

AMENDED IN ASSEMBLY MARCH 28, 2014

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 2161

Introduced by Assembly Member Chau

February 20, 2014

An act to ~~amend~~ *add* Section ~~50702~~ of 50406.8 to the Health and Safety Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

AB 2161, as amended, Chau. ~~Housing-Related Parks Program.~~
Affordable housing.

Existing law authorizes the Department of Housing and Community Development to provide technical assistance to groups and persons with various housing needs and to administer various housing loan programs. Existing law authorizes the department to extend the term of existing multifamily housing loans made under specified programs upon the request of any borrower, subject to certain conditions, as provided.

This bill would authorize the department, upon request of the borrower of any loan issued by the department that has reached maturity, either to reloan the original amount of the matured loan, plus accrued interest, on the same terms and conditions as the original loan, or to restructure the loan, if the loan was issued under specified programs.

~~Existing law establishes the Housing-Related Parks Program, administered by the Department of Housing and Community Development, which provides grants for the creation, development, or rehabilitation of park and recreation facilities to cities, counties, and cities and counties. Existing law authorizes the department, to the extent~~

~~that funds are available, to determine the base grant amount to be provided to any city, county, or city and county that meets specified criteria.~~

~~This bill would make a technical, nonsubstantive change to these provisions:~~

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. Section 50406.8 is added to the Health and Safety
2 Code, to read:

3 50406.8. Notwithstanding any other law, the department, upon
4 the request of the borrower of any loan issued by the department
5 that has reached maturity, may do either of the following, at the
6 option of the borrower:

7 (a) Reloan the original amount of the matured loan, plus
8 accrued interest, on the same terms and conditions as the original
9 loan.

10 (b) Restructure the loan, if the original loan was issued pursuant
11 to Section 50515.2 or 50517.7.

12 SECTION 1. ~~Section 50702 of the Health and Safety Code is~~
13 ~~amended to read:~~

14 ~~50702. (a) To the extent that funds are available for this~~
15 ~~purpose, the department shall determine a base grant amount to~~
16 ~~be provided under this chapter to any city, county, or city and~~
17 ~~county that meets all of the following criteria:~~

18 ~~(1) On or before the end of the period covered by the Notice of~~
19 ~~Funding Availability required under subdivision (b), the jurisdiction~~
20 ~~has adopted a housing element that the department, pursuant to~~
21 ~~Section 65585 of the Government Code, has found to be in~~
22 ~~substantial compliance with the requirements of Article 10.6~~
23 ~~(commencing with Section 65580) of Chapter 3 of Division 1 of~~
24 ~~Title 7 of the Government Code, and the jurisdiction submitted to~~
25 ~~the department the annual progress report required under Section~~
26 ~~65400 of the Government Code for the preceding 12-month~~
27 ~~calendar year.~~

28 ~~(2) The jurisdiction can document either of the following:~~

1 (A) ~~The issuance of building permits for new housing units that~~
2 ~~are affordable to very low or low-income households within the~~
3 ~~designated time period and that meet one of the following criteria:~~

4 (i) ~~In the case of rental units, the development is subject to a~~
5 ~~regulatory agreement recorded against the property that obligates~~
6 ~~the owner to maintain rents on the restricted units at levels~~
7 ~~affordable to very low or low-income households for at least 55~~
8 ~~years.~~

9 (ii) ~~In the case of ownership housing, units in the development~~
10 ~~are initially sold to households of very low or low income at an~~
11 ~~affordable housing cost. If public funds are used to achieve an~~
12 ~~affordable housing cost, then upon the sale of an assisted unit to~~
13 ~~a very low or low-income household, the public entity shall ensure~~
14 ~~the repayment of the public funds and reuse of those funds for~~
15 ~~affordable housing for a period of at least 20 years. The proposed~~
16 ~~mechanism for restrictions of ownership units shall be consistent~~
17 ~~with criteria established by the department and specified in the~~
18 ~~Notice of Funding Availability.~~

19 (B) ~~The issuance of a certificate of occupancy or other evidence~~
20 ~~of readiness for occupancy within the designated time period for~~
21 ~~units that meet the requirements of paragraph (2) of subdivision~~
22 ~~(e) of Section 65583.1 of the Government Code, except that the~~
23 ~~city, county, or city and county may have committed assistance at~~
24 ~~any time during the projection period.~~

25 (b) ~~For each year that funds are available, the department shall~~
26 ~~issue a Notice of Funding Availability for building permits issued~~
27 ~~during the designated time period. The department shall accept~~
28 ~~applications at the close of the designated period. Grant amounts~~
29 ~~shall be based on a per-bedroom incentive for each unit restricted~~
30 ~~for very low and low-income households. For the purposes of this~~
31 ~~section, single-room occupancies and studio apartments shall be~~
32 ~~considered one-bedroom units.~~

33 (e) ~~If eligibility for funds exceeds the amount of funding~~
34 ~~available for the program, the department shall reduce all grants~~
35 ~~proportionally.~~

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