reducing child injuries and
7 fatalities.
 - 8 (3) Potential of the proposal for encouraging increased walking
9 and bicycling among students.
 - 10 (4) Identification of safety hazards.
 - 11 (5) Identification of current and potential walking and bicycling
12 routes to school.
 - 13 (6) Consultation and support for projects by school-based
14 associations, local traffic engineers, local elected officials, law
15 enforcement agencies, school officials, and other relevant
16 community stakeholders.
 - 17 (7) Benefit to a disadvantaged community, as defined in Section
18 79505.5 of the Water Code.
- 19 (c) Any annual budget allocation to fund grants described in
20 subdivision (b) shall be in addition to any federal funding received
21 by the state that is designated for “Safe Routes to School” projects
22 pursuant to Section 1404 of SAFETEA-LU or any similar program
23 funded through a subsequent transportation act.
- 24 (d) Any federal funding received by the state that is designated
25 for “Safe Routes to School” projects shall be distributed by the
26 department under the competitive grant process, consistent with
27 all applicable federal requirements.
- 28 (e) Prior to the award of any construction grant or the
29 department’s use of those funds for a “Safe Routes to School”
30 construction project encompassing a freeway, state highway or
31 county road, the department shall consult with, and obtain approval
32 from, the Department of the California Highway Patrol, ensuring
33 that the “Safe Routes to School” proposal compliments the
34 California Highway Patrol’s Pedestrian Corridor Safety Program
35 and is consistent with its statewide pedestrian safety statistical
36 analysis.
- 37 (f) The department is encouraged to coordinate with law
38 enforcement agencies’ community policing efforts in establishing
39 and maintaining the “Safe Routes to School” construction program.
- 40 SEC. 9. Section 13477.6 of the Water Code is amended to read:

1 13477.6. (a) The State Water Pollution Control Revolving
2 Fund Small Community Grant Fund is hereby created in the State
3 Treasury.

4 (b) The following moneys shall be deposited in the grant fund:

5 (1) Moneys transferred to the grant fund pursuant to subdivision
6 (c).

7 (2) Notwithstanding Section 16475 of the Government Code,
8 interest earned upon the moneys deposited in the grant fund.

9 (c) (1) For financing made pursuant to Section 13480, the board
10 may assess an annual charge to be deposited in the grant fund in
11 lieu of interest that would otherwise be charged.

12 (2) Any amounts collected under this subdivision shall be
13 deposited in the grant fund, not more than fifty million dollars
14 (\$50,000,000) shall be deposited in the grant fund.

15 (3) The charge authorized by this subdivision may be applied
16 at any time during the term of the financing, and once applied,
17 shall remain unchanged until 2014, at which point it shall terminate
18 and be replaced by an identical interest rate. The charge shall not
19 increase the financing repayment amount as set forth in the terms
20 and conditions imposed pursuant to this chapter.

21 (d) (1) Moneys in the grant fund, upon appropriation by the
22 Legislature to the board, may be expended, in accordance with
23 this chapter, for grants for projects described in subdivision (a) of
24 Section 13480 that serve small communities as defined in
25 subdivision (a) of Section 30925 of the Public Resources Code.

26 (2) For the purpose of approving grants, the board shall give
27 priority to projects that serve severely disadvantaged communities.