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HEALTH AND SAFETY CODE - HSC

DIVISION 31. HOUSING AND HOME FINANCE [50000 - 54913] (Division 31 repealed and added by Stats. 1977, Ch. 610.) PART 12. HOUSING AND EMERGENCY SHELTER TRUST FUND ACT OF 2006 [53540 - 53558] (Part 12 added by Stats. 2006, Ch. 27, Sec. 2.)

CHAPTER 2. Housing and Emergency Shelter Trust Fund of 2006 and Program [53545 - 53545.15] (Chapter 2 added by Stats. 2006, Ch. 27, Sec. 2.)

53545. The Housing and Emergency Shelter Trust Fund of 2006 is hereby created in the State Treasury. The Legislature intends that the proceeds of bonds deposited in the fund shall be used to fund the housing-related programs described in this chapter over the course of the next decade. The proceeds of bonds issued and sold pursuant to this part for the purposes specified in this chapter shall be allocated in the following manner:

- (a) (1) One billion five hundred million dollars (\$1,500,000,000) to be deposited in the Affordable Housing Account, which is hereby created in the fund. Notwithstanding Section 13340 of the Government Code, the money in the account shall be continuously appropriated in accordance with the following schedule:
 - (A) (i) Three hundred forty-five million dollars (\$345,000,000) shall be transferred to the Housing Rehabilitation Loan Fund to be expended for the Multifamily Housing Program authorized by Chapter 6.7 (commencing with Section 50675) of Part 2. The priorities specified in Section 50675.13 shall apply to the expenditure of funds pursuant to this clause.
 - (ii) Fifty million dollars (\$50,000,000) shall be transferred to the Housing Rehabilitation Loan Fund to be expended under the Multifamily Housing Program authorized by Chapter 6.7 (commencing with Section 50675) of Part 2 for housing meeting the definitions in paragraphs (2) and (3) of subdivision (e) of Section 11139.3 of the Government Code. The department may provide higher per-unit loan limits as necessary to achieve affordable housing costs to the target population. Any funds not encumbered for the purposes of this clause by July 31, 2011, shall revert for general use in the Multifamily Housing Program unless the department determines that funds should revert sooner due to diminished demand.
 - (B) One hundred ninety-five million dollars (\$195,000,000) shall be transferred to the Housing Rehabilitation Loan Fund to be expended for the Multifamily Housing Program authorized by Chapter 6.7 (commencing with Section 50675) of Part 2, to be used for supportive housing for individuals and households moving from emergency shelters or transitional housing or those at risk of homelessness. The Department of Housing and Community Development shall provide for higher per-unit loan limits as reasonably necessary to achieve housing costs affordable to those individuals and households. For purposes of this subparagraph, "supportive housing" means housing with no limit on length of stay, that is occupied by the target population, as defined in subdivision (d) of Section 53260, and that is linked to onsite or offsite services that assist the tenant to retain the housing, improve his or her health status, maximize his or her ability to live, and, when possible, work in the community. The criteria for selecting projects shall give priority to:
 - (i) Supportive housing for people with disabilities who would otherwise be at high risk of homelessness where the applications represent collaboration with programs that meet the needs of the person's disabilities.
 - (ii) Projects that demonstrate funding commitments from local governments for operating subsidies or services funding, or both, for five years or longer.
 - (C) One hundred thirty-five million dollars (\$135,000,000) shall be transferred to the fund created by subdivision (b) of Section 50517.5 to be expended for the programs authorized by Chapter 3.2 (commencing with Section 50517.5) of Part 2. The Department of Housing and Community Development shall be deemed an eligible recipient for the purposes of reconstructing and rehabilitating migrant centers operated through the Office of Migrant Services pursuant to Chapter 8.5 (commencing with Section 50710) of Part 2 that are in need of significant repairs or rehabilitation to ensure the health and safety of residents, and

shall not be subject to any of the recipient requirements of Chapter 3.2 (commencing with Section 50517.5) of Part 2. To the extent no other funding sources are available, the department may directly expend up to eleven million dollars (\$11,000,000) for purposes of reconstructing and rehabilitating migrant centers.

- (D) Three hundred million dollars (\$300,000,000) shall be transferred to the Self-Help Housing Fund created by Section 50697.1. These funds shall be available to the Department of Housing and Community Development, to be expended for the purposes of enabling households to become or remain homeowners pursuant to the CalHome Program authorized by Chapter 6 (commencing with Section 50650) of Part 2, except ten million dollars (\$10,000,000) shall be expended for construction management under the California Self-Help Housing Program pursuant to subdivision (b) of Section 50696.
- (E) Two hundred million dollars (\$200,000,000) shall be transferred to the Self-Help Housing Fund created by Section 50697.1. These funds shall be available to the California Housing Finance Agency, to be expended for the purposes of the California Homebuyer's Downpayment Assistance Program authorized by Chapter 11 (commencing with Section 51500) of Part 3. Up to one hundred million dollars (\$100,000,000) of these funds may be expended pursuant to subdivision (b) of Section 51504.
- (F) One hundred million dollars (\$100,000,000) shall be transferred to the Affordable Housing Innovation Fund, which is hereby created in the State Treasury, to be administered by the Department of Housing and Community Development. Funds shall be expended for competitive grants or loans to sponsoring entities that develop, own, lend, or invest in affordable housing and used to create pilot programs to demonstrate innovative, cost-saving approaches to creating or preserving affordable housing. Specific criteria establishing eligibility for and use of the funds shall be established in statute as approved by a $^2/_3$ vote of each house of the Legislature. Any funds not encumbered for the purposes set forth in this subparagraph within 30 months of availability shall revert to the Self-Help Housing Fund created by Section 50697.1 and shall be available for the purposes described in subparagraph (D).
- (G) One hundred twenty-five million dollars (\$125,000,000) shall be transferred to the Building Equity and Growth in Neighborhoods Fund to be used for the Building Equity and Growth in Neighborhoods (BEGIN) Program pursuant to Chapter 14.5 (commencing with Section 50860) of Part 1. Any funds not encumbered for the purposes set forth in this subparagraph by November 17, 2011, shall revert for general use in the CalHome Program unless the department determines that funds should revert sooner due to diminished demand.
- (H) Fifty million dollars (\$50,000,000) shall be transferred to the Emergency Housing and Assistance Fund for both of the following purposes:
 - (i) Distribution of capital development grants under the Emergency Housing and Assistance Program authorized by Chapter 11.5 (commencing with Section 50800) of Part 2 of Division 31. The funds shall be administered by the Department of Housing and Community Development in a manner consistent with the restrictions and authorizations contained in Provision 3 of Item 2240-105-0001 of the Budget Act of 2000, except that any appropriations in that item shall not apply. The competitive system used by the department shall incorporate priorities set by the designated local boards and their input as to the relative merits of submitted applications from within the designated local board's county in relation to those priorities. In addition, the funding limitations contained in this section shall not apply to the appropriation in that budget item.
 - (ii) The availability of funds for supportive housing purposes specified in subparagraph (B).
- (2) The Legislature may, from time to time, amend the provisions of law related to programs to which funds are, or have been, allocated pursuant to this subdivision for the purpose of improving the efficiency and effectiveness of the program, or for the purpose of furthering the goals of the program.
- (3) With the revenues from bond proceeds issued and sold pursuant to this part, the Bureau of State Audits shall conduct periodic audits to ensure that bond proceeds are awarded in a timely fashion and in a manner consistent with the requirements of this section, and that awardees of bond proceeds are using funds in compliance with applicable provisions of this section. The first audit shall be conducted no later than one year from voter approval of this part.
- (4) In its annual report to the Legislature, the Department of Housing and Community Development shall report how funds that were made available pursuant to this subdivision and allocated in the prior year were expended. The department shall make the report available to the public on its Internet Web site.
- (b) Eight hundred fifty million dollars (\$850,000,000) shall be deposited in the Regional Planning, Housing, and Infill Incentive Account, which is hereby created in the fund. Funds in the account shall be available, upon appropriation by the Legislature, and subject to such other conditions and criteria as the Legislature may provide in statute, for the following purposes:
 - (1) For infill incentive grants for capital outlay related to infill housing development and other related infill development, including, but not limited to, all of the following:

- (A) No more than two hundred million dollars (\$200,000,000) for park creation, development, or rehabilitation to encourage infill development.
- (B) Water, sewer, or other public infrastructure costs associated with infill development.
- (C) Transportation improvements related to infill development projects.
- (D) Traffic mitigation.
- (2) For brownfield cleanup that promotes infill housing development and other related infill development consistent with regional and local plans.
- (c) Three hundred million dollars (\$300,000,000) to be deposited in the Transit-Oriented Development Account, which is hereby created in the fund, for transfer to the Transit-Oriented Development Implementation Fund, for expenditure, upon appropriation by the Legislature, pursuant to the Transit-Oriented Development Implementation Program authorized by Part 13 (commencing with Section 53560).
- (d) Two hundred million dollars (\$200,000,000) shall be deposited in the Housing Urban-Suburban-and-Rural Parks Account, which is hereby created in the fund. Funds in the account shall be available upon appropriation by the Legislature for housing-related parks grants in urban, suburban, and rural areas, subject to the conditions and criteria that the Legislature may provide in statute.

(Amended by Stats. 2014, Ch. 28, Sec. 60. (SB 854) Effective June 20, 2014. Note: This section was added by Stats. 2006, Ch. 27, and approved in Prop. 1C on Nov. 7, 2006.)

- **53545.9.** Of the one hundred million dollars (\$100,000,000) transferred to the Affordable Housing Innovation Fund established in the State Treasury under subparagraph (F) of paragraph (1) of subdivision (a) of Section 53545, the following amounts shall be allocated as follows:
- (a) The department shall make available the amount of twenty-five million dollars (\$25,000,000) for the Affordable Housing Revolving Development and Acquisition Program established pursuant to Section 50705.
- (b) (1) The department shall make available the amount of thirty-five million dollars (\$35,000,000) for the local housing trust fund matching grant program established under Section 50843.5. The department shall make available 50 percent of this amount exclusively for newly established housing trust funds.
 - (2) Notwithstanding any other law, funds set aside for housing trust funds pursuant to this subdivision shall be continuously available for encumbrance and disbursement to those trust funds, and shall not revert to the Self-Help Housing Fund created by Section 50697.1, or any other fund.
- (c) The department shall make available the amount of ten million dollars (\$10,000,000) for the Innovative Homeownership Program, which the department shall develop and implement as follows:
 - (1) The program shall be designed to increase or maintain affordable homeownership opportunities for Californians with lower incomes.
 - (2) The department shall adopt guidelines for the program that, among other things, shall maximize the number of units assisted, limit the expenditure of funds for administrative costs, and maximize the leverage of public and private financing sources.
 - (3) The guidelines adopted by the department shall provide for the issuance of a notice of funding availability soliciting competitive proposals for the use of funds consistent with those guidelines and with subparagraph (F) of paragraph (1) of subdivision (a) of Section 53545.
 - (4) The guidelines adopted by the department shall not be subject to the requirements of Chapter 6.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.
 - (5) The department shall include within the annual report required under Section 50408 a detailed summary and description of the manner in which funds made available under this subdivision were expended during the previous year and a statement regarding the manner in which those expenditures meet the intent of the Legislature and the voters that funds from the Innovative Housing Fund be expended in support of innovative, cost-saving approaches to creating or preserving affordable housing.
- (d) (1) The amount of thirty million dollars (\$30,000,000) is transferred from the Affordable Housing Innovation Fund to a subaccount, which is hereby created, within the Housing Rehabilitation Loan Fund. Notwithstanding Section 13340 of the Government Code, the moneys transferred to the subaccount shall be continuously appropriated to the department for the Multifamily Housing Program authorized by Chapter 6.7 (commencing with Section 50675) of Part 2 of Division 31.

(2) The department shall provide for the issuance of a notice of funding availability soliciting competitive proposals for the use of the funds appropriated in paragraph (1). The notice of funding availability shall provide that the department will consider persons with developmental disabilities, including, but not limited to, those with autism, and homeless veterans as special needs populations for purposes of granting bonus points to developments serving special needs populations.

(Amended by Stats. 2013, Ch. 769, Sec. 2. (AB 532) Effective October 12, 2013.)

- 53545.11. (a) (1) For purposes of the Infill Incentive Grant Program of 2007 established pursuant to Section 53545.13, in the City and County of Los Angeles, where the federal Department of Housing and Urban Development has granted an authority, as defined in Section 34203, a waiver effective August 17, 2024, to allow household income verifications to occur after a lease contract is signed for unhoused populations seeking entry into projects pursuant to or in connection with Section 5.110 of Title 24 of the Code of Federal Regulations, if an owner or a management agent leases a subsidized unit to an unhoused person and subsequently learns and verifies that the unhoused person does not meet applicable income requirements, then the department shall not take any negative actions against the owner or management agent if both of the following conditions are met:
 - (A) The owner or management agent has cured the noncompliance within 24 months of discovery of the violation.
 - (B) The local housing authority and continuum of care have developed and posted on their respective internet websites a plan describing how the local housing authority and continuum of care will coordinate with the owner or management agent to move tenants that do not meet applicable income requirements into affordable housing where the tenant is eligible for occupancy within 24 months of discovery of the violation. Income ineligible tenants shall retain their unhoused targeting eligibility.
 - (2) For purposes of this subdivision, "negative actions" include, but are not limited to, both of the following:
 - (A) Issuing negative points on a current or future application.
 - (B) Imposing a financial penalty.
- (b) If an agreement between the owner or management agent and the authority or the department restricts a unit to a tenant earning no more than 30 percent of the area median income, the tenant shall be deemed to satisfy the income requirements of this program during the 24-month period described in paragraph (1) of subdivision (a) if all of the following conditions are met:
 - (1) The tenant experienced homelessness prior to moving into the unit. For purposes of this paragraph, "homelessness" has the same meaning as "homeless," as that term is defined in Section 578.3 of Title 24 of the Code of Federal Regulations.
 - (2) The tenant self-certified household income at no more than 30 percent of the area median income.
 - (3) A third-party verification shows that the tenant has household income of no more than 50 percent of the area median income, unless the tenant is otherwise eligible pursuant to federal income eligibility requirements.
 - (4) The tenant's income certification is fully verified in accordance with the program rules within 90 days of the date the tenant took possession of the unit.
 - (5) At least 50 percent of the assisted units restricted to 30 percent area median income are occupied by verified, income-eligible households.
 - (6) The issuing housing authority and continuum of care, in coordination with other public agencies, coordinate with an owner or a management agent and move a tenant found to have a household income of more than 50 percent of the area median income following third-party verification described in paragraph (3) within 24 months of discovery of the violation to an affordable housing unit for which the tenant is eligible without reliance upon the same waiver described in subdivision (a). Income ineligible tenants shall retain their unhoused targeting eligibility.
- (c) (1) This section does not modify any other eligibility requirements attached to assistance provided by the Department of Housing and Community Development.
 - (2) Tenant self-certified date of birth shall be accepted so long as the agreement between the department and the owner does not impose age-based demographic targeting requirements.
 - (3) If the conditions described in subdivision (b) are met, absent any rent setting methodology from subsidy programs, a tenant whose adjusted income at move-in exceeded 30 percent area median income shall have an effective rent limit for their unit be redesignated to 50 percent of area median income or, if the tenant's verified income is higher than 50 percent of area median income, an effective rent limit for their unit be redesignated to an area median income level commensurate with the income level.

- (4) Owner or management agents shall discontinue use of the waiver as described in subdivision (a) in the event that more than 50 percent of the assisted units restricted to 30 percent area median income are occupied by households with adjusted incomes at move-in over 30 percent area median income.
- (d) This section shall become inoperative on July 31, 2025, or the final expiration date of a waiver as described in subdivision (a), whichever is later, and, as of January 1 of the following year, is repealed.

(Added by Stats. 2024, Ch. 491, Sec. 4. (SB 1500) Effective January 1, 2025. Conditionally inoperative on or after July 31, 2025, as prescribed by its own provisions.)

53545.12. For the purposes of the grant program established in Section 53545.13, the following definitions apply:

- (a) "Capital improvement project" means the construction, rehabilitation, demolition, relocation, preservation, acquisition, or other physical improvement of a capital asset, as defined in subdivision (a) of Section 16727 of the Government Code, that is an integral part of, or necessary to facilitate the development of, a qualified infill project or qualified infill area. Capital improvement projects that may be funded under the grant program established by this act include, but are not limited to, those related to all of the following:
 - (1) The creation, development, or rehabilitation of parks or open space.
 - (2) Water, sewer, or other utility service improvements.
 - (3) Streets and roads, parking structures, or transit linkages and facilities, including, but not limited to, related access plazas or pathways, or bus and transit shelters.
 - (4) Facilities that support pedestrian or bicycle transit.
 - (5) Traffic mitigation.
 - (6) Qualifying infill project or qualifying infill area site preparation or demolition.
 - (7) Sidewalk or streetscape improvements, including, but not limited to, the reconstruction or resurfacing of sidewalks and streets or the installation of lighting, signage, or other related amenities.
- (b) "Department" means the Department of Housing and Community Development.
- (c) "Eligible applicant" means any of, or any combination of, the following:
 - (1) A nonprofit or for-profit developer of a qualifying infill project.
 - (2) A city, county, city and county, public housing authority, or redevelopment agency that has jurisdiction over a qualifying infill area.
 - (3) (A) A city, county, city and county, public housing authority, or redevelopment agency that has jurisdiction over a qualifying infill area and applies for funding jointly with an "owners' association," as defined in Section 36614.5 of the Streets and Highways Code, for a business or property improvement district that includes the qualifying infill area.
 - (B) Prior to receiving funding, but after being awarded a grant, the joint applicants described in subparagraph (A) shall submit to the department documentation from the local permitting authority demonstrating that the actual number of permitted housing units associated with the qualifying project is equal to or greater than the number of housing units in the grant application.
 - (4) The duly constituted governing body of an Indian reservation or rancheria that has jurisdiction over a qualifying infill area or a tribally designated housing entity as defined in Section 4103 of Title 25 of the United States Code and Section 50104.6.5 that is the developer of a qualifying infill project.
- (d) "Qualifying infill area" means a contiguous area located within an urbanized area (1) that has been previously developed, or where at least 75 percent of the perimeter of the area adjoins parcels that are developed with urban uses, and (2) in which at least one development application has been approved or is pending approval for a residential or mixed-use residential project that meets the definition and criteria in this section for a qualified infill project.
- (e) (1) "Qualifying infill project" means a residential or mixed-use residential project located within an urbanized area on a site that has been previously developed, or on a vacant site where at least 75 percent of the perimeter of the site adjoins parcels that are developed with urban uses.

- (2) A property is adjoining the side of a project site if the property is separated from the project site only by an improved public right-of-way.
- (f) "Urbanized area" means an incorporated city or an urbanized area or urban cluster as defined by the United States Census Bureau. For unincorporated areas outside of an urban area or urban cluster, the area must be within a designated urban service area that is designated in the local general plan for urban development and is served by the public sewer and water systems.
- (g) "Urban uses" mean any residential, commercial, industrial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses.

(Amended by Stats. 2019, Ch. 660, Sec. 12. (AB 1010) Effective January 1, 2020.)

- 53545.13. (a) The Infill Incentive Grant Program of 2007 is hereby established to be administered by the department.
- (b) Upon appropriation of funds by the Legislature for the purpose of implementing paragraph (1) of subdivision (b) of Section 53545, the department shall establish and administer a competitive grant program to allocate those funds to selected capital improvement projects that are an integral part of, or necessary to facilitate the development of, a qualifying infill project or a qualifying infill area. The department shall determine amounts, if any, to be made available for qualifying infill projects and for qualifying infill areas.
- (c) (1) For the funds granted to qualifying infill projects under this section, the department shall do all of the following:
 - (A) Make program funds available at the same time it makes funds, if any, available under the Multifamily Housing Program (Chapter 6.7 (commencing with Section 50675) of Part 2).
 - (B) Rate and rank applications in a manner consistent with the Multifamily Housing Program (Chapter 6.7 (commencing with Section 50675) of Part 2), except that the department may establish additional point categories for the purposes of rating and ranking applications that seek funding pursuant to this section in addition to those used in the Multifamily Housing Program.
 - (C) Administer funds subject to this section in a manner consistent with the Multifamily Housing Program (Chapter 6.7 (commencing with Section 50675) of Part 2).
 - (2) Only applications meeting the threshold requirements of subdivision (c) of this section, subdivision (e) of Section 53545.12, and any additional threshold requirements established by the department, shall be eligible to receive funds as a qualifying infill project pursuant to this section.
- (d) A qualifying infill project or qualifying infill area for which a capital improvement project grant may be awarded shall meet all of the following conditions:
 - (1) (A) A qualifying infill area shall be located only in a city, county, or city and county, in which the general plan of the city, county, or city and county, has an adopted housing element that has been found by the department, pursuant to Section 65585 of the Government Code, to be in compliance with the requirements of Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code.
 - (B) The requirements of this paragraph shall not apply to the duly constituted governing body of an Indian reservation or rancheria or tribally designated housing entity as defined in Section 4103 of Title 25 of the United States Code and Section 50104.6.5.
 - (2) Include not less than 15 percent of affordable units, as follows:
 - (A) For projects that contain both rental and ownership units, units of either or both product types may be included in the calculation of the affordability criteria.
 - (B) (i) To the extent included in a project grant application, for the purpose of calculating the percentage of affordable units, the department may consider the entire master development in which the development seeking grant funding is included.
 - (ii) Where applicable, an applicant may include a replacement housing plan to ensure that dwelling units housing persons and families of low or moderate income are not removed from the low- and moderate-income housing market. Residential units to be replaced may not be counted toward meeting the affordability threshold required for eligibility for funding under this section.
 - (C) For the purposes of this subdivision, "affordable unit" means a unit that is made available at an affordable rent, as defined in Section 50053, to a household earning no more than 60 percent of the area median income or at an affordable housing cost, as defined in Section 50052.5, to a household earning no more than 120 percent of the area median income. Rental units shall be subject to a recorded covenant that ensures affordability for at least 55 years. Ownership units shall initially be sold to and

occupied by a qualified household, and subject to a recorded covenant that includes either a resale restriction for at least 30 years or equity sharing upon resale.

- (D) A qualifying infill project or qualifying infill area for which a disposition and development agreement or other project- or area-specific agreement between the developer and the local agency having jurisdiction over the project has been executed on or before the effective date of the act adding this section, shall be deemed to meet the affordability requirement of this paragraph if the agreement includes affordability covenants that subject the project or area to the production of affordable units for very low, low-, or moderate-income households.
- (3) Include average residential densities on the parcels to be developed that are equal to or greater than the densities described in subparagraph (B) of paragraph (3) of subdivision (c) of Section 65583.2 of the Government Code, except that a project located in a rural area as defined in Section 50199.21 shall include average residential densities on the parcels to be developed of at least 10 units per acre.
- (4) Be located in an area designated for mixed-use or residential development pursuant to one of the following adopted plans:
 - (A) A general plan adopted pursuant to Section 65300 of the Government Code.
 - (B) A regional sustainable communities strategy or alternative planning strategy approved pursuant to Section 65080 of the Government Code.
- (e) In its review and ranking of applications for the award of capital improvement project grants for qualifying infill areas, the department shall rank the affected qualifying infill areas based on the following priorities:
 - (1) Project readiness, which shall include all of the following:
 - (A) A demonstration that the area development can complete environmental review and secure necessary entitlements from the local jurisdiction within a reasonable period of time following the submittal of a grant application.
 - (B) A demonstration that the eligible applicant can secure sufficient funding commitments derived from sources other than this part for the timely development of a qualifying infill area.
 - (C) A demonstration that the area development has sufficient local support to achieve the proposed improvement.
 - (2) The depth and duration of the affordability of the housing proposed for a qualifying infill area.
 - (3) The extent to which the average residential densities on the parcels to be developed exceed the density standards contained in paragraph (3) of subdivision (c).
 - (4) The qualifying infill area's inclusion of, or proximity or accessibility to, a transit station or major transit stop.
 - (5) The proximity of housing to parks, employment or retail centers, schools, or social services.
 - (6) The qualifying infill area location's consistency with an adopted sustainable communities strategy, alternative planning strategy, or other adopted regional growth plan intended to foster efficient land use.
- (f) In allocating funds for qualifying infill areas pursuant to this section, the department, to the maximum extent feasible, shall ensure a reasonable geographic distribution of funds.
- (g) Funds awarded pursuant to this section shall supplement, not supplant, other available funding.
- (h) (1) The department shall adopt guidelines for the operation of the grant program, including guidelines to ensure the tax-exempt status of the bonds issued pursuant to this part, and may administer the program under those guidelines.
 - (2) The guidelines shall include provisions for the reversion of grant awards that are not encumbered within four years of the fiscal year in which an award was made, and for the recapture of grants awarded, but for which development of the related housing units has not progressed in a reasonable period of time from the date of the grant award, as determined by the department.
 - (3) The guidelines shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Division 3 of Title 2 of the Government Code.
- (i) For each fiscal year within the duration of the grant program, the department shall include within the report to the Legislature, required by Section 50408, information on its activities relating to the grant program. The report shall include, but is not limited to, the following information:
 - (1) A summary of the projects that received grants under the program for each fiscal year that grants were awarded.
 - (2) The description, location, and estimated date of completion for each project that received a grant award under the program.

- (3) An update on the status of each project that received a grant award under the program, and the number of housing units created or facilitated by the program.
- (j) For notices of funding availability for qualifying infill areas released after July 1, 2021, in awarding funds under the program, the department shall provide additional points or preference to projects located in jurisdictions that are designated prohousing pursuant to subdivision (c) of Section 65589.9 of the Government Code, in the manner determined by the department pursuant to subdivision (d) of Section 65589.9 of the Government Code.
- (k) This section shall become operative on January 1, 2022.

(Repealed (in Sec. 7) and added by Stats. 2020, Ch. 192, Sec. 8. (AB 434) Effective January 1, 2021. Section operative January 1, 2022, by its own provisions.)

- 53545.14. (a) Upon appropriation of funds by the Legislature for purposes of implementing paragraph (2) of subdivision (b) of Section 53545, the California Pollution Control Financing Authority, in consultation with the Department of Housing and Community Development, shall administer loans or grants under the California Recycle Underutilized Sites (CALReUSE) program established under Article 9 (commencing with Section 8090) of Division 11 of Title 4 of the California Code of Regulations, for the purpose of brownfield cleanup that promotes infill residential and mixed-used development, consistent with regional and local land use plans.
- (b) For each fiscal year covering the duration of the program, the authority shall include within its report to the Legislature, pursuant to Section 44525.7, information on its activities relating to the program. At a minimum, the report shall include a summary of the projects that receive loans or grants pursuant to this section for each fiscal year loans or grants are awarded. The report shall include the description, location and estimation of completion for each recipient project. The report shall also include an update on the status of each project and the number of infill housing units facilitated by the program.

(Added by Stats. 2007, Ch. 179, Sec. 29. Effective August 24, 2007.)

- 53545.15. (a) Notwithstanding any other law, funds appropriated for deposit into the Transit-Oriented Development Implementation Fund by Item 2240-101-9736 of the Budget Act of 2007, as reappropriated by Item 2240-492 of the Budget Act of 2010; Item 2240-101-9736 of the Budget Act of 2008, as reappropriated by Section 129 of the Budget Act of 2009, as reappropriated by Item 2240-492 of the Budget Act of 2010; Item 2240-101-9736 of the Budget Act of 2009, as reappropriated by Item 2240-492 of the Budget Act of 2010; and subdivision (b) of Section 1 of Chapter 39 of the Statutes of 2008, as reappropriated by Item 2240-492 of the Budget Act of 2010; shall be made available for liquidation of encumbrances until June 30, 2017, subject to performance-based milestones to be established by the department.
- (b) The department shall amend the guidelines with revised performance-based milestones to approve disbursement extensions.
- (c) The department shall evaluate the revised performance-based milestones on a project by project basis to determine which projects should be granted time extensions within the timeframe specified.

(Added by Stats. 2013, Ch. 26, Sec. 1. (AB 92) Effective June 27, 2013.)