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GOVERNMENT CODE - GOV

TITLE 6. DISTRICTS [58000 - 62464] (Title 6 added by Stats. 1951, Ch. 331.)

DIVISION 4. Community Revitalization and Investment Authorities [62000 - 62208] (Division 4 added by Stats. 2015, Ch. 319, Sec. 2.)

PART 2. Housing [62100 - 62123] (Part 2 added by Stats. 2015, Ch. 319, Sec. 2.)

CHAPTER 2. Replacement and Location [62115 - 62123] (Chapter 2 added by Stats. 2015, Ch. 319, Sec. 2.)

62115. The authority shall prepare a feasible method or plan for relocation of all of the following:

- (a) Families and persons to be temporarily or permanently displaced from housing facilities in the plan area.
- (b) Nonprofit local community institutions to be temporarily or permanently displaced from facilities actually used for institutional purposes in the project area.
- (c) The relocation plan required by this section shall comply with the relocation plan and assistance requirements of Chapter 16 (commencing with Section 7260) of Division 7 of Title 1.

(Added by Stats. 2015, Ch. 319, Sec. 2. (AB 2) Effective January 1, 2016.)

62116. The city, county, or city and county that created the authority shall insure that the method or plan of the authority for the relocation of families or single persons to be displaced by a revitalization project shall provide that no persons or families of low and moderate income shall be displaced unless and until there is a suitable housing unit available and ready for occupancy by the displaced person or family at rents comparable to those at the time of their displacement and that all other requirements of Chapter 16 (commencing with Section 7260) of Division 7 of Title 1 of the Government Code are met. The housing units shall be suitable to the needs of those displaced persons or families and must be decent, safe, sanitary, and otherwise standard dwellings. The authority shall not displace the person or family until the housing units are available and ready for occupancy.

(Added by Stats. 2015, Ch. 319, Sec. 2. (AB 2) Effective January 1, 2016.)

62117. Whenever all or any portion of a revitalization plan area is developed with low- or moderate-income housing units and whenever any low- or moderate-income housing units are developed with any authority assistance or pursuant to Section 62120, the authority shall require in the recorded covenants for those units that the housing be made available for rent or purchase to the persons and families of low or moderate income displaced by the revitalization project. Those persons and families shall be given priority in renting or buying that in advance of marketing the units to the general public. Failure to give that priority shall not affect the validity of title to real property; however, a unit may not be counted as a replacement or production unit in the event of noncompliance with this provision. The authority shall keep a list of persons and families of low and moderate income displaced by the revitalization project who are to be given priority, and may establish reasonable rules for determining the order or priority on the list. The list shall be provided to the owner of those properties at or before any certificate of occupancy is issued.

(Added by Stats. 2015, Ch. 319, Sec. 2. (AB 2) Effective January 1, 2016.)

62118. If insufficient suitable housing units are available in the plan area for low- and moderate-income persons and families to be displaced from a community revitalization area, the city council or board of supervisors that created the authority shall assure that sufficient land be made available within its territorial jurisdiction for suitable housing for rental or purchase by low- and moderate-income persons and families. If insufficient suitable housing units are available in the community for use by persons and families of low and moderate income displaced by the revitalization project, the authority may, to the extent of that deficiency, direct or cause the development, rehabilitation, or construction of housing units within the community, both inside and outside of revitalization plan areas.

(Added by Stats. 2015, Ch. 319, Sec. 2. (AB 2) Effective January 1, 2016.)

62119. Permanent housing facilities shall be made available within two years from the time occupants are displaced and that pending the development of such facilities there will be available to such displaced occupants adequate temporary housing facilities at rents comparable to the units from which the displaced occupants were displaced.

(Added by Stats. 2015, Ch. 319, Sec. 2. (AB 2) Effective January 1, 2016.)

62120. (a) Whenever dwelling units housing persons and families of low or moderate income are destroyed or removed from the low- and moderate-income housing market as part of a revitalization project that is subject to a written agreement with the authority or where financial assistance has been provided by the authority, the authority shall, within two years of the destruction or removal, rehabilitate, develop, or construct, or cause to be rehabilitated, developed, or constructed, for rental or sale to persons and families of low or moderate income, an equal number of replacement dwelling units that have an equal or greater number of bedrooms as those destroyed or removed units at affordable housing costs within the territorial jurisdiction of the authority. One hundred percent of the replacement dwelling units shall be available at an affordable housing cost to persons in the same or a lower income category (extremely low, low, very low, or moderate), as the persons displaced from those destroyed or removed units.

(b) (1) Prior to the time limit on the effectiveness of the community revitalization plan established pursuant to subdivision (g) of Section 62003 at least 30 percent of all new and substantially rehabilitated dwelling units developed by an authority shall be available at affordable housing cost to, and occupied by, persons and families of low or moderate income. Not less than 50 percent of the dwelling units required to be available at affordable housing cost to, and occupied by, persons and families of low or moderate income shall be available at affordable housing cost to, and occupied by, very low income households.

(2) (A) (i) Prior to the time limit on the effectiveness of the revitalization plan established pursuant to subdivision (g) of Section 62003 at least 15 percent of all new and substantially rehabilitated dwelling units developed within a plan area under the jurisdiction of an authority by public or private entities or persons other than the authority shall be available at affordable housing cost to, and occupied by, persons and families of low or moderate income. Not less than 40 percent of the dwelling units required to be available at affordable housing cost to, and occupied by, persons and families of low or moderate income shall be available at affordable housing cost to, and occupied by, very low income households.

(ii) To satisfy this paragraph, in whole or in part, the authority may cause, by regulation or agreement, to be available, at an affordable housing cost, to, and occupied by, persons and families of low or moderate income or to very low income households, as applicable, two units outside a project area for each unit that otherwise would have been required to be available inside a project area.

(iii) "Substantially rehabilitated dwelling units" means all units substantially rehabilitated, with authority assistance.

(iv) As used in this paragraph and in paragraph (1), "substantial rehabilitation" means rehabilitation, the value of which constitutes 25 percent of the after rehabilitation value of the dwelling, inclusive of the land value.

(B) To satisfy the requirements of paragraph (1) and subparagraph (A), the authority may purchase, or otherwise acquire or cause by regulation or agreement the purchase or other acquisition of, long-term affordability covenants on multifamily units that restrict the cost of renting or purchasing those units that either: (i) are not presently available at affordable housing cost to persons and families of low- or very low income households, as applicable; or (ii) are units that are presently available at affordable housing cost to this same group of persons or families, but are units that the authority finds, based upon substantial evidence, after a public hearing, cannot reasonably be expected to remain affordable to this same group of persons or families.

(C) To satisfy the requirements of paragraph (1) and subparagraph (A), the long-term affordability covenants purchased or otherwise acquired pursuant to subparagraph (B) shall be required to be maintained on dwelling units at affordable housing cost to, and occupied by, persons and families of low or very low income, for the longest feasible time but not less than 55 years for rental units and 45 years for owner-occupied units. Not more than 50 percent of the units made available pursuant to paragraph (1) and subparagraph (A) may be assisted through the purchase or acquisition of long-term affordability covenants pursuant to subparagraph (B). Not less than 50 percent of the units made available through the purchase or acquisition of long-term affordability covenants pursuant to subparagraph (B) shall be available at affordable housing cost to, and occupied by, very low income households.

(D) To satisfy the requirements of paragraph (1) and subparagraph (A), each mutual self-help housing unit, as defined in subparagraph (C) of paragraph (1) of subdivision (f) of Section 62101, that is subject to a 15-year deed restriction shall count as one-third of a unit.

(3) The requirements of this subdivision shall apply independently of the requirements of subdivision (a). The requirements of this subdivision shall apply, in the aggregate, to housing made available pursuant to paragraphs (1) and (2), respectively, and not to each individual case of rehabilitation, development, or construction of dwelling units, unless an agency determines otherwise.

(4) Each authority, as part of the community revitalization and investment plan required by Section 62003, shall adopt a plan to comply with the requirements of this subdivision. The plan shall be consistent with the community's housing element. The plan shall be reviewed and, if necessary, amended at least in conjunction with the plan implementation cycle. The plan shall ensure that the requirements of this subdivision are met every 10 years. If the requirements of this subdivision are not met by the end of each 10-year period, the agency shall meet these goals on an annual basis until the requirements for the 10-year period are met. If the agency has exceeded the requirements within the 10-year period, the agency may count the units that exceed the requirement in order to meet the requirements during the next 10-year period.

(c) (1) The authority shall require all replacement dwelling units and other dwelling units rehabilitated, developed, constructed, or price restricted pursuant to subdivision (a) or (b) remain available at affordable housing cost to, and occupied by, persons and families of extremely low income, low-income, moderate-income, and very low income households, respectively, for the longest feasible time, but for not less than 55 years for rental units, 45 years for home ownership units, and 15 years for mutual self-help housing units, as defined in subparagraph (C) of paragraph (1) of subdivision (f) of Section 62101, except as set forth in paragraph (2). Nothing in this paragraph precludes the agency and the developer of the mutual self-help housing units from agreeing to 45-year deed restrictions.

(2) Notwithstanding paragraph (1), the authority may permit sales of owner-occupied units prior to the expiration of the 45-year period, and mutual self-help housing units prior to the expiration of the 15-year period, established by the authority for a price in excess of that otherwise permitted under this subdivision pursuant to an adopted program that protects the authority's investment of moneys from the Low and Moderate Income Housing Fund, including, but not limited to, an equity sharing program that establishes a schedule of equity sharing that permits retention by the seller of a portion of those excess proceeds, based on the length of occupancy. The remainder of the excess proceeds of the sale shall be allocated to the authority, and deposited into the Low and Moderate Income Housing Fund. The authority shall, within three years from the date of sale pursuant to this paragraph of each home ownership or mutual self-help housing unit subject to a 45-year deed restriction, and every third mutual self-help housing unit subject to a 15-year deed restriction, expend funds to make affordable an equal number of units at the same or lowest income level as the unit or units sold pursuant to this paragraph, for a period not less than the duration of the original deed restrictions. Only the units originally assisted by the authority shall be counted towards the authority's obligations under Section 62120.

(3) The requirements of this section shall be made enforceable in the same manner as provided in paragraph (7) of subdivision (f) of Section 62101.

(4) If land on which the dwelling units required by this section are located is deleted from the plan area, the authority shall continue to require that those units remain affordable as specified in this subdivision.

(5) For each unit counted towards the requirements of subdivisions (a) and (b), the authority shall require the recording in the office of the county recorder of covenants or restrictions that ensure compliance with this subdivision and shall comply with the requirements of paragraphs (3) and (4) of subdivision (f) of Section 62101.

(d) Except as otherwise authorized by law, this section does not authorize an authority to operate a rental housing development beyond the period reasonably necessary to sell or lease the housing development.

(e) Notwithstanding subdivision (a), the authority may replace destroy or remove dwelling units with a fewer number of replacement dwelling units if the replacement dwelling units meet both of the following criteria:

(1) The total number of bedrooms in the replacement dwelling units equals or exceeds the number of bedrooms in the destroyed or removed units. Destroyed or removed units having one or no bedroom are deemed for this purpose to have one bedroom.

(2) The replacement units are affordable to, and occupied by, the same income level of households as the destroyed or removed units.

(f) "Longest feasible time," as used in this section, includes, but is not limited to, unlimited duration.

(Added by Stats. 2015, Ch. 319, Sec. 2. (AB 2) Effective January 1, 2016.)

62120.5. (a) Not less than 30 days prior to the execution of an agreement for acquisition of real property, or the execution of an agreement for the disposition and development of property, or the execution of an owner participation agreement, which agreement would lead to the destruction or removal of dwelling units from the low- and moderate-income housing market, the authority shall adopt by resolution a replacement housing plan. Not less than 30 days prior to adopting a replacement housing plan by resolution, the authority shall make available a draft of the proposed replacement housing plan for review and comment by property owners and residents within the plan area, any persons who have requested notice of that replacement housing plan, other public agencies, and the general public.

The replacement housing plan shall include all of the following:

(1) A description of the housing to be destroyed or removed, including the address, parcel number, number and size of units, whether the units are occupied, and if so, the income categories of the occupants, if that information is available, whether the units are rental or ownership, the rent levels or sale price of the units, and if the units have existing affordable covenants, the nature and source of the subsidy and duration of the covenants.

(2) A description of the housing to be rehabilitated, developed, or constructed pursuant to Section 62120 to replace the units described in paragraph (1), including the general location of the replacement units, the number and size of the replacement units, the affordability levels of the replacement units, whether the replacement units will be rental or ownership, and duration of the affordability covenants applicable to the units.

(3) An analysis of the cost of producing the replacement units and a description of the source and adequacy of funds or financing, or both, available for the rehabilitation, development, or construction.

(4) A finding that the replacement housing does not require the approval of the voters pursuant to Article XXXIV of the California Constitution, or that such approval has been obtained.

(5) The timetable for meeting the plan's relocation, rehabilitation, and replacement housing objectives. A dwelling unit whose replacement is required by Section 62120 but for which no replacement housing plan has been prepared, shall not be destroyed or removed from the low- and moderate-income housing market until the agency has by resolution adopted a replacement housing plan.

(b) Nothing in this section shall prevent an authority from destroying or removing from the low- and moderate-income housing market a dwelling unit which the authority owns and which is an immediate danger to health and safety. The authority shall, as soon as practicable, adopt by resolution a replacement housing plan with respect to that dwelling unit pursuant to this part.

(Added by Stats. 2015, Ch. 319, Sec. 2. (AB 2) Effective January 1, 2016.)

62120.7. An authority causing the rehabilitation, development, or construction of replacement dwelling units, other than single-family residences, pursuant to Section 62120, or pursuant to a replacement housing plan as required by Section 62120.5, or pursuant to provisions of a revitalization plan required by Section 62103, primarily for persons of low income, as defined in Section 50093 of the Health and Safety Code, shall give preference to those developments that are proposed to be organized as limited-equity housing cooperatives, when so requested as part of the public review, provided the project is achievable in an efficient and timely manner.

The limited-equity housing cooperatives shall, in addition to the provisions of Section 817 of the Civil Code, be organized so that the consideration paid for memberships or shares by the first occupants following construction or acquisition by the corporation, including the principal amount of obligations incurred to finance the share or membership purchase, does not exceed 3 percent of the development cost or acquisition cost, or of the fair market value appraisal by the permanent lender, whichever is greater.

(Added by Stats. 2015, Ch. 319, Sec. 2. (AB 2) Effective January 1, 2016.)

62121. 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, including the making of those 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 that payment authorized by Chapter 16 (commencing with Section 7260) of Division 7 of Title 1.

(Added by Stats. 2015, Ch. 319, Sec. 2. (AB 2) Effective January 1, 2016.)

62122. In order to facilitate the rehousing of families and single persons displaced by any governmental action, an authority, at the request of the city council or board of supervisors that created the authority, may dispose of the real property acquired under the provisions of subdivision (b) of section 62201, by sale or long-term lease, for use as, or development of, housing for those displaced persons.

(Added by Stats. 2015, Ch. 319, Sec. 2. (AB 2) Effective January 1, 2016.)

62123. (a) An authority shall monitor, on an ongoing basis, any housing affordable to persons and families of low or moderate income developed or otherwise made available pursuant to any provisions of this part. As part of this monitoring, an authority shall require owners or managers of the housing to submit an annual report to the authority. The annual reports shall include for each rental unit the rental rate and the income and family size of the occupants, and for each owner-occupied unit whether there was a change in ownership from the prior year and, if so, the income and family size of the new owners. The income information required by this section shall be supplied by the tenant in a certified statement on a form provided by the authority.

(b) The data specified in subdivision (a) shall be obtained by the authority from owners and managers of the housing specified therein and current data shall be included in any reports required by law to be submitted to the Department of Housing and

Community Development or the Controller. The information on income and family size that is required to be reported by the owner or manager shall be supplied by the tenant and shall be the only information on income or family size that the owner or manager shall be required to submit on his or her annual report to the agency.

(c) (1) The authority shall compile and maintain a database of existing, new, and substantially rehabilitated, housing units developed or otherwise assisted with moneys from the Low and Moderate Income Housing Fund, or otherwise counted towards the requirements of subdivision (a) or (b) of Section 62120. The database shall be posted in an easily identifiable and accessible location on the authority's Internet Web site and updated on an annual basis and shall include the date the database was last updated. The database shall require all of the following information for each owner-occupied unit or rental unit, or for each group of units, if more than one unit is subject to the same covenant:

(A) The street address and the assessor's parcel number of the property.

(B) The size of each unit, measured by the number of bedrooms.

(C) The year in which the construction or substantial rehabilitation of the unit was completed.

(D) The date of recordation and document number of the affordability covenants or restrictions required under subdivision (f) of Section 33334.3 of the Health and Safety Code.

(E) The date on which the covenants or restrictions expire.

(F) For owner-occupied units that have changed ownership during the reporting year, as described in subdivision (a), the date and document number of the new affordability covenants or other documents recorded to assure that the affordability restriction is enforceable and continues to run with the land.

(G) Whether occupancy in the unit or units is restricted to any special population, including, but not limited to, senior citizens and persons with disabilities.

(H) Whether occupancy in the unit or units is restricted to an extremely low, very low, low-, or moderate-income household.

(2) Notwithstanding subparagraphs (A) and (D) of paragraph (1), the database shall omit any property used to confidentially house victims of domestic violence.

(3) Upon establishment of a database under this section, the authority shall provide reasonable notice to the community regarding the existence of the database.

(d) The authority shall adequately fund its monitoring activities as needed to insure compliance of applicable laws and agreements in relation to affordable units. For purposes of defraying the cost of complying with the requirements of this section and the changes in reporting requirements enacted by the act enacting this section, an authority may establish and impose fees upon owners of properties monitored pursuant to this section.

(Added by Stats. 2015, Ch. 319, Sec. 2. (AB 2) Effective January 1, 2016.)