



Home	Bill Information	California Law	Publications	Other Resources	My Subscriptions	My Favorites
------	------------------	----------------	--------------	-----------------	------------------	--------------

Code:  Section:

[Up^](#) [Add To My Favorites](#)

**HEALTH AND SAFETY CODE - HSC**

**DIVISION 31. HOUSING AND HOME FINANCE [50000 - 54913]** ( *Division 31 repealed and added by Stats. 1977, Ch. 610. )*

**PART 3. CALIFORNIA HOUSING FINANCE AGENCY [50900 - 51532]** ( *Heading of Part 3 amended (as amended by Stats. 1994, Ch. 94) by Stats. 2000, Ch. 471, Sec. 17.5. )*

**CHAPTER 9. School Facility Fee Affordable Housing Assistance Programs [51450 - 51455]** ( *Chapter 9 added by Stats. 1998, Ch. 407, Sec. 26. )*

**51450.** (a) It is the intent of the Legislature that affordable homebuyer and rental housing programs be implemented to address the needs of economically distressed entities in the state and the needs of very low, low-, and moderate-income homebuyers and renters who may be affected by the impact of school facility fees on the development of affordable housing.

(b) The Department of General Services shall contract with the California Housing Finance Agency for the administration of the programs established by this chapter and for the allocation of funds to the purchasers of newly constructed residential structures and the housing sponsors of housing developments, pursuant to this chapter. The California Housing Finance Agency shall administer these programs and allocate funds in accordance with that agency's authority as set forth in Part 3 (commencing with Section 50900) of Division 31.

*(Added by Stats. 1998, Ch. 407, Sec. 26. Effective August 27, 1998. Operative November 4, 1998, by Sec. 31 of Ch. 407, pursuant to adoption of Prop. 1A. Inoperative January 1, 2002, as provided in Section 51455.)*

**51451.** The Homebuyer Down Payment Assistance Program and the Rental Assistance Program are hereby established to provide assistance in the amount of the applicable school facility fee on affordable housing developments.

(a) A Homebuyer Down Payment Assistance Program shall provide the following assistance:

(1) Downpayment assistance to the purchaser of newly constructed residential structures in a development project in economically distressed areas in the aggregate amount of school facility fees paid pursuant to one or both of Sections 65995.5 and 65995.7 of the Government Code, less the amount that would be required pursuant to subdivision (b) of Section 65995 of the Government Code notwithstanding Sections 65995.5 and 65995.7 of the Government Code, if all of the following conditions are met:

(A) The development project is located in a county with an unemployment rate that equals or exceeds 125 percent of the state unemployment rate.

(B) Five hundred or more residential structures have been constructed in the county during 1997.

(C) A building permit for an eligible residential structure in the development project is issued by the local agency on or after January 1, 1999.

(D) The eligible residential structure is to be owner occupied for at least five years. If a structure is owner occupied for fewer than five years, the recipient of the assistance shall repay the School Facilities Fee Assistance Fund the amount of the assistance, on a prorated basis.

(E) The sales price of the eligible residential structure does not exceed 175 percent of the median sales price of residential structures in the county during the average of the previous five years.

(2) Downpayment assistance to the purchaser of any newly constructed residential structure in the development project in the aggregate amount of school facility fees paid pursuant to one, all, or any combination of Sections 65995, 65995.5, and 65995.7 of

the Government Code, less the amount that would be required pursuant to subdivision (b) of Section 65995 of the Government Code notwithstanding Sections 65995.5 and 65995.7 of the Government Code, if all of the following conditions are met:

(A) The development project is located in the state.

(B) The sales price of the eligible residential structure in the development project does not exceed one hundred thirty thousand dollars (\$130,000) unless the median sales price for California as reported by the Construction Industry Research Board for new homes sold indicates that the median sales price has increased. That sales price limit shall be increased or decreased each successive year by the agency according to the percentage change in the median sales price for new homes sold from the previous year as reported by the Construction Industry Research Board.

(C) A building permit for an eligible residential structure in the development project is issued by the local agency on or after January 1, 1999.

(D) The eligible residential structure is to be owner occupied for at least five years. If a structure is owner occupied for fewer than five years, the recipient of the assistance shall repay the School Facilities Fee Assistance Fund the amount of the assistance, on a prorated basis.

(3) Downpayment to the purchaser of any newly constructed residential structure in a development project in the aggregate amount of school facility fees paid pursuant to one, all, or any combination of subdivision (b) of Section 65995 and Sections 65995.5 and 65995.7 of the Government Code for the eligible residential structure if all of the following conditions are met:

(A) The assistance is provided to a qualified first-time homebuyer pursuant to Section 50068.5.

(B) The qualified first-time homebuyer meets the moderate income requirements set forth in Section 50093.

(C) A building permit for an eligible residential structure in the development project is issued by the local agency on or after January 1, 1999.

(D) The eligible residential structure is to be owner occupied for at least five years. If a structure is owner occupied for fewer than five years, the recipient of the assistance shall repay the School Facilities Fee Assistance Fund the amount of the assistance, on a prorated basis.

(b) A Rental Assistance Program shall provide assistance to the housing sponsor of a housing development in the aggregate amount of the school facility fees paid pursuant to one, all, or any combination of subdivision (b) of Section 65995 and Sections 65995.5 and Section 65995.7 of the Government Code that meets all of the following conditions:

(1) The units are deed restricted to very low income households and are continuously available to or occupied by very low income households at rents that do not exceed those prescribed by Section 50053, except that for the purposes of this subdivision, very low income shall be defined as 30 percent times 30 percent of the median income adjusted for family size appropriate for the unit.

(2) The number of dedicated residential units must equal or exceed the number of units supported by the reimbursed school impact fees determined by the average per unit development cost.

(3) The dedicated residential units are regulated by an appropriate local or state agency for a minimum of 30 years.

(4) A building permit for an eligible residential unit in the development project is issued by the local agency on or after January 1, 1999.

*(Amended by Stats. 2000, Ch. 127, Sec. 22. Effective July 10, 2000. Inoperative January 1, 2002, as provided in Section 51455.)*

**51451.5.** The Homebuyer Down Payment Assistance Program of 2002 is hereby established, to provide assistance in the amount of the applicable school facility fee on affordable housing developments. The Homebuyer Down Payment Assistance Program of 2002 shall, with funds provided by the Housing and Emergency Shelter Trust Fund Act of 2002 (Part 11 (commencing with Section 53500)), provide the following assistance:

(a) Downpayment assistance to the purchaser of any newly constructed residential structure in a development project in an economically distressed area in the amount of school facility fees paid pursuant to Section 65995.5 or 65995.7 of the Government Code, less the amount that would be required pursuant to subdivision (b) of Section 65995 of the Government Code, notwithstanding Sections 65995.5 and 65995.7 of the Government Code, if all of the following conditions are met:

(1) The development project is located in a county with an unemployment rate that equals or exceeds 125 percent of the state unemployment rate.

(2) Five hundred or more residential structures have been constructed in the county during 2001.

(3) A building permit for an eligible residential structure in the development project is issued by the local agency on or after January 1, 2002.

(4) The eligible residential structure is to be owner occupied for at least five years. If a structure is owner occupied for fewer than five years, the recipient of the assistance shall repay the School Facilities Fee Assistance Fund the amount of the assistance, on a prorated basis.

(5) The sales price of the eligible residential structure does not exceed 175 percent of the median sales price of residential structures in the county during the average of the previous five years. However, if the five-year average exceeds the Governmental-Sponsored Enterprises conforming loan limit, the sales price in that county shall not exceed 100 percent of the median sales price of residential structures in the county during the average of the previous five years.

(b) Downpayment assistance to the purchaser of any newly constructed residential structure in a development project in the aggregate amount of school facility fees paid pursuant to one, all, or any combination of subdivision (b) of Section 65995, Section 65995.5, or Section 65995.7 of the Government Code for the eligible residential structure if all of the following conditions are met:

(1) The assistance is provided to a qualified first-time homebuyer pursuant to Section 50068.5.

(2) The qualified first-time homebuyer does not exceed the lower or moderate-income requirements in Section 50093.

(3) A building permit for an eligible residential structure in the development project is issued by the local agency on or after January 1, 2002.

(4) The eligible residential structure is to be owner occupied for at least five years. If a structure is owner occupied for fewer than five years, the recipient of the assistance shall repay the School Facilities Fee Assistance Fund the amount of the assistance, on a prorated basis.

*(Amended (as added by Stats. 2002, Ch. 26) by Stats. 2003, Ch. 553, Sec. 1. Effective January 1, 2004. Inoperative on July 1, 2016, as provided in Section 51455. See prevailing Section 51451.5 (added by Stats. 2002, Ch. 33), as amended by Sec. 2 of Ch. 553.)*

**51451.5.** The Homebuyer Down Payment Assistance Program of 2002 is hereby established, to provide assistance in the amount of the applicable school facility fee on affordable housing. The Homebuyer Down Payment Assistance Program of 2002 shall, with funds provided by the Kindergarten-University Public Education Facilities Bond Acts of 2002 and 2004 (Part 68.1 (commencing with Section 100600) of the Education Code; and Part 68.2 (commencing with Section 100800) of the Education Code), provide the following assistance:

(a) Downpayment assistance to the purchaser of any newly constructed residential structure in a development project in an economically distressed area in the amount of school facility fees paid pursuant to Section 65995.5 or 65995.7 of the Government Code, less the amount that would be required pursuant to subdivision (b) of Section 65995 of the Government Code, notwithstanding Sections 65995.5 and 65995.7 of the Government Code, if all of the following conditions are met:

(1) The development project is located in a county with an unemployment rate that equals or exceeds 125 percent of the state unemployment rate.

(2) Five hundred or more residential structures have been constructed in the county during 2001.

(3) A building permit for an eligible residential structure in the project is issued by the local agency on or after January 1, 2002.

(4) The eligible residential structure is to be owner occupied for at least five years. If a structure is owner occupied for fewer than five years, the recipient of the assistance shall repay the School Facilities Fee Assistance Fund the amount of the assistance, on a prorated basis.

(5) The sales price of the eligible residential structure does not exceed 175 percent of the median sales price of residential structures in the county during the average of the previous five years. However, if the five-year average exceeds the Governmental-Sponsored Enterprises conforming loan limit, the sales price in that county shall not exceed 100 percent of the median sales price of residential structures in the county during the average of the previous five years.

(b) Downpayment assistance to the purchaser of any newly constructed residential structure in a development project in the aggregate amount of school facility fees paid pursuant to one, all, or any combination of subdivision (b) of Section 65995, Section 65995.5, or Section 65995.7 of the Government Code for the eligible residential structure if all of the following conditions are met:

(1) The assistance is provided to a qualified first-time home buyer pursuant to Section 50068.5.

(2) The qualified first-time home buyer does not exceed the lower or moderate-income requirements in Section 50093.

(3) A building permit for an eligible residential structure in the project is issued by the local agency on or after January 1, 2002.

(4) The eligible residential structure is to be owner occupied for at least five years. If a structure is owner occupied for fewer than five years, the recipient of the assistance shall repay the School Facilities Fee Assistance Fund the amount of the assistance, on a prorated basis.

*(Amended (as amended by Stats. 2002, Ch. 935) by Stats. 2003, Ch. 553, Sec. 2. Effective January 1, 2004. Inoperative on July 1, 2016, as provided in Section 51455.)*

**51452.** (a) The School Facilities Fee Assistance Fund is hereby established in the State Treasury and, notwithstanding Section 13340 of the Government Code, all money in the fund is continuously appropriated to the Department of General Services for the purposes of this chapter. All repayments of disbursed funds pursuant to this chapter or any interest earned from the investment in the Surplus Money Investment Fund or any other moneys accruing to the fund from whatever source shall be returned to the fund and are available for allocation by the California Housing Finance Agency to programs established pursuant to this chapter.

(b) The following amounts are hereby appropriated from the General Fund to the School Facilities Fee Assistance Fund for administrative costs and to make payments to purchasers of newly constructed residential structures and housing sponsors of housing developments pursuant to this chapter from that fund by fiscal year as follows:

(1) Twenty million dollars (\$20,000,000) in the 1998–99 fiscal year.

(2) Forty million dollars (\$40,000,000) in the 1999–2000 fiscal year.

(3) Forty million dollars (\$40,000,000) in the 2000–01 fiscal year.

(4) Forty million dollars (\$40,000,000) in the 2001–02 fiscal year.

(c) The funds shall be distributed to each program in proportion to the original total amounts available for each program as follows:

(1) Twenty-eight million dollars (\$28,000,000) shall be available for the program set forth in paragraph (1) of subdivision (a) of Section 51451, except that any funds not expended within 18 months of their appropriation and availability may also be available for programs set forth in paragraphs (2) and (3) of subdivision (a) of Section 51451.

(2) Twenty-eight million dollars (\$28,000,000) shall be available for the program set forth in paragraph (2) of subdivision (a) of Section 51451, except that any funds not expended within 18 months of their appropriation and availability may also be available for the program set forth in paragraph (3) of subdivision (a) of Section 51451.

(3) Fifty-two million dollars (\$52,000,000) shall be available for the program set forth in paragraph (3) of subdivision (a) of Section 51451.

(4) Fifty-two million dollars (\$52,000,000) shall be available for the program set forth in subdivision (b) of Section 51451.

(d) Reservations received on or after January 1, 2002, for participation in the programs authorized by Section 51451 shall not be honored by the California Housing Finance Agency. As of that date, any unobligated amounts remaining in the School Facilities Fee Assistance Fund after the transfer made pursuant to Item 1760-115-0101 of Section 2.00 of the Budget Act of 2001 (Chapter 106 of the Statutes of 2001) shall be transferred to the General Fund.

(e) Effective July 1, 2014, the School Facilities Fee Assistance Fund in the State Treasury is abolished and any remaining balance, assets, liabilities, and encumbrances in the fund as of July 1, 2014, are transferred to the Housing Rehabilitation Loan Fund. Notwithstanding Section 13340 of the Government Code, all transferred amounts are continuously appropriated to the department for the purpose of satisfying any liabilities and encumbrances and the purposes specified in this section.

*(Amended by Stats. 2014, Ch. 28, Sec. 59. (SB 854) Effective June 20, 2014. Inoperative January 1, 2002, as provided in Section 51455.)*

**51453.** Notwithstanding Section 51452, the sum of fifty million dollars (\$50,000,000) transferred to the School Facilities Fee Assistance Fund pursuant to subparagraph (A) of paragraph (7) of subdivision (a) of Section 53533 is continuously appropriated to the department for allocation for the agency for administrative costs and to make payments to purchasers of newly constructed residential structures pursuant to Section 51451.5 from that fund for a period of four years, as follows:

(a) Twenty-five million dollars (\$25,000,000) shall be available for the program set forth in subdivision (a) of Section 51451.5, except that if less than 50 percent of these funds are expended within 24 months, all or part of those funds shall be available for the program set forth in subdivision (b) of Section 51451.5 at the discretion of the executive director of the agency.

(b) Twenty-five million dollars (\$25,000,000) shall be available for the program set forth in subdivision (b) of Section 51451.5, except that if less than 50 percent of these funds are expended within 24 months, all or part of those funds shall be available for the

program set forth in subdivision (a) of Section 51451.5 at the discretion of the executive director of the agency.

(c) If after 48 months, more than 20 percent of the funds identified in subdivisions (a) and (b) are not expended, the executive director of the agency may make all or part of those funds available to the California Homebuyer's Downpayment Assistance Program, as authorized under Chapter 11 (commencing with Section 51500).

(d) All repayments of disbursed funds pursuant to this chapter or any interest earned from the investment in the Surplus Money Investment Fund or any other moneys accruing to the fund from whatever source shall be returned to the fund and is available for allocation by the agency to the program established pursuant to Section 51451.5.

*(Added by Stats. 2002, Ch. 26, Sec. 3. Effective April 22, 2002. Operative after November 5, 2002, by Sec. 9 of Ch. 26, pursuant to adoption of Prop. 46. Inoperative on July 1, 2016, as provided in Section 51455. See prevailing Section 51453 (added by Stats. 2002, Ch. 33), as amended by Stats. 2002, Ch. 935.)*

**51453.** Notwithstanding Section 51452, the sum of twenty-five million dollars (\$25,000,000) which is made available pursuant to subparagraph (B) of paragraph (1) of subdivision (a) of Section 100620 of the Education Code, shall be transferred to the School Facilities Fee Assistance Fund and, notwithstanding Section 13340 of the Government Code, is hereby continuously appropriated to the department for allocation for the agency for administrative costs and to make payments to purchasers of newly constructed residential structures pursuant to Section 51451.5 from that fund as follows:

(a) Twelve million five hundred thousand dollars (\$12,500,000) shall be available for the program set forth in subdivision (a) of Section 51451.5, except that if less than 50 percent of these funds are expended within 24 months, all or part of those funds shall be available for the program set forth in subdivision (b) of Section 51451.5 at the discretion of the executive director of the agency.

(b) Twelve million five hundred thousand dollars (\$12,500,000) shall be available for the program set forth in subdivision (b) of Section 51451.5, except that if less than 50 percent of these funds are expended within 24 months, all or part of those funds shall be available for the program set forth in subdivision (a) of Section 51451.5 at the discretion of the executive director of the agency.

(c) If after 48 months, more than 20 percent of the funds identified in subdivisions (a) and (b) are not expended, the executive director of the agency may make all or part of those funds available to the California Homebuyer's Downpayment Assistance Program, as authorized under Chapter 11 (commencing with Section 51500).

(d) All repayments of disbursed funds pursuant to this chapter or any interest earned from the investment in the Surplus Money Investment Fund or any other moneys accruing to the fund from whatever source shall be returned to the fund and is available for allocation by the agency to the program established pursuant to Section 51451.5.

*(Amended (as added by Stats. 2002, Ch. 33) by Stats. 2002, Ch. 935, Sec. 19. Effective January 1, 2003. Inoperative on July 1, 2016, as provided in Section 51455.)*

**51453.5.** Notwithstanding Section 51452, the sum of twenty-five million dollars (\$25,000,000) which is made available pursuant to subparagraph (B) of paragraph (1) of subdivision (a) of Section 100820 of the Education Code, shall be transferred to the School Facilities Fee Assistance Fund and, notwithstanding Section 13340 of the Government Code, is hereby continuously appropriated to the department for allocation for the agency for administrative costs and to make payments to purchasers of newly constructed residential structures pursuant to Section 51451.5 from that fund, as follows:

(a) Twelve million five hundred thousand dollars (\$12,500,000) shall be available for the program set forth in subdivision (a) of Section 51451.5, except that if less than 50 percent of these funds are expended within 24 months, all or part of those funds shall be available for the program set forth in subdivision (b) of Section 51451.5 at the discretion of the executive director of the agency.

(b) Twelve million five hundred thousand dollars (\$12,500,000) shall be available for the program set forth in subdivision (b) of Section 51451.5, except that if less than 50 percent of these funds are expended within 24 months, all or part of those funds shall be available for the program set forth in subdivision (a) of Section 51451.5 at the discretion of the executive director of the agency.

(c) If after 48 months, more than 20 percent of the funds identified in subdivisions (a) and (b) are not expended, the executive director of the agency may make all or part of those funds available to the California Homebuyer's Downpayment Assistance Program, as authorized under Chapter 11 (commencing with Section 51500).

(d) All repayments of disbursed funds pursuant to this chapter or any interest earned from the investment in the Surplus Money Investment Fund or any other moneys accruing to the fund from whatever source shall be returned to the fund and is available for allocation by the agency to the program established pursuant to Section 51451.5.

*(Added by Stats. 2002, Ch. 935, Sec. 20. Effective January 1, 2003. Inoperative on July 1, 2016, as provided in Section 51455.)*

**51454.** The Legislative Analyst's Office shall submit a report to the Legislature and the Governor no later than January 1, 2001, regarding the effectiveness of the programs established pursuant to this chapter.

*(Added by Stats. 1998, Ch. 407, Sec. 26. Effective August 27, 1998. Operative November 4, 1998 by Sec. 31 of Ch. 407, pursuant to adoption of Prop. 1A. Inoperative January 1, 2002, as provided in Section 51455.)*

**51455.** (a) Except as provided in subdivision (b), Sections 51450, 51451, 51452, and 51454 shall not be operative on and after January 1, 2002.

(b) Except as provided in Section 51453 and 51453.5, until July 1, 2016, the School Facilities Fee Assistance Fund established by Section 51452 and the programmatic authority necessary to operate the programs authorized by Section 51451 shall continue on and after January 1, 2002, only with respect to any repayment obligation pertaining to that assistance or to any regulatory agreement imposed as a condition of that assistance.

(c) Sections 51451.5, 51453, and 51453.5 shall not be operative on and after July 1, 2016.

(d) On and after July 1, 2016, any unobligated amounts remaining in the School Facilities Fee Assistance Fund, including the repayment of disbursed moneys, or any interest earned from the investment of those moneys or any other moneys accruing to the fund from any source, shall be transferred to the Home Purchase Assistance Fund and are continuously appropriated to the agency for the purposes described in Section 51342.

*(Amended by Stats. 2016, Ch. 32, Sec. 81. (SB 837) Effective June 27, 2016. Note: Termination provisions in this section affect Sections 51450 through 51454.)*