

Summary

SB 2: Building Homes and Jobs Act

Chaptered (09/29/2017)

Under existing law, there are programs providing assistance for, among other things, emergency housing, multifamily housing, farmworker housing, home ownership for very low and low-income households, and downpayment assistance for first-time home buyers. Existing law also authorizes the issuance of bonds in specified amounts pursuant to the State General Obligation Bond Law. Existing law requires that proceeds from the sale of these bonds be used to finance various existing housing programs, capital outlay related to infill development, brownfield cleanup that promotes infill development, and housing-related parks.

This bill would enact the Building Homes and Jobs Act. The bill would make legislative findings and declarations relating to the need to establish permanent, ongoing sources of funding dedicated to affordable housing development. The bill would impose a fee, except as provided, of \$75 to be paid at the time of the recording of every real estate instrument, paper, or notice required or permitted by law to be recorded, per each single transaction per single parcel of real property, not to exceed \$225. By imposing new duties on counties with respect to the imposition of the recording fee, the bill would create a state-mandated local program. The bill would require that a county recorder quarterly send revenues from this fee, after deduction of any actual and necessary administrative costs incurred by the county recorder, to the Controller for deposit in the Building Homes and Jobs Fund, which the bill would create within the State Treasury.

The bill would, upon appropriation by the Legislature, except as provided, require (1) for moneys collected on and after January 1, 2018, and until December 31, 2018, that 50% of the moneys deposited in the fund be made available to local governments for specified purposes, and 50% made available to the Department of Housing and Community Development to assist persons experiencing or at risk of homelessness, and (2) for moneys collected on and after January 1, 2019, that 70% of the moneys deposited in the fund be provided to local governments in accordance with a specified formula and 30% made available to the department for specified purposes, including a continuous appropriation of moneys to the California Housing Finance Agency for the purpose of creating mixed income multifamily residential housing for lower to moderate income households, as provided. The bill would also provide that funds allocated to a local government that does not have a documented plan to expend certain moneys allocated to it within 5 years would revert and be deposited in the Housing Rehabilitation Loan Fund, to be used for specified purposes. By

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continuously appropriating moneys for use by the California Housing Finance Agency, this bill would make an appropriation. The bill would require that 20% of all moneys in the fund be expended for affordable owner-occupied workforce housing, and that moneys in the fund allocated to local governments be expended to support affordable housing, home ownership opportunities, and other housing-related programs, as specified. The bill would impose certain auditing and reporting requirements.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

This bill would declare that it is to take effect immediately as an urgency statute.