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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 HOUSING AND HOME FINANCE [50000 - 54913] (Division 31 repealed and added by Stats. 1977, Ch. 610.)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 2. DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT [50400 - 50899.7] (Heading of Part 2 amended by Stats. 1981, Ch. 996.)

CHAPTER 3.15. Regional Early Action Planning Grants Program of 2021 [50515.06 - 50515.10] (Chapter 3.15 added by Stats. 2021, Ch. 111, Sec. 15.)

## 50515.06. For purposes of this chapter:

- (a) "Department" means the Department of Housing and Community Development.
- (b) "Program" means the Regional Early Action Planning Grants of 2021 established pursuant to this chapter.
- (c) "Regional housing need assessment" means the existing and projected need for housing for each region, as determined by the department pursuant to Section 65584.01 of the Government Code.
- (d) "Sustainable Communities Strategy" refers to the plan prepared by each metropolitan planning organization pursuant to paragraph (2) of subdivision (b) of Section 65080 of the Government Code.
- (e) "Alternative Planning Strategy" refers to the document, if any, prepared by a metropolitan planning organization pursuant to paragraph (1) of subdivision (b) of Section 65080 of the Government Code.
- (f) (1) "Transformative planning and implementation activities" means housing, planning, infrastructure investments supporting infill housing, and other actions that enable meeting housing goals that also result in per capita vehicle miles traveled reductions, including accelerating infill development, supporting residents through realizing multimodal communities, shifting travel behavior through reducing driving, and increasing transit ridership.
  - (2) Transformative planning and implementation activities shall be in furtherance of all of the following:
    - (A) State planning priorities, as described in Section 65041.1 of the Government Code.
    - (B) Affirmatively furthering fair housing pursuant to Section 8899.50 of the Government Code.
    - (C) Facilitating housing element compliance for the sixth cycle regional housing needs assessment pursuant to Section 65302 of the Government Code prepared in accordance with Article 10.6 (commencing with Section 65580) of Chapter 3 of Division 1 of Title 7 of the Government Code.
    - (D) A region's sustainable community strategy, as described in paragraph (2) of subdivision (b) of Section 65080 of the Government Code, or alternative planning strategy, as described in paragraph (2) of subdivision (b) of Section 65080 of the Government Code, as applicable.
- (g) "Eligible entity" means any recipient of these funds either through direct allocation from the department or through a suballocation from a recipient. For the purposes of this chapter, an eligible entity can include a metropolitan planning organization (MPO), a single or multicounty council of governments (COG), a regional transportation planning agency (RTPA), a county, a city, a city, a city and county, a transit agency or district, a county transportation agency, or a tribal entity.
- (h) "Tribal entity" means an entity formed by the duly constituted governing body of a California Native American Tribe in Chapter 905 of the Statutes of 2004, as described in Section 21073 of the Public Resources Code.

(Added by Stats. 2021, Ch. 111, Sec. 15. (AB 140) Effective July 19, 2021.)

50515.07. (a) (1) The Regional Early Action Planning Grants Program of 2021 is hereby established for the purpose of providing regions with funding, including grants, for transformative planning and implementation activities.

- (2) Upon appropriation by the Legislature for this purpose, funds shall be distributed under the program in accordance with this chapter.
- (b) The department, in collaboration with the Office of Planning and Research, the Strategic Growth Council, and the State Air Resources Board, shall develop and administer the program and, consistent with the requirements of this chapter, provide grants to eligible entities for implementing planning and implementation activities. The department shall seek input from the transportation and housing coordination workgroup established through Section 50407.5.
- (c) Distribution and expenditures of funds shall be made consistent with the state planning priorities, established pursuant to Section 65041.1 of the Government Code, and shall consider geographic equity among regions of the state.
- (d) Of the total amount of any moneys appropriated for purposes of this chapter, the department shall set aside twenty million dollars (\$20,000,000) for program administration, including state operations expenditures and technical assistance, as well as expenditures by recipients of funding pursuant to Sections 50515.08 and 50515.09.

(Amended by Stats. 2024, Ch. 48, Sec. 16. (AB 166) Effective July 2, 2024.)

- **50515.08.** (a) The funds described in paragraph (2) of subdivision (a) of Section 50515.07 shall be available only to the following entities before any suballocation:
  - (1) The Metropolitan Transportation Commission, representing the Counties of Alameda, Contra Costa, Marin, Napa, San Mateo, Santa Clara, Solano, and Sonoma, and the City and County of San Francisco.
  - (2) The Sacramento Area Council of Governments, representing the Counties of El Dorado, Placer, Sacramento, Sutter, Yolo, and Yuba.
  - (3) The San Diego Association of Governments, representing the County of San Diego.
  - (4) The Southern California Association of Governments, representing the Counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura.
  - (5) The Association of Monterey Bay Area Governments, representing the counties of Monterey, San Benito and Santa Cruz.
  - (6) The San Luis Obispo Council of Governments, the Santa Barbara County Association of Governments, the Fresno Council of Governments, the Kern Council of Governments, the Kings County Association of Government, the Madera County Transportation Commission, the Merced County Association of Governments, the San Joaquin Council of Governments, the Stanislaus Council of Governments, the Tulare County Association of Governments, the Butte County Association of Governments, Shasta County Regional Transportation Agency, and the Tahoe Regional Planning Agency created by interstate compact and ratified by Title 7.4 (commencing with Section 66800) of the Government Code. Notwithstanding any other provision of this chapter, the eligible entities described in this paragraph may apply directly to the department for funds pursuant to the program.
  - (7) Eligible entities in the Counties of Alpine, Amador, Calaveras, Colusa, Del Norte, Glenn, Humboldt, Inyo, Lake, Lassen, Mariposa, Mendocino, Modoc, Mono, Nevada, Plumas, Sierra, Siskiyou, Tehama, Tuolumne, and Trinity. Notwithstanding any other provision of this chapter, eligible entities within the counties listed in this paragraph or tribal entities may apply directly to the department for funds pursuant to the program. The department may approve a fiscal agent to receive funds on behalf of a consortium of entities listed in this paragraph.
- (b) (1) The department shall calculate the amount of each maximum grant allocation in accordance with the methodology described in subdivision (a) of Section 50515.09.
  - (2) An eligible entity shall, in consultation with the department and consistent with the requirements of this chapter, determine the appropriate use of funds and suballocations within its boundaries in a manner that appropriately addresses its unique housing, land use, transportation, climate change, equity and other planning priorities.
- (c) (1) Subject to paragraph (5), until December 31, 2022, an eligible entity described in subdivision (a) may request an allocation of funds pursuant to this section by submitting an application, in the form and manner prescribed by the department, developed in collaboration with the Office of Planning and Research, the Strategic Growth Council, and the State Air Resources Board, that includes all of the following information:
  - (A) An allocation budget for the funds provided pursuant to this section.
  - (B) The amounts retained by the eligible entity and any suballocations.

- (C) An explanation of how the proposed uses will meet the definition of transformative planning and implementation activities and, as applicable, constitute high-impact and innovative projects and actions.
- (D) An explanation of how the proposed uses will implement and achieve housing goals that also result in per capita vehicle miles traveled reductions in furtherance of the region's sustainable communities strategy or alternative planning strategy, as applicable.
- (E) The application shall reference one or more of the following categories of allowable uses of the funds:
  - (i) Accelerating infill development, including housing.
  - (ii) Supporting residents through realizing multimodal communities.
  - (iii) Shifting travel behavior through reducing driving.
  - (iv) Increasing transit ridership.
- (F) An explanation of the targeted outreach the MPO has conducted to disadvantaged and historically underserved communities and how that outreach was incorporated into the proposed uses.
- (G) An explanation of how proposed uses will advance equity by benefiting disadvantaged and historically underserved communities.
- (2) The department, in collaboration with the Office of Planning and Research, the Strategic Growth Council, and the State Air Resources Board, shall review an application submitted pursuant to this subdivision in an expeditious manner. Upon approval of an application for funds pursuant to this subdivision, the department shall award the moneys for which the eligible entity qualifies.
- (3) Commencing January 1, 2022, an eligible entity described in paragraphs (1) to (6), inclusive, of subdivision (a), as applicable, may request up to 10 percent of the funding available to it under this section in advance of a full request for funding made pursuant to paragraph (1) to develop and accelerate the implementation of the requirements described in paragraph (1), including, but not limited to, regional engagement in the development of the full application and of an education and outreach strategy. The department shall award funds requested pursuant to this paragraph to the relevant eligible entity in an expeditious manner after receiving that request.
- (4) The department may develop a streamlined application procedure that accounts for the limited resources generally among the regional entities listed in paragraph (7) of subdivision (a).
- (5) If an amount of funds described in paragraph (2) of subdivision (a) of Section 50515.07 remains unallocated after December 31, 2022, the department, at its discretion, may make those funds available through a subsequent notice of funding availability in which funds are offered on a competitive basis pursuant to this chapter. An eligible entity described in subdivision (a) may request an allocation of funds made available through the subsequent notice of funding availability by submitting an application, in the form and manner prescribed by the department.
- (d) In consultation with the department, any entity that receives an allocation of funds pursuant to this section shall establish priorities and use those moneys for eligible transformative planning and implementation activities that include, but are not limited to, all of the following:
  - (1) Providing jurisdictions and other local agencies with technical assistance, planning, temporary staffing, or consultant needs associated with updating local planning and zoning documents and other actions that accelerate infill housing production.
  - (2) Administering any programs described in this subdivision.
  - (3) Covering the costs of temporary staffing or consultant needs associated with the activities described in paragraphs (1) and (2), inclusive.
  - (4) Accelerating infill development, including through all of the following:
    - (A) Rezoning and encouraging development by updating planning documents and zoning ordinances, including general plans, community plans, specific plans, sustainable communities strategies, and local coastal programs.
    - (B) Revamping local planning processes to accelerate infill housing production and other infill development.
    - (C) Completing environmental clearance to eliminate the need for project-specific review for infill development.
    - (D) Establishing and funding an affordable housing catalyst fund, trust fund, or revolving loan fund for location efficient projects.

- (E) Performing infrastructure planning and investing in upgrading infrastructure, including for sewers, water systems, transit, roads, or other public facilities necessary to enable reduction in per capita vehicle miles traveled, including accelerating housing production.
- (5) Supporting residents through realizing multimodal communities, including through all of the following:
  - (A) Establishing and implementing a vision-zero policy and program, a safety plan, and a slow streets program.
  - (B) Developing bicycle and pedestrian infrastructure plans and other multimodal plans or policies.
  - (C) Investing in infrastructure projects and other programs to expand active transportation and implement bicycle or pedestrian plans.
  - (D) Producing multimodal corridor studies associated with developing specific planning documents or implementation actions.
- (6) Shifting travel behavior through reducing driving, including through all of the following:
  - (A) Studying and implementing road pricing.
  - (B) Funding the establishment of a local vehicle miles traveled impact fee or regional vehicle miles traveled mitigation bank.
  - (C) Funding and implementing parking and transportation demand management programs or ordinances.
  - (D) Accelerating infill housing production near jobs, transit, and resources.
- (7) Increasing transit ridership, including through all of the following:
  - (A) Funding and implementing actions to establish more seamless regional transit systems between and across communities, including establishing common fares, schedules, service design, and wayfinding.
  - (B) Developing and implementing multimodal access plans to and from transit facilities.
  - (C) Planning for additional housing near transit.
- (f) (1) In consultation with the department, any entity that receives an allocation of funds pursuant to this section may suballocate moneys directly to eligible entities in the form of grants. Following awards to eligible entities, eligible entities shall award suballocations within 60 days.
  - (2) All suballocations pursuant to this subdivision shall consider geographic equity, including the needs of rural and urban communities, transformative and collaborative approaches, including through subregions, and the degree to which the suballocation will be in furtherance of all of the requirements of transformative planning and implementation activities described in paragraph (2) of subdivision (f) of Section 50515.06.

(Amended by Stats. 2021, Ch. 255, Sec. 8. (AB 175) Effective September 23, 2021.)

**50515.09.** (a) Of the amount described in paragraph (2) of subdivision (a) of Section 50515.07, four hundred eighty million dollars (\$480,000,000) shall be available to the entities described in paragraphs (1) to (6), inclusive, of subdivision (a) of Section 50515.08 for transformative planning and implementation activities. The maximum amount that an entity may receive pursuant to this subdivision shall be determined as follows:

The maximum amount that an eligible entity may receive pursuant to this subdivision shall be based on the most recent Department of Finance P-2A County Population Projections as of July 1, 2021. Amounts shall be calculated based on aggregate 2030 projected population per each eligible applicant as a percentage of projected 2030 statewide population.

- (b) Of the amount described in paragraph (2) of subdivision (a) of Section 50515.07, thirty million dollars (\$30,000,000) shall be available to the eligible entities described in paragraph (7) of subdivision (a) of Section 50515.08 for transformative planning and implementation activities.
- (c) Of the amount described in paragraph (2) of subdivision (a) of Section 50515.07, thirty million dollars (\$30,000,000) shall be available as a competitive set aside available to all eligible entities for transformative planning and implementation activities that demonstrably exceed the requirements of this chapter and further multiple policy objectives. Scoring criteria for this competitive set aside will include, but are not limited to, the extent of acceleration of infill housing production and reduction of per capita vehicle miles traveled.

(Amended by Stats. 2024, Ch. 48, Sec. 17. (AB 166) Effective July 2, 2024.)

**50515.10.** (a) (1) Subject to paragraph (2), an eligible entity that receives an allocation of program funds pursuant to Section 50515.08 shall submit a report, in the form and manner prescribed by the department, to be made publicly available on its internet

website, by April 1 of the year following the receipt of those funds, and annually thereafter until those funds are expended, that includes, but is not limited to, the following information:

- (A) The status of the proposed uses and expenditures listed in the eligible entity's application for funding and the corresponding impact, including, but not limited to, housing units accelerated and reductions in per capita vehicle miles traveled.
- (B) All status and impact reports shall be categorized based on the eligible uses specified in Section 50515.08.
- (2) The department may request additional information, as needed, to meet other applicable reporting or audit requirements.
- (b) The department shall maintain records of the following and provide that information publicly on its internet website:
  - (1) The name of each applicant for program funds and the status of that entity's application.
  - (2) The number of applications for program funding received by the department.
  - (3) The information described in subdivision (a) for each recipient of program funds.
- (c) A recipient of funds under this program shall post, make available, and update, as appropriate on its internet website, land use maps and vehicle miles traveled generation maps produced in the development of its adopted sustainable communities strategy.
- (d) A recipient of funds under this program shall collaborate and share progress, templates, and best practices with the department and fellow recipients in implementation of funds. To the greatest extent practicable, adjacent eligible entities shall coordinate in the development of applications, consider potential for joint activities, and seek to coordinate housing and transportation planning across regions.
- (e) (1) A recipient of funds under the program shall expend those funds no later than December 31, 2026.
  - (2) The final invoice submission deadline to reimburse those funds shall be June 30, 2027.
  - (3) No later than June 30, 2027, each eligible entity that receives an allocation of funds pursuant to Section 50515.08 shall submit a final report on the use of those funds to the department, in the form and manner prescribed by the department. The report required by this paragraph shall include an evaluation of actions taken in support of the entity's proposed uses of those funds, as specified in the entity's application, including, but not limited to, housing units accelerated and per capita reductions in vehicle miles traveled.
- (f) (1) If an eligible entity described in paragraphs (1) to (6), inclusive, of subdivision (a) of Section 50515.08 that received an allocation of funds pursuant to Section 50515.08 has unexpended funds after December 31, 2026, the department may, pursuant to procedures prescribed by the department, make those funds available to other eligible entities described in paragraphs (1) to (6), inclusive, of subdivision (a) of Section 50515.08 for reimbursement of other expenditures incurred prior to December 31, 2026, that were included in an application approved pursuant to paragraph (2) of subdivision (c) of Section 50515.08 no later than December 31, 2027.
  - (2) Paragraph (1) applies to all eligible entities, including an eligible entity that received a suballocation from an eligible entity described in paragraphs (1) to (6), inclusive, of subdivision (a) of Section 50515.08.
- (g) The department may monitor expenditures and activities of an applicant, as the department deems necessary, to ensure compliance with program requirements.
- (h) The department may, as it deems appropriate or necessary, request the repayment of funds from an applicant, or pursue any other remedies available to it by law for failure to comply with program requirements.
- (i) The department, in collaboration with the Office of Land Use and Climate Innovation, the Strategic Growth Council, and the State Air Resources Board, may implement the program through the issuance of forms, guidelines, application materials, funding allocation methodologies, and one or more notices of funding availability, as the department deems necessary, to exercise the powers and perform the duties conferred on it by this chapter. Any forms, guidelines, application materials, funding allocation methodologies, or notices of funding availability prepared or adopted pursuant to this section are exempt from the rulemaking provisions of the Administrative Procedure Act (Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code).
- (j) The department's decision to approve or deny an application or request for funding pursuant to the program, and its determination of the amount of funding to be provided or request for repayment or other remedies for failure to comply with program requirements, shall be final.

(Amended by Stats. 2025, Ch. 22, Sec. 50. (AB 130) Effective June 30, 2025.)