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HEALTH AND SAFETY CODE - HSC

DIVISION 24. COMMUNITY DEVELOPMENT AND HOUSING [33000 - 37964] (Heading of Division 24 amended by Stats. 1975, Ch. 1137.)

PART 2. HOUSING AUTHORITIES [34200 - 34606] (Part 2 added by Stats. 1951, Ch. 710.) CHAPTER 1. Housing Authorities Law [34200 - 34380] (Chapter 1 added by Stats. 1951, Ch. 710.)

ARTICLE 4. Powers and Duties of Housing Authorities [34310 - 34335] (Article 4 added by Stats. 1951, Ch. 710.)

34310. An authority constitutes a corporate and politic public body, exercising public and essential governmental functions, and having all the powers necessary or convenient to carry out the purposes and provisions of this chapter.

(Added by Stats. 1951, Ch. 710.)

34311. An authority may:

- (a) Sue and be sued.
- (b) Have a seal and alter it.
- (c) Have perpetual succession.
- (d) Make and execute contracts and other instruments necessary or convenient to the exercise of its powers.
- (e) Make, amend, and repeal by-laws and regulations, not inconsistent with this chapter, to carry into effect the powers and purposes of the authority.

(Added by Stats. 1951, Ch. 710.)

34312. Within its area of operation, an authority may undertake any of the following:

- (a) Prepare, carry out, acquire, lease, and operate housing projects for persons of low income, as authorized by this chapter, and housing developments for persons of low income, as authorized by Part 3 (commencing with Section 50900) of Division 31.
- (b) Provide for the construction, reconstruction, improvement, alteration, or repair of all or part of any housing project.
- (c) Provide leased housing to persons of low income.
- (d) (1) Provide financing for the acquisition, construction, rehabilitation, refinancing, or development of dwelling accommodations for persons of low income, and for other persons when acting pursuant to the authorization contained in Part 13 (commencing with Section 37910) of this division or Part 3 (commencing with Section 50900) of Division 31, subject only to the limitations on income of borrowers or residents prescribed by the statutory provisions under which the authority is acting. With respect to financing activities conducted pursuant to Part 3 (commencing with Section 50900) or Part 4 (commencing with Section 51600) of Division 31, the authority shall obtain certification as a qualified mortgage lender pursuant to Section 50094.
 - (2) When issuing tax-exempt bonds for purposes of this section, the regulatory agreement entered into by the agency shall require that following the expiration or termination of the qualified project period, except in the event of foreclosure and redemption of the bonds, deed in lieu of foreclosure, eminent domain, or action of a federal agency preventing enforcement, units required to be reserved for occupancy for low- or very low income households and financed or refinanced with proceeds of bonds issued pursuant to this section on or after January 1, 2006, or refinanced with the proceeds of bonds issued pursuant to Section 53583 of the Government Code or any charter city authority on or after January 1, 2007, shall remain available to any eligible household occupying a reserved unit at the date of expiration or termination, at a rent not greater than the amount set forth by the regulatory agreement prior to the date or expiration or termination, until the earliest of any of the following occur:
 - (A) The household's income exceeds 140 percent of the maximum eligible income specified in the regulatory agreement for reserved units.

- (B) The household voluntarily moves or is evicted for "good cause." "Good cause" for the purposes of this section, means the nonpayment of rent or allegation of facts necessary to prove major, or repeated minor, violations of material provisions of the occupancy agreement which detrimentally affect the health and safety of other persons or the structure, the fiscal integrity of the development, or the purposes or special programs of the development.
- (C) Thirty years after the date of the commencement of the qualified project period.
- (D) The sponsor pays the relocation assistance and benefits to tenants as provided in subdivision (b) of Section 7264 of the Government Code.
- (3) As used in this subdivision, "qualified project period" shall have the meaning specified in, and shall be determined in accordance with the provisions of, subsection (d) of Section 142 of the Internal Revenue Code of 1986, as amended, and United States Treasury regulations and rulings promulgated pursuant thereto.
- (4) The amendment to this subdivision made during the 2005-06 Regular Session of the Legislature that is set forth in paragraph
- (2) is declaratory of existing law.
- (e) Provide counseling, referral, and advisory services to persons and families of low or moderate income in connection with the purchase, rental, occupancy, maintenance, or repair of housing.
- (f) Provide the security which the authority deems necessary for the protection of a project and its inhabitants.
- (g) Assist housing projects pursuant to Section 34312.3.
- (h) Acquire, plan, undertake, construct, improve, develop, maintain, and operate land on which mobilehomes or a mobilehome park are, or may be, located, so long as not less than 20 percent of the mobilehomes are designated for occupancy by, or are occupied by, persons of low income. For purposes of this subdivision, "mobilehome" has the meaning specified in Section 18008, and "mobilehome park" has the meaning specified in Section 18214.

(Amended by Stats. 2006, Ch. 890, Sec. 14. Effective January 1, 2007.)

- <u>34312.3.</u> (a) Subject to the requirements of this section and of Article 5 (commencing with Section 34350), an authority may do any of the following:
 - (1) Issue revenue bonds for the purpose of financing the acquisition, construction, rehabilitation, refinancing, or development of multifamily rental housing and for the provision of capital improvements in connection with and determined necessary to the multifamily rental housing.
 - (2) Make or undertake commitments to make construction loans and mortgage loans to finance the acquisition, construction, rehabilitation, refinancing, or development of multifamily rental housing.
 - (3) Purchase or undertake, directly or indirectly through lending institutions, commitments to purchase, construction loans, and mortgage loans originated in accordance with a financing agreement with the authority to finance the acquisition, construction, rehabilitation, refinancing, or development of multifamily rental housing or make loans to lending institutions under terms and conditions which, in addition to other provisions determined by the authority, shall require the lending institutions to use the net proceeds of the loans for the making, directly or indirectly, of construction loans or mortgage loans to finance the acquisition, construction, rehabilitation, refinancing, or development of multifamily rental housing.
- (b) An authority may develop, rehabilitate, or finance housing projects or participate in the development, rehabilitation, or financing of housing projects; or purchase, sell, lease, own, operate, or manage housing projects so assisted, subject to all of the requirements of this section.

So long as the proceeds of any sale, lease, or other disposition of real property, net of the cost of sale, are to be used directly to assist a housing project pursuant to this section for persons of low income, and the funds in any trust fund established pursuant to subdivision (f) are used directly to assist housing units for persons of very low income, an authority may, after a public hearing, sell, lease, or otherwise dispose of the real property without complying with any provision of law concerning disposition of surplus property, including, but not limited to, Sections 34315.5 and 34315.7.

An authority may convey surplus lands it acquires from another public agency to a nonprofit or private developer for development of single-family homes where the development will provide for home ownership for persons and families of low or moderate income, as defined in Section 50093. This conveyance shall be after a public hearing. With the exception of subdivisions (b), (c), and (d) of Section 34315.7, the conveyance need not comply with any law concerning the disposition of surplus properties, including, but not limited to, Section 34315.5 or subdivision (a) of Section 34315.7. The proceeds of any sale or other disposition of surplus land, net of the cost of sale, shall be used to assist a housing project pursuant to this section for persons of low income.

- (c) (1) (A) Not less than 20 percent of all units in housing projects assisted by an authority pursuant to this section shall be available for occupancy on a priority basis to persons of low income. In the case of housing projects located within a targeted area, as defined by Section 103(b)(12)(A) of Title 26 of the United States Code, not less than 15 percent of all units in those housing projects assisted pursuant to this section shall be for occupancy on a priority basis by persons of low income.
 - (B) If the sponsor elects to establish a base rent for units reserved for lower income households, the base rents shall be adjusted for household size. In adjusting rents for household size, the sponsor shall either assume, pursuant to Section 8 of the United States Housing Act of 1937 (42 U.S.C. Sec. 1437f), or its successor, that a family of one person will occupy a studio unit, two persons will occupy a one-bedroom unit, three persons will occupy a two-bedroom unit, four persons will occupy a three-bedroom unit, and five persons will occupy a four-bedroom unit or shall utilize occupancy assumptions that it determines to be appropriate and commercially reasonable for financing extended pursuant to this chapter.
 - (2) (A) Not less than one-half of the units required to be available for occupancy pursuant to paragraph (1) and financed with any bonds issued on or after January 1, 1986, shall be occupied by, or made available to, very low income households, as defined by Section 50105.
 - (B) The rental payments for those units paid by the persons occupying the units (excluding any supplemental rental assistance from the state, the federal government, or any other public agency to those persons or on behalf of those units) shall not exceed the amount derived by multiplying 30 percent times 50 percent of the median adjusted gross income for the area, adjusted for family size, as determined pursuant to Section 8 of the United States Housing Act of 1937 (42 U.S.C. Sec. 1437f), or its successor, for a family of one person in the case of a studio unit, two persons in the case of a one-bedroom unit, three persons in the case of a two-bedroom unit, four persons in the case of a three-bedroom unit, and five persons in the case of a four-bedroom unit.
 - (3) Any indebtedness incurred pursuant to a mortgage loan financed under the terms of this chapter shall be subject to acceleration and the balance owing declared immediately due and payable upon any sale of an owner-occupied residence to a purchaser who does not meet the required qualifications for borrowers as established by the authority.
 - (4) The authority shall require the owners of housing projects assisted pursuant to this section to accept as tenants, on the same basis as all other prospective tenants, in the units reserved for very low income households, any very low income households who are recipients of federal certificates for rent subsidies pursuant to the existing program under Section 8 of the United States Housing Act of 1937 (42 U.S.C. Sec. 1437f), or its successor. The authority shall not permit a selection criteria to be applied to Section 8 certificate holders that is any more burdensome than the criteria applied to all other prospective tenants.
 - (5) No resident in housing units assisted pursuant to this section shall be denied continued occupancy or ownership because, after admission, the resident's family income increases to exceed the eligibility level. However, the authority shall ensure that percentage requirements of this section shall continue to be met by providing the next available unit or units to persons of low income or by taking other actions to satisfy the percentage requirements of this section.
 - (6) In determining whether the percentage requirements of subdivision (c) have been achieved, the following terms and conditions shall be applied:
 - (A) The requirement that 20 percent or 15 percent, as the case may be, of the housing units assisted by an authority pursuant to this section shall be available on a priority basis to, or occupied by, households whose adjusted gross income does not exceed the applicable limits prescribed by subdivision (c) shall apply to the aggregate number of units assisted by an authority pursuant to this section.
 - (B) This section applies only to housing units first assisted after January 1, 1983, and the percentage requirements of subdivision (c) shall be complied with by January 1, 1986, and on January 1 of each even-numbered year thereafter.
 - (C) The percentage requirements of subdivision (c) shall be achieved within each of the following categories: (1) rental housing developments; (2) homeownership developments; and (3) rehabilitation financing. Housing units provided by rehabilitation financing shall not be counted within either of the first two categories.
- (d) Units required to be reserved for occupancy by subdivision (c) and financed with the proceeds of bonds issued on or after January 1, 1986, shall remain occupied by, or made available to, those persons until the bonds are retired.
- (e) Multifamily rental housing financed pursuant to this section shall not be subject to the requirements of subparagraph (B) of paragraph (1) and paragraph (2) of subdivision (c), and the requirements of subdivision (d), if all of the following requirements are fulfilled:
 - (1) The housing authority offers each tenant a homeownership opportunity when the bonds are retired.
 - (2) A special trust fund or account which is funded with bond issuance proceeds or developer contributions, or both, is established no later than the time that the multifamily rental housing is first occupied. The initial funding of the account shall be no less than 5

percent of the face value of the bonds issued for the multifamily rental housing project. Upon repayment of the bonds, these funds, and all interest accruing thereon, less any amounts necessary to pay outstanding claims, shall be used to assist housing units for persons of very low income.

- (3) The requirements of subparagraph (A) of paragraph (1) and subparagraph (A) of paragraph (2) of subdivision (c) shall remain in effect for the periods required by Section 103(b)(12)(B) of Title 26 of the United States Code.
- (f) It is the intent of the Legislature, and the Legislature declares, that housing authorities are the local entities with primary responsibility for providing housing for low-income and very low income households within their jurisdictions. However, recognizing that housing projects only for low-income households cannot be adequately assisted or developed with currently available funds, and that excess funds from housing projects assisted pursuant to this section can be utilized to further assist in the provision of housing for lower income households, it is the intent of the Legislature that the authorization of this section is to be used to enhance and supplement the traditional housing authority role of providing housing only for low-income households.

(Amended by Stats. 2017, Ch. 418, Sec. 6. (AB 1714) Effective January 1, 2018.)

- <u>34312.4.</u> (a) Subject to the requirements of Article 5 (commencing with Section 34350), for purposes of implementing a home financing program an authority has the following powers and duties:
 - (1) To acquire, contract, and enter into advance commitments to acquire, home mortgages made or owned by lending institutions at the purchase prices and upon the other terms and conditions as shall be determined by the authority or other person as it may designate as its agent, to make and execute contracts with lending institutions for the origination and servicing of home mortgages and to pay the reasonable value of services rendered under those contracts. Prior to executing any contract with a lending institution, an authority shall adopt regulations establishing criteria for qualification of lending institutions eligible to originate and service home mortgages under home financing programs authorized by this section and shall, with respect to each home financing program, permit each qualified lending institution which transacts business in the area of operation of the authority the opportunity to participate in the program on an equitable basis with other participating lending institutions.
 - (2) To make loans to lending institutions under terms and conditions which, in addition to other provisions as determined by the authority, shall require the lending institutions to use all of the net proceeds thereof, directly or indirectly, for the making of home mortgages in an aggregate principal amount equal to the amount of the net proceeds.
 - (3) To establish, by rules or regulations, in resolutions relating to any issuance of bonds or in any documents relating to the issuance, standards, and requirements applicable to the purchase of home mortgages or the making of loans to lending institutions the authority deems necessary or desirable to effectuate the purposes of this section, which may include without limitation any of the following:
 - (A) The time within which lending institutions are required to make commitments and disbursements for home mortgages.
 - (B) The location and other characteristics of homes to be financed by home mortgages.
 - (C) The terms and conditions of home mortgages to be acquired.
 - (D) The amounts and types of any insurance coverage required on homes, home mortgages, and bonds.
 - (E) The representations and warranties of lending institutions confirming compliance with the standards and requirements.
 - (F) Restrictions as to interest rate and other terms of home mortgages or the return realized therefrom by lending institutions.
 - (G) The type and amount of collateral security to be provided to assure repayment of any loans from the authority and to ensure repayment of bonds.
 - (H) Any other matters related to the purchase of home mortgages or the making of loans to lending institutions deemed relevant by the authority.
 - (4) To require from each lending institution from which home mortgages are purchased or to which loans are made the submission of evidence satisfactory to the authority of the ability and intention of the lending institution to make home mortgages, and the submission, within the time specified by the authority for making disbursements for home mortgages, of evidence satisfactory to the authority of the making of home mortgages and of compliance with any standards and requirements established by the authority.

- (b) Each authority which finances housing pursuant to this section shall designate a person or entity to administer the program.
- (c) Each authority which finances housing pursuant to this section shall adopt regulations establishing criteria for the qualification of persons and families, which may differ among different areas of operation of authorities to reflect varying economic and housing conditions. In developing this criteria, factors similar to the following shall be taken into consideration:
 - (1) The amount of the income of the person or family that is available for housing needs.
 - (2) The size of the household.
 - (3) The costs and condition of available housing.
 - (4) The eligibility of the persons or families for federal housing assistance of any type.
- (d) Criteria for qualification of persons and families pursuant to this section shall include a maximum household income, which maximum shall not exceed the following:
 - (1) One hundred twenty percent of the median household income for mortgages made for improving a home or for homes where the purchaser will be the first occupant. Upon the resale of a home for which financing was originally provided under this paragraph, the maximum income of persons and families shall also be 120 percent of the median household income.
 - (2) The median household income where the purchaser will not be the first occupant. However, the authority shall ensure that no less than one-half of the funds allocated for home mortgages where the purchaser will not be the first occupant shall be for households whose income does not exceed 80 percent of that median household income. However, the authority may, by resolution, increase this income limitation to 90 percent of median household income if the authority finds that there are insufficient numbers of creditworthy persons whose income does not exceed 80 percent of median household income. The resolution is final and conclusive as to the findings required by this paragraph.
 - (3) One hundred fifty percent of the median household income for mortgages made for improving a home or for homes where the purchaser will be the first occupant in any city, the entire area of which, or in any county in which a portion of the county, is designated by the United States Department of Commerce, Economic Development Administration as a special impact area within a Title IV redevelopment area, pursuant to Section 401 of the federal Public Works and Economic Development Act of 1965, as amended, and which is eligible for Urban Development Action Grant funds under the current distress standards established for cities and counties by the Secretary of the United States Department of Housing and Urban Development pursuant to Section 119 of the Housing and Community Development Act of 1974, if the homes purchased or improved are situated within the boundaries of a special impact area as defined by the Economic Development Administration, and that designation is in effect on the date of sale of revenue bonds issued under this section.

As used in this subdivision, "median household income" means the highest of (A) statewide median household income, (B) countywide median household income, or (C) median family income for area as determined by the United States Department of Housing and Urban Development, with respect to either a standard metropolitan statistical area or an area outside of a standard metropolitan statistical area.

- (e) Each authority which finances housing pursuant to this section shall allocate no less than 60 percent of the dollar amount of its financing from bond proceeds to fund loans for the purchase of homes where the purchaser will be the first occupant, or for substantial rehabilitation. As used in this section, "substantial rehabilitation" means rehabilitation in which the costs of rehabilitation equal or exceed 20 percent of the value of the structure after rehabilitation.
- (f) Each authority which finances housing pursuant to this section shall require each mortgagor under the program to certify his or her intention to occupy the home for a minimum of two years after receiving a home mortgage, with appropriate exceptions in hardship cases, as determined by the authority.
- (g) Notwithstanding Section 711 of the Civil Code, any indebtedness incurred pursuant to a mortgage financed under the terms of this section shall be subject to acceleration and the balance owing declared immediately due and payable upon the sale of the home to a purchaser who does not meet the required qualifications for borrowers of subdivision (c) or any more stringent qualifications as the authority may require.
- (h) Each authority may do any and all things necessary to carry out the purposes and exercise the powers expressly granted by this part.

(Added by Stats. 1985, Ch. 306, Sec. 1.)

- 34312.5. (a) An authority may provide leased housing to persons of low income throughout the county in which it operates, except:
 - (1) No commitment to provide leased housing outside the area of operation may be made in advance of construction without approval of the local governing body of the city or, if an unincorporated area, the county with jurisdiction of the site of construction; and

- (2) Leased housing may not be provided within the area of operation of another authority if the local governing body of the other authority disapproves in advance.
- (b) An authority may contract with the redevelopment agency of any city within the county to exercise its powers in the city pursuant to a contract with the redevelopment agency funded from the redevelopment agency's Low and Moderate Income Housing Fund for the purpose of increasing or improving the city's supply of low- and moderate-income housing.

(Amended by Stats. 1988, Ch. 1565, Sec. 5.)

<u>34312.6.</u> The same notice requirements as specified in Section 65863.10 of the Government Code shall apply to multifamily rental housing that receives financial assistance pursuant to Section 34312.3.

(Added by Stats. 1988, Ch. 1563, Sec. 3.)

- **34312.7.** (a) (1) When refunding revenue bonds for multifamily housing which were previously issued pursuant to Section 34312.3, the authority shall ensure that rental units required, by this chapter or by applicable federal law at the time the original bonds were issued, to be reserved for occupancy for low- and very low income households shall remain occupied by, or made available to, those persons at least until the later of the following:
 - (A) The date originally so required.
 - (B) As long as any bonds remain outstanding with respect to the development.
 - (2) For bonds previously issued to finance a development where all of the units, other than management units, are, at the time of the refunding, subsidized by a housing assistance payments contract for new construction and substantial rehabilitation pursuant to Section 8 of the United States Housing Act of 1937 (42 U.S.C. Sec. 1437f), subparagraph (B) of paragraph (1) shall mean a period of time until the termination of the contract.
- (b) The authority may determine that the period set forth in paragraph (1) of subdivision (a) shall not apply to the refunding of previously issued revenue bonds for which there is a mandatory redemption or acceleration as a result of default under the terms of the existing loan agreement or other security documents.

(Added by Stats. 1992, Ch. 735, Sec. 2. Effective January 1, 1993.)

<u>34313.</u> Except where there existed on September 15, 1945, contracts for financial assistance between a housing authority and the Federal Government, no low-rent housing or slum-clearance project shall be developed, constructed, or owned by an authority after September 15, 1945, except after consultation with the school district in which the project is located, and until the governing body of the county or city in which it is proposed to develop, construct, or own the project, proves it by resolution.

(Added by Stats. 1951, Ch. 710.)

34314. An authority may arrange or contract for the furnishing by any person or agency, public or private, of services, privileges, works, or facilities for, or in connection with, a housing project, or a project assisted pursuant to Section 34312.3, or the occupants thereof. Notwithstanding anything to the contrary contained in this chapter or in any other law, an authority may include in any contract let in connection with a project stipulations requiring that the contractor and any subcontractors comply with requirements as to minimum wages and maximum hours of labor and any conditions which the federal government has attached to its financial aid of the project.

(Amended by Stats. 1983, Ch. 1013, Sec. 2. Effective September 22, 1983.)

34315. An authority may:

- (a) Lease or rent any dwellings, houses, accommodations, lands, buildings, structures, or facilities embraced in any housing project, or a project assisted pursuant to Section 34312.3, and establish and revise the rents or charges for them.
- (b) Own, hold, and improve real or personal property.
- (c) Purchase, lease, obtain option upon, acquire by gift, grant, bequest, devise, or otherwise, any real or personal property or any interest in property.
- (d) Acquire any real property by eminent domain.
- (e) Sell, lease, exchange, transfer, assign, pledge, or dispose of any real or personal property or any interest in it.
- (f) Insure or provide for the insurance of any real or personal property or operations of the authority against any risks or hazards.
- (g) Lend upon the security of a mortgage or deed of trust, directly or by purchase from one or more qualified mortgage lenders, in connection with the sale of real property to persons of low income and to other persons pursuant to Section 34312.3, moneys for the

financing of construction or rehabilitation pursuant to this part, or the implementation of government housing and rehabilitation financing programs for persons of low income and for other persons when acting pursuant to authorization contained in Section 34312.3, Part 13 (commencing with Section 37910) of this division, or Part 3 (commencing with Section 50900) of Division 31, subject only to the limitations on income of borrowers or residents prescribed by the statutory provisions under which the authority is acting. With respect to financing activities conducted pursuant to Part 3 (commencing with Section 50900) or Part 4 (commencing with Section 51600) of Division 31, the authority shall obtain certification as a qualified mortgage lender pursuant to Section 50094.

(h) Procure insurance or guarantees from the federal government or the California Housing Finance Agency or from any person licensed to insure mortgages in this state of the payment of all or part of any debts, whether or not incurred by the authority, secured by mortgages or deeds of trust on any property included in any of its housing projects or otherwise financed pursuant to this chapter or secured by mortgages or deeds of trust pursuant to Part 13 (commencing with Section 37910) of this division or Part 3 (commencing with Section 50900) of Division 31.

(Amended by Stats. 1983, Ch. 1309, Sec. 6.)

<u>34315.3.</u> An authority may accept financial or other assistance from any public or private source, and expend any funds so received for the purposes of this chapter and the activities permitted to authorities by state law, including leased housing.

(Amended by Stats. 1975, Ch. 1135.)

34315.5. An authority may transfer real property not needed by the authority to a fire protection district for fire protection purposes without consideration if the board determines that such transfer is necessary or desirable to effectuate the purposes of the authority. (Added by Stats. 1959, Ch. 522.)

34315.7. Real property owned by an authority which the authority determines is not required for its foreseeable needs and which is not transferred pursuant to Section 34315.5, shall be disposed of for the following purposes, in descending order of priority:

- (a) For the purposes, and in accordance with the provisions, of Article 10 (commencing with Section 50568) of Chapter 2 of Part 1 of Division 1 of Title 5 of the Government Code.
- (b) To public, nonprofit, or private developers for development of housing for persons and families of low and moderate income, as defined by Section 50093. Such transfers may not be made at a cost below the housing authority's acquisition cost but may be made at a cost below market value if (1) not less than 30 percent of the housing units to be developed will be enforceably restricted for occupancy by persons and families of low and moderate income, with at least 50 percent of the housing units restricted to persons and families of low income, and (2) a transfer at below market value is necessary to assure that the housing units restricted for occupancy by persons and families of low or moderate income will be provided at affordable housing cost, as defined by Section 50052.5.
- (c) To private developers, generally, at market value for development of housing.
- (d) For any purpose, where the sale is at public auction to the highest bidder.

The Department of Housing and Community Development shall adopt regulations governing disposal of surplus real property of housing authorities pursuant to subdivisions (b) and (c). The regulations shall include requirements for providing public notice of a housing authority's intent to dispose of real property in accordance with this section and shall also specify other reasonable requirements to implement the priorities established by this section.

The deed or other instrument of conveyance shall recite that the authority has determined the property is not required for its foreseeable needs and it is being disposed of pursuant to this section and, if the property is disposed of pursuant to subdivision (b) or (c), in accordance with regulations adopted by the Department of Housing and Community Development. Such recital shall be conclusive in favor of purchasers and encumbrancers for value.

Failure to comply with the provisions of this section shall not invalidate any right, title or interest acquired by a purchaser or encumbrancer for value.

(Added by Stats. 1980, Ch. 581.)

34316. An authority may:

- (a) Invest any money held in reserves or sinking funds, or any money not required for immediate disbursement, in property or securities in which commercial banks may legally invest money subject to their control.
- (b) Purchase its bonds at a price not more than their principal amount and accrued interest; all bonds so purchased shall be canceled.

(Amended by Stats. 1975, Ch. 1135.)

34316.1. The provisions of Article 2 (commencing with Section 53630) of Chapter 4 of Part 1 of Division 2 of Title 5 of the Government Code shall apply to the deposit of funds of an authority. Where the term "treasurer" is used in such article, it shall mean "housing authority" or the official designated by it to act hereunder, and where the term "local agency" is used in such article, it shall mean "housing authority."

(Amended by Stats. 1975, Ch. 1135.)

34316.2. An authority may deposit the money of the authority with the county treasurer. The county treasurer shall deposit those funds in the county treasury and disburse them upon warrants of the county auditor issued at the request of the authority.

The county may require the authority to reimburse the county for any expenses incurred by the county in performing any of the services required to be performed by the county by this section.

(Added by Stats. 1986, Ch. 593, Sec. 1.)

34316.5. The proceeds of bonds issued pursuant to this part to finance housing as provided in subdivision (d) of Section 34312, Section 34312.3, and subdivision (g) of Section 34315 and revenues accruing to the authority on account of such a program may be invested in any securities or obligations authorized by the resolution providing for issuance of the bonds or authorized by its trust indenture, when the bond proceeds or revenues are not immediately required to provide financing under the program. Such investments may include mortgage obligations on single-family dwellings purchased from a state or federally chartered bank or savings and loan association pursuant to a repurchase agreement under which the bank or savings and loan association will repurchase the mortgage obligation on or before a specified date and for a specified amount, provided that the mortgage or the repurchase agreement shall be insured by a mortgage insurance company licensed to insure mortgages in the State of California and qualified to provide insurance on mortgages purchased by the Federal Home Loan Mortgage Corporation or the Federal National Mortgage Association.

The authority provided in this section is additional and alternative to any other authorization for investment contained in this part or other provisions of law.

(Amended by Stats. 1983, Ch. 1309, Sec. 7.)

34317. Within its area of operation, an authority may:

- (a) Investigate into living, dwelling, and housing conditions and into the means and methods of improving such conditions.
- (b) Determine where slum areas exist or where there is a shortage of decent, safe, and sanitary dwelling accommodations for persons of low income.
- (c) Make studies and recommendations relating to the problem of clearing, replanning, and reconstructing of slum areas, and the problem of providing dwelling accommodations for persons of low income, and cooperate with the city, the county, the State or any of its political subdivisions in action taken in connection with such problems.
- (d) Engage in research, studies, and experimentation on the subject of housing.

(Added by Stats. 1951, Ch. 710.)

34318. Acting through one or more commissioners or other person or persons designated by it, an authority may:

- (a) Conduct investigations, hear testimony, and take proof under oath at public or private hearings on any matter material for its information.
- (b) Administer oaths, issue subpenas requiring the attendance of witnesses or the production of books and papers, and issue commissions for the examination of witnesses who are outside of the State, unable to attend before the authority, or excused from attendance.
- (c) Make available to appropriate agencies, including those charged with the duty of abating nuisances or like conditions or of demolishing unsafe or insanitary structures within its area of operation, its findings and recommendations with regard to any building or property where conditions exist which are dangerous to the public health, morals, safety, or welfare.

(Added by Stats. 1951, Ch. 710.)

34319. An authority may exercise all or any part or combination of powers granted in Sections 34311 to 34318, inclusive. (Added by Stats. 1951, Ch. 710.)

<u>34320.</u> No law concerning the acquisition, operation, or disposition of property by other public bodies is applicable to an authority unless the Legislature specifically so states.

(Added by Stats. 1951, Ch. 710.)

34320.5. An authority shall provide relocation assistance and shall make all of the payments required by Chapter 16 (commencing with Section 7260) of Division 7 of Title 1 of the Government Code, including the making of such payments financed by the federal government.

This section shall not be construed to limit any other authority which an authority may have to make other relocation assistance payments, or to make any relocation assistance payment in an amount which exceeds the maximum amount for such payment authorized by Chapter 16 (commencing with Section 7260) of Division 7 of Title 1 of the Government Code.

(Added by Stats. 1971, Ch. 1574.)

34321. It is declared to be the policy of the State that each authority shall manage and operate its housing projects in an efficient manner so as to enable it to fix the rentals for dwelling accommodations at the lowest possible rates consistent with its providing decent, safe, and sanitary dwelling accommodations, and that no housing authority shall construct or operate any such project for profit, or as a source of revenue to the city or the county. To this end an authority shall fix the rentals for dwellings in its projects at no higher rates than it finds necessary to produce revenue which, together with all other available money, income, and receipts of the authority, will be sufficient for all of the following:

- (a) To pay, when due, the principal and interest on its bonds.
- (b) To meet the cost of, and to provide for, maintaining and operating the projects, including the cost of any insurance, and the administrative expenses of the authority.
- (c) During not less than the six years immediately succeeding its issuance of any bonds, to create a reserve sufficient to meet the largest principal and interest payments which will be due on such bonds in any one year thereafter and to maintain the reserve. However, this subdivision shall not be construed to prevent an authority from utilizing any financial aid from the federal government to the maximum extent available.

This section shall not apply to any person, individual, firm, partnership, company, association, joint stock association or corporation other than a public entity having an interest in any housing project owned in part or constructed or operated by one or more authorities.

(Amended by Stats. 1980, Ch. 723.)

34322. Except as provided by Section 34312.3, in the operation or management of housing projects, an authority shall:

- (a) Rent or lease the dwelling accommodations only to persons of low income and only at rentals within their financial reach.
- (b) Rent or lease to a tenant dwelling accommodations consisting of the number of rooms which it deems necessary to provide safe and sanitary accommodations to the occupants, without overcrowding.
- (c) Fix income limits for occupancy and rents after taking into consideration (1) the family size, composition, age, physical handicaps, and other factors which might affect the rent-paying ability of the person, and (2) the economic factors which affect the financial stability and solvency of the project.
- (d) Prohibit subletting by tenants.

(Amended by Stats. 1983, Ch. 1309, Sec. 8.)

34322.2. Each authority shall adopt and promulgate regulations establishing a plan for selection of applicants to assure equal opportunity and nondiscrimination on grounds of race, color, or national origin. The plan shall include standards for eligibility, procedures for prompt notification of eligibility or disqualification, and procedures for maintaining a waiting list of eligible applicants for whom vacancies are not immediately available. Eligible applicants shall be offered available vacancies in order of application, subject to the following:

- (a) Preference categories shall be established to give priority to persons displaced by public or private action.
- (b) Priority shall be given within each preference category to families of veterans and servicemen.
- (c) The authority may establish occupancy standards, offering available units only to families of appropriate size.
- (d) The authority may further limit the offering of available units to families of appropriate qualifications in order to comply with state or federal law or regulations, or contractual agreements with governmental agencies pursuant to such law or regulations.
- (e) An applicant may reject, or refuse to promptly occupy, suitable units at two different locations and still be entitled to the next available suitable unit.

Nothing in this section shall prevent an authority from suspending processing of applications of persons of low income unlikely to be offered units within two years, or requiring annual renewal of applications, or honoring its obligations to persons of low income determined to be qualified prior to January 1, 1976.

(Amended by Stats. 1975, Ch. 1135.)

<u>34322.5.</u> No authority shall require occupants of any project to be citizens of the United States, provided, however, that in the event there are insufficient housing units to accommodate the number of applicants for such units, the authority may give preference to citizens of the United States.

(Added by Stats. 1965, Ch. 1583.)

34323. Nothing contained in Sections 34321 and 34322 shall be construed as limiting the power of an authority to vest in an obligee the right, in the event of a default by the authority, to take possession of a housing project, cause the appointment of a receiver for it, or acquire title to it through foreclosure proceedings, free from all the restrictions imposed by such sections.

(Added by Stats. 1951, Ch. 710.)

34324. Any two or more authorities may join or co-operate with one another in the exercise either jointly or otherwise, of any or all of their powers for the purpose of financing, including, but not limited to, the issuance of bonds, notes, or other obligations and giving security therefor, or planning, undertaking, owning, constructing, rehabilitating, or operating, or entering into any contract with respect to, any housing project or projects or other dwelling accommodations located within the area of operation of any one or more of such authorities. For any such purpose, one authority may provide by resolution that another authority with which it has joined or is co-operating in the exercise of powers is authorized to act on its behalf with respect to any or all of the powers, as its agent or otherwise, in its name, the name of such other authority, or in the names of the authorities which have joined or are co-operating. (*Amended by Stats. 1980, Ch. 723.*)

34325. An authority may acquire by eminent domain any real property which it deems necessary for its purposes under this chapter. Real property belonging to the city, the county, the state, or any of its political subdivisions shall not be acquired without its consent. (Amended by Stats. 1975, Ch. 1240.)

34326. All housing projects are subject to the planning, zoning, sanitary, and building laws, ordinances, and regulations applicable to the locality in which the housing project is situated. In the planning and location of any housing project, an authority shall take into consideration the relationship of the project to any larger plan or long-range program for the development of the area in which it functions.

(Added by Stats. 1951, Ch. 710.)

34327. An authority may:

- (a) Borrow money or accept grants or other financial assistance from the federal government for or in aid of any housing project within its area of operation.
- (b) Take over, lease, or manage any housing project or undertaking constructed or owned by the federal government.
- (c) Borrow money or accept grants or other financial assistance from the state or any of its political subdivisions to assist in providing housing and housing services within its area of operation.
- (d) For these purposes, comply with such conditions and enter into any mortgages, trust indentures, leases, or agreements necessary, convenient, or desirable.

It is the purpose and intent of this chapter to authorize every authority to do any and all things necessary or desirable to secure the financial aid or cooperation of the federal government in the undertaking, construction, maintenance, or operation of any housing project by an authority and to secure the financial aid and cooperation of the state in providing housing and housing services within its area of operation.

(Amended by Stats. 1975, Ch. 1135.)

<u>34327.3.</u> County public housing agencies may apply for, process, and distribute, to the extent that federal funds are available, housing certificates issued pursuant to Section 8 of the United States Housing Act of 1937 (Sec. 1437 et seq., Title 42, U.S.C.) to families deemed eligible pursuant to Section 16517 of the Welfare and Institutions Code.

(Added by Stats. 1992, Ch. 292, Sec. 1. Effective July 23, 1992.)

34327.5. Whether or not the type, amount, and manner of expenditure of any funds received by an authority from the Federal Government, or any funds derived from such funds, are in accordance with the law or contract under which the funds were received, or any applicable federal regulations, shall be matters to be determined exclusively by the federal agency. This section is not intended, and shall not be construed, to prohibit prosecution and conviction of violation of any law of this State.

(Added by Stats. 1959, Ch. 1812.)

34327.6. All funds of housing authorities not subject to audit by a federal agency shall be audited at least once each year at the expense of the housing authority by a certified public accountant or a public accountant holding a valid permit issued by the California Board of Accountancy. Audits made by a certified public accountant, or a public accountant, together with a final balance sheet and operations statement for the year for all authority funds, shall be filed for record purposes with the Department of Housing and Community Development. The authority shall prepare and file with the Department of Housing and Community Development a budget for the year for which the audit is taken with each audit prepared or submitted pursuant to this section.

(Amended by Stats. 2000, Ch. 1055, Sec. 44. Effective September 30, 2000.)

34328. At least once a year, an authority shall file with the clerk of the respective city or county and with the Department of Housing and Community Development a report of its activities for the preceding year. This report shall contain information adequate for the city, county, or department to determine that the requirements of Section 34312.3 have been met for any activity undertaken pursuant to that section. An authority shall make either directly or through any national, regional, or state housing association or organization of which it may be a member, recommendations with reference to additional legislation or other action which it deems necessary to carry out the purposes of this chapter, to the respective legislative bodies having jurisdiction thereof.

(Amended by Stats. 1982, Ch. 1138, Sec. 7.)

- <u>34328.1.</u> (a) Every housing authority shall file on the first day of October of each year with the Department of Housing and Community Development a complete report of its activities during the previous fiscal year, with recommendations for needed legislation to carry on properly a program of housing and community development in this state.
- (b) The authority shall provide the Department of Housing and Community Development funds as requested by the department to reimburse the department for the cost of processing the report required by this section.
- (c) (1) The report shall include data on terminations of tenancies of victims of domestic violence in housing authority units, and terminations of Section 8 vouchers of victims of domestic violence. The data shall be included in all cases where a notice of termination was given, regardless of whether the termination was based in whole or in part on activity related to the domestic violence, and whether the notice resulted in the victim vacating the premises or actual termination of the voucher.
 - (2) For each termination, the report shall briefly specify steps taken, if any, by the authority to address the situation or assist the victim prior to the termination, and, if known, the subsequent housing obtained by the victim. If no steps were taken, the authority may include an explanation of why none were deemed necessary.
 - (3) The report shall include data on terminations of all victims of domestic violence, as reported or known to the authority, its employees, or agents, whether or not an arrest was made or any report was filed.
 - (4) The report may include any other information regarding domestic violence victim terminations deemed relevant by the authority.
 - (5) The report required on October 1, 2004, shall include data on all cases where a notice of termination was given to the victim from January 1, 2004, to the end of the fiscal year reportable on October 1, 2004.
 - (6) For purposes of this section, "domestic violence" has the meaning set forth in Section 6211 of the Family Code.

(Amended by Stats. 2003, Ch. 787, Sec. 5. Effective January 1, 2004.)

34328.2. The mayor or any member of the governing body of the city in the case of a city authority or any member of the governing body of the county in the case of a county authority shall not have any direct or indirect interest in any housing project or in any property included or planned to be included in any project, nor shall such persons have any direct or indirect interest in any contract or proposed contract for materials or services to be furnished or used in connection with the construction, repair, or maintenance of any housing project. Nothing contained in this section shall prevent the authority from accepting the lowest bid on a bid contract.

This section has no application to contracts awarded to corporations in which any such person owns less than 1 percent of the entire capital stock.

(Added by Stats. 1953, Ch. 1815.)

34330. An authority shall have the power to:

(a) Assist in relocating in suitable housing accommodations at rentals within their means persons of low income who have been or will be deprived of dwellings within areas or buildings which have been or will be cleared or demolished. In connection with any project, an authority shall maintain or provide for the maintenance of tenant placement service in which there shall be recorded lists

of untenanted, suitable dwellings available to persons of low income and shall furnish such information to such persons. An authority shall from time to time make studies and surveys of dwelling units which may become unoccupied and available to persons of low income and shall also make arrangements with owners and lessors of such dwellings for registration thereof with the tenant placement service. In connection with any project, an authority may pay so much of the necessary cost of removal of persons of low income, and of business or commercial tenants, from the area or buildings to be cleared for the development of the project to suitable locations in such cases and in such amounts as may be approved by the authority. Removal costs so paid by an authority shall be included in the project cost.

- (b) Exercise the powers set forth in subdivision (a), in connection with the relocation of persons of low income who are displaced by any public or private improvement within its area of operation. The financing of such relocation activities by an authority shall be arranged by contract with the public or private agency undertaking the improvement which makes such relocation necessary.
- (c) Admit to a dwelling in any project of the authority any person or persons residing in an area or building to be cleared or demolished as described in subdivision (a) or (b), if the probable aggregate annual income of such person or persons does not exceed the income limit for continued occupancy established by the authority for the dwelling to which such person or persons is admitted.

(Added by Stats. 1961, Ch. 1044.)

34331. In the operation or management of housing projects an authority shall not do any of the following:

- (a) Evict any tenant without reasonable cause and unless the tenant has been given a written statement of such cause.
- (b) Directly or indirectly subject any tenant to any punitive action of any kind because of his membership or activity in any tenant organization.
- (c) Require that a tenant, in a lease or rental agreement, waive his rights under Section 1942 of the Civil Code, or any other rights as a tenant he might have under California or federal law.
- (d) Disclaim liability for injury as a result of its negligence or failure to repair, in any rental agreement or lease.
- (e) Terminate or refuse to renew a lease because a tenant has complained to any governmental authority of a possible violation of any building code, health ordinance, or similar regulation or has attempted lawfully to redress his grievances against the authority.
- (f) Hold any tenant liable for property damage for which a private tenant would not be liable.
- (g) File an eviction action for property damage before a decision has been reached by a grievance panel, if the tenant has requested a grievance hearing.

(Amended by Stats. 1974, Ch. 1112.)

34332. An authority shall do all of the following:

- (a) Expressly covenant in all of its leases and rental agreements to repair the premises to comply with all building ordinances effective at the time of construction of the unit being leased or rented as to which it has not received an exception from the county or city in which the unit is situated pursuant to Section 34513 and not affected by a resolution adopted pursuant to Section 34517.
- (b) Within each managed structure of four or more dwelling units with one or more common entrances, except leased housing, post notice that a copy of all its leasing and occupancy policies, regulations and procedures is at each housing project office for inspection during regular business hours.
- (c) Make available public documents and records of the authority for inspection, except any applications for eligibility and occupancy which are submitted by prospective or current tenants of the authority.
- (d) Make an inspection of the premises before a tenant moves in and allow the tenant or prospective tenant the opportunity to examine the record of inspection.
- (e) Hold all of its public meetings at a time convenient to most tenants and in a public room large enough to accommodate the persons who may reasonably be expected to attend. Any person may speak at such a meeting, if such person informs the authority at any time before the meeting begins that he desires to speak.
- (f) Within each managed structure of four or more dwelling units with one or more common entrances, except leased housing, post notice of the schedule of regular meetings of the commissioners and of the posting of changes in schedule and of summary agendas in housing project offices.
- (g) At each project office post a copy of all its leasing and occupancy policies, regulations and procedures, and post a notice of each meeting of the commissioners together with a summary agenda for the meeting at least three days in advance of each meeting. Unintentional or unavoidable failure to post, or changes in the agenda, shall not affect the validity of the proceedings.
- (h) Distribute as an addendum to its lease form notice of the availability of: (1) leasing and occupancy policies, regulations and procedures, (2) notices of meetings, and summary agendas (3) grievance procedures, (4) any available written translations into

languages other than English of notices, records, or documents required by this section to be posted or made available to tenants, and (5) any oral translation services available to tenants not speaking, reading, or understanding English.

(Amended by Stats. 1974, Ch. 1112.)

<u>34333.</u> Any attempted waiver in any lease or rental agreement entered into by the authority of any of the rights granted tenants as against the authority by Sections 34331 and 34332 shall be void as against public policy.

(Added by Stats. 1974, Ch. 1112.)

<u>34334.</u> No responsibility of a private landlord of leased housing, or duty of a housing authority to impose a responsibility upon a private landlord of leased housing, shall be implied from Section 34331 or 34332.

(Added by Stats. 1974, Ch. 1112.)

- 34335. (a) For purposes of this section:
 - (1) "Authority" means the Housing Authority of the County of Alameda.
 - (2) "Family Self-Sufficiency program" means the Family Self-Sufficiency program established pursuant to Section 1437u of Title 42 of the United States Code.
 - (3) "HCV program" means the Housing Choice Voucher program established pursuant to Section 8 of the United States Housing Act of 1937 (42 U.S.C. Sec. 1437f).
 - (4) "HUD" means the United States Department of Housing and Urban Development.
- (b) The authority shall, by January 1, 2026, conduct an evaluation and review of its internet website for the purpose of ensuring that the website is easily accessible and navigable, including for those that are non-English speakers. The review and evaluation shall ensure high visibility of all of the following:
 - (1) Audits.
 - (2) Budgets.
 - (3) Policies.
 - (4) Information regarding consumer rights, including any discrimination grievance procedures and public records disclosure.
 - (5) Financial information of the authority, including any audit reports, the authority's budget, employee classification plans, and employee salary schedule.
 - (6) Information regarding the administration of housing programs, including the authority's one- and five-year public agency plans and HCV program administration plan.
 - (7) The authority's meeting agendas.
- (c) Beginning March 31, 2025, the authority shall publish HCV program waitlist data on its internet website, which, at a minimum, shall include all of the following:
 - (1) The number of households that are on the waitlist.
 - (2) Data regarding the configuration of households on the waitlist.
 - (3) The number of households that were selected from the waitlist in the preceding 12 months.
- (d) (1) The authority, beginning September 30, 2025, and each year thereafter, shall develop a data-driven annual report for the preceding fiscal year that includes, at a minimum, information regarding employment with the authority, including all of the following:
 - (A) The total number of vacancies.
 - (B) The number of vacancies filled by promotion.
 - (C) The number of new hires.

- (D) Trainings offered to staff.
- (2) (A) The annual report developed pursuant to paragraph (1) shall include data regarding the effectiveness of the programs administered by the authority, including all of the following:
 - (i) The total number of individuals housed in the preceding four years.
 - (ii) The total number of households on the HCV program waitlist.
 - (iii) The average amount of time a household remains on the HCV program waitlist.
 - (iv) The progress and success of the authority in achieving the goals outlined in its five-year public agency plan.
 - (v) The total number of vouchers committed to homelessness.
 - (vi) The utilization percentage for homeless voucher programs.
 - (vii) The total number of rental vouchers allocated to each program, rental vouchers issued, and rental vouchers utilized.
 - (viii) The data regarding households participating in the Family Self-Sufficiency program, including the number of participants, the total amount in an interest-bearing escrow account, a description of the goals established in contracts with a participant, the rate of achieving the goals, and the number of participants who successfully graduated.
 - (B) The data included in the annual report pursuant to subparagraph (A) shall include all of the following:
 - (i) For the annual report developed by September 30, 2025, data for the preceding fiscal year.
 - (ii) For the annual report developed by September 30, 2026, data for the preceding two fiscal years.
 - (iii) For the annual report developed by September 30, 2027, data for the preceding three fiscal years.
 - (iv) For the annual report developed by September 30, 2028, and each year thereafter, data for the preceding four fiscal years.
- (3) The annual report developed pursuant to this subdivision shall be posted on the authority's internet website.
- (e) Nothing in this section requires the disclosure of the personal or sensitive information of authority program participants. (Added by Stats. 2024, Ch. 795, Sec. 1. (SB 1357) Effective January 1, 2025.)