

Guidelines

for the

Jobs Housing Balance Incentive Grant Program



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**Jobs Housing Balance Incentive Grant Program
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PROGRAM GUIDELINES

Jobs Housing Balance Incentive Grant Program as revised by SB 423

The Department is pleased to release the application for the Jobs-Housing Balance Incentive Grant Program (JHB). The JHB was created by AB 2864, Chapter 80 of the Statutes of 2000, which was added as Section 50544 of the Health and Safety Code. To implement the JHB on November 1, 2001, the Department released a Notice of Funding Availability. Unfortunately, due to budgetary constraints the funding appropriated for this program was eliminated prior to the award of any grants.

In 2002, the program was modified pursuant to SB 423, Chapter 482 of Statutes of 2002 (See Attachment C) and \$25 million dollars has been made available for the program pursuant to Proposition 46, the Housing and Emergency Shelter Trust Fund Act of 2002 for those cities and counties that would have been eligible for an award pursuant to the November 1, 2001 NOFA. Please be aware this program has been modified by SB 423¹, the primary modification being that a lower amount of funding is available and will be awarded based on fewer criteria, e.g., housing production meeting or exceeding a specified threshold and employment demand area. Accordingly, the per-unit funding amounts as had been announced in the November 2001 NOFA have been revised to reflect the reduced amount of funding available. The modifications are reflected in these guidelines. These grant funds may be used by cities and counties for capital asset projects for projects benefiting the community, including neighborhood park facilities, bike paths, and community centers, etc.

Applications to the Department will be due March 26, 2003. Funding amounts will be determined on the basis of housing units for which new construction building permits were issued January 1, 2001 through December 31, 2001. Grant funds will be awarded on approximately May 30, 2003 through a grant agreement that will subsequently require the recipient to provide a report on the number of new housing units for which permits were issued during the period of January 1, 2001 through December 31, 2001, the number of certificates of occupancy issued for those units, and the amenities purchased or built.

PROGRAM GOALS:

The program goal is to encourage new housing construction, primarily in high job growth areas where housing has not kept pace with job growth. Incentive awards will be made on a per unit cash grant for production at and above the established threshold level. The per-unit production incentive will be weighted, based on employment demand category.

¹ This program design is a one-time award; additional funds appropriated by this legislation will be subject to a significantly modified program design, focused on production of new housing units affordable to lower income households.

ELIGIBLE APPLICANTS:

Eligible applicants are cities and counties that did both of the following:

1. Adopted a housing element as of December 31, 2001 that the Department has determined, pursuant to Section 65585 of the Government Code, to be in compliance with State law.² For the purposes of this program only housing elements adopted and submitted to the Department prior to December 31, 2001, and found to be in compliance with State housing element law (Article 10.6 of the Government Code) would be deemed eligible.
2. Increased the number of permits issued for housing January 1, 2001 through December 31, 2001 over the average number of units in building permits issued annually for the most recent 3 year period. For the purposes of this NOFA, the Department set the target for eligibility as being 112% of each jurisdiction's 36-month annual average. This baseline figure was established by the Department on the basis of data available from October 1997 through September 2000 on new residential construction permits reported by the Construction Industry Research Board (CIRB). Refer to Attachment A for both the 3-year annual average (baseline) and the target permit threshold at 112% of the baseline.

PROGRAM COMPONENTS:

Production Award Component: Funds are awarded based on increases in housing supply relative to county-level employment demand and the jobs-housing relationship. Total production will be measured by issuance of building permits for new housing units as reported by the CIRB for calendar year 2001. A qualifying housing unit must meet the following Census Bureau definition:

“A house, an apartment, a mobile home or trailer, a group of rooms, or a single room that is occupied as a separate living quarters, or if vacant is intended for occupancy as a separate living quarters. Separate living quarters are those in which the occupants live separately from any other individuals in the building and which have a direct access from the outside of the building or through a common hall.”

Grant amounts will be made to eligible applicants for production increases exceeding their annual average for the baseline period. (See Attachment A, column C). All applicants must have met or exceeded the 112% (Attachment A, column D) to be eligible for the program. Awards will be determined as a per-unit incentive weighted for high, medium, and low employment demand areas. The employment demand areas have been determined by county on the basis of job growth, rate of job growth, and the relationship of housing units to jobs by industry. The high, medium and low employment area factor will determine the funds per unit awarded to the applicants. Attachment B indicates the employment demand area category for each county.

² Except that jurisdictions within San Diego County that were eligible to and which self-certified with SANDAG by the due date are eligible. (Section 65585.2 of the Government Code, added by SB 1432, Chapter 711 of the Statutes of 2002).

High employment demand area: \$1,300 per unit
Moderate employment demand area: \$ 900 per unit
Lower employment demand area: \$ 500 per unit

Important Note: This is not a competitive process whereby applications are rated and ranked. All eligible applicants that provide the required supporting documentation will be awarded funds as described in this NOFA. The award amounts have been reduced from those originally specified in the November 1, 2001 NOFA in order to reflect the anticipated demand and the amount of funds available for distribution. Award amounts are determined based on departmental projections using the best available data. However, should actual production by eligible jurisdictions exceed, or be less than, the amount of funds available, the Department shall prorate award amounts accordingly.

Planning Incentive Award Component: This component of the JHB program has been deleted by SB 423.

APPLICATIONS:

Applications will be made available January 24, 2003 with a submission due date of March 26, 2003. Unit production will be based on new residential construction permits issued January – December 2001 as reported by CIRB. Copies of Form C-404³ which have been submitted to the Census Bureau for calendar year 2001 or Form DF-HU3 Housing Unit Change, which has been submitted to the State Department of Finance's (DOF) Demographic Research Unit for calendar year 2001 may be used to supplement CIRB reporting information. HCD will consider only that data from a reporting entity that has been submitted to CIRB, the Census Bureau, or DOF by their respective reporting deadlines. Applicants should check with the reporting entity to verify the accuracy of the permit data.

Applicants are obligated to ensure accurate reporting takes place. The Department will not accept permit data in other formats or pursuant to definitions which do not conform to those used by CIRB, the Census Bureau, or DOF. Applicants who disagree with permit data of any of the above three entities must reconcile and confirm the permit report data with those entities prior to this application's final filing date.

All determinations regarding the final number of residential building permits issued shall be made by the Department using the best available data. The Department reserves the right to accept, reject, or seek additional information from any applicant or data-providing entity in reaching its determinations. The determinations of the Department shall be final.

After the application deadline and the awards are announced, a standard agreement will be entered into with the Department and will specify the terms and conditions of the grant funds as well as the reporting and monitoring requirements. Contracts are anticipated to be processed immediately following the award of funds by the end of May 2003.

³ See Form C-404 (1-19-2000), "Report of New Privately Owned Residential Building or Zoning Permits Issued," U.S. Department of Commerce, U.S. Census Bureau.

USE OF FUNDS:

Grants provided pursuant to this chapter shall be used for the construction or acquisition of capital assets as set forth in Section 16727 of the Government Code (Attachment D) that serve to benefit the community. Eligible projects include, but are not limited to, traffic improvements, neighborhood parks, bike paths, libraries, school facilities, play areas, community centers, and police and fire stations.

For more information please call (916) 445-4728, fax (916) 327-2643, or email cahouse@hcd.ca.gov

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Permits for New Residential Units

ATTACHMENT A

A County	B Jurisdiction	C Housing Units ¹ Baseline Level (Annual Permit Average from 10/97-9/00) *	D Housing Units ² Eligibility Threshold for the Issuance of New Residential Permits (112% of baseline).*
Alameda	Alameda	47	52
Alameda	Alameda County	374	418
Alameda	Albany	6	7
Alameda	Berkeley	93	104
Alameda	Dublin	867	970
Alameda	Emeryville	68	75
Alameda	Fremont	747	837
Alameda	Hayward	392	439
Alameda	Livermore	581	651
Alameda	Newark	190	212
Alameda	Oakland	566	633
Alameda	Piedmont	0	1
Alameda	Pleasanton	507	567
Alameda	San Leandro	309	345
Alameda	Union City	511	571
Alpine	Alpine County	47	53
Amador	Amador City	0	1
Amador	Amador County	133	148
Amador	lone	62	69
Amador	Jackson	11	12
Amador	Plymouth	2	3
Amador	Sutter Creek	8	9
Butte	Biggs ³	N/A	Contact HCD
Butte	Butte County	331	371
Butte	Chico	520	582
Butte	Gridley	27	30
Butte	Oroville	14	16
Butte	Paradise town	61	67
Calaveras	Angels	61	68
Calaveras	Calaveras County	249	278
Colusa	Colusa	4	5
Colusa	Colusa County	27	29
Colusa	Williams	21	23
Contra Costa	Antioch	840	941
Contra Costa	Brentwood	822	920
Contra Costa	Clayton ³	N/A	Contact HCD
Contra Costa	Concord	175	196
Contra Costa	Contra Costa County	1215	1360
Contra Costa	Danville town	205	229
Contra Costa	El Cerrito	9	10
Contra Costa	Hercules	49	55
Contra Costa	Lafayette ³	N/A	Contact HCD
Contra Costa	Martinez	84	93
Contra Costa	Moraga ³	N/A	Contact HCD
Contra Costa	Orinda ³	N/A	Contact HCD

* Figures subject to rounding formulas

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Contra Costa	Pinole	24	27
Contra Costa	Pittsburg	274	306
Contra Costa	Pleasant Hill	47	52
Contra Costa	Richmond	187	209
Contra Costa	San Pablo	11	12
Contra Costa	San Ramon	298	334
Contra Costa	Walnut Creek	156	175
Del Norte	Crescent City	6	7
Del Norte	Del Norte County	35	39
El Dorado	El Dorado County	1180	1321
El Dorado	Placerville	85	94
El Dorado	South Lake Tahoe	64	71
Fresno	Clovis	457	512
Fresno	Coalinga	19	21
Fresno	Firebaugh	16	17
Fresno	Fowler	10	11
Fresno	Fresno	1649	1846
Fresno	Fresno County	348	389
Fresno	Huron	18	20
Fresno	Kerman	62	69
Fresno	Kingsburg	86	96
Fresno	Mendota	28	31
Fresno	Orange Cove	43	48
Fresno	Parlier	88	98
Fresno	Reedley	66	74
Fresno	San Joaquin	24	26
Fresno	Sanger	43	47
Fresno	Selma	102	114
Glenn	Glenn County	26	29
Glenn	Orland	21	23
Glenn	Willows	1	2
Humboldt	Arcata	47	53
Humboldt	Blue Lake	1	2
Humboldt	Eureka	28	31
Humboldt	Ferndale	6	7
Humboldt	Fortuna	44	48
Humboldt	Humboldt County	257	288
Humboldt	Rio Dell	2	3
Humboldt	Trinidad	2	3
Imperial	Brawley	29	32
Imperial	Calexico	184	206
Imperial	Calipatria	28	31
Imperial	El Centro	50	56
Imperial	Holtville	6	7
Imperial	Imperial	82	91
Imperial	Imperial County	64	71

* Figures subject to rounding formulas

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Imperial	Westmorland	3	4
Inyo	Bishop	3	4
Inyo	Inyo County	16	17
Kern	Arvin	68	76
Kern	Bakersfield	2054	2300
Kern	California City	19	21
Kern	Delano	215	240
Kern	Kern County	647	724
Kern	Maricopa	1	2
Kern	McFarland ³	N/A	Contact HCD
Kern	Ridgecrest	2	3
Kern	Shafter	91	101
Kern	Taft	13	14
Kern	Tehachapi ³	N/A	Contact HCD
Kern	Wasco	83	93
Kings	Avenal	12	13
Kings	Corcoran	58	65
Kings	Hanford	305	341
Kings	Kings County	50	56
Kings	Lemoore	201	225
Lake	Clearlake ³	N/A	Contact HCD
Lake	Lake County	148	166
Lake	Lakeport	4	5
Lassen	Lassen County	53	59
Lassen	Susanville	44	49
Los Angeles	Agoura Hills	4	5
Los Angeles	Alhambra	61	67
Los Angeles	Arcadia	200	224
Los Angeles	Artesia	10	11
Los Angeles	Avalon	18	19
Los Angeles	Azusa	31	34
Los Angeles	Baldwin Park	55	61
Los Angeles	Bell	1	2
Los Angeles	Bell Gardens	3	4
Los Angeles	Bellflower	39	43
Los Angeles	Beverly Hills	75	83
Los Angeles	Bradbury	6	7
Los Angeles	Burbank	61	67
Los Angeles	Calabasas	63	70
Los Angeles	Carson	160	179
Los Angeles	Cerritos	71	79
Los Angeles	Claremont	95	106
Los Angeles	Commerce	0	1
Los Angeles	Compton	28	30
Los Angeles	Covina	4	5
Los Angeles	Cudahy	40	44

* Figures subject to rounding formulas

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Los Angeles	Culver City	21	23
Los Angeles	Diamond Bar	58	64
Los Angeles	Downey	38	42
Los Angeles	Duarte	55	61
Los Angeles	El Monte	73	82
Los Angeles	El Segundo	15	16
Los Angeles	Gardena	92	102
Los Angeles	Glendale	105	117
Los Angeles	Glendora	30	33
Los Angeles	Hawaiian Gardens	6	7
Los Angeles	Hawthorne	10	11
Los Angeles	Hermosa Beach	101	113
Los Angeles	Hidden Hills	9	10
Los Angeles	Huntington Park	7	8
Los Angeles	Industry	1	2
Los Angeles	Inglewood	26	29
Los Angeles	Irwindale	2	3
Los Angeles	La Canada Flintridge	31	34
Los Angeles	La Habra Heights	13	14
Los Angeles	La Mirada	90	100
Los Angeles	La Puente	8	9
Los Angeles	La Verne	104	116
Los Angeles	Lakewood	9	10
Los Angeles	Lancaster	376	421
Los Angeles	Lawndale	0	1
Los Angeles	Lomita	11	12
Los Angeles	Long Beach	132	147
Los Angeles	Los Angeles	4311	4828
Los Angeles	Los Angeles County	2851	3192
Los Angeles	Lynwood	34	38
Los Angeles	Malibu	74	83
Los Angeles	Manhattan Beach	184	206
Los Angeles	Maywood	5	6
Los Angeles	Monrovia	65	73
Los Angeles	Montebello	59	66
Los Angeles	Monterey Park	144	161
Los Angeles	Norwalk	79	88
Los Angeles	Palmdale	584	654
Los Angeles	Palos Verdes Estates	20	22
Los Angeles	Paramount	11	12
Los Angeles	Pasadena	206	230
Los Angeles	Pico Rivera	82	91
Los Angeles	Pomona	47	52
Los Angeles	Rancho Palos Verdes	53	58
Los Angeles	Redondo Beach	271	303
Los Angeles	Rolling Hills	2	3

* Figures subject to rounding formulas

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Los Angeles	Rolling Hills Estates	29	32
Los Angeles	Rosemead	37	41
Los Angeles	San Dimas	27	29
Los Angeles	San Fernando	7	8
Los Angeles	San Gabriel	37	41
Los Angeles	San Marino	4	5
Los Angeles	Santa Clarita	992	1111
Los Angeles	Santa Fe Springs	2	3
Los Angeles	Santa Monica	499	559
Los Angeles	Sierra Madre	6	7
Los Angeles	Signal Hill	31	34
Los Angeles	South El Monte	3	4
Los Angeles	South Gate	15	17
Los Angeles	South Pasadena	10	11
Los Angeles	Temple City	104	116
Los Angeles	Torrance	152	170
Los Angeles	Vernon	0	1
Los Angeles	Walnut	7	8
Los Angeles	West Covina	153	171
Los Angeles	West Hollywood	52	58
Los Angeles	Westlake Village	13	14
Los Angeles	Whittier	14	15
Madera	Chowchilla	52	57
Madera	Madera	246	275
Madera	Madera County	310	346
Marin	Belvedere	3	4
Marin	Corte Madera town	20	22
Marin	Fairfax town	1	2
Marin	Larkspur	3	4
Marin	Marin County	160	179
Marin	Mill Valley	15	17
Marin	Novato	321	359
Marin	Ross town	1	2
Marin	San Anselmo town	9	10
Marin	San Rafael	122	136
Marin	Sausalito	7	8
Marin	Tiburon town	26	29
Mariposa	Mariposa	78	86
Mendocino	Fort Bragg	20	22
Mendocino	Mendocino County	226	253
Mendocino	Point Arena ³	N/A	Contact HCD
Mendocino	Ukiah	17	19
Mendocino	Willits	5	6
Merced	Atwater	106	118
Merced	Dos Palos	4	5
Merced	Gustine	50	56

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Merced	Livingston	18	19
Merced	Los Banos	424	474
Merced	Merced	257	287
Merced	Merced County	281	314
Modoc	Alturas	0	1
Modoc	Modoc County	14	15
Mono	Mammoth Lakes town	151	168
Mono	Mono County	34	37
Monterey	Carmel-by-the-Sea	24	26
Monterey	Del Rey Oaks	0	1
Monterey	Gonzales	53	59
Monterey	Greenfield	14	16
Monterey	King City	35	39
Monterey	Marina	2	3
Monterey	Monterey	31	35
Monterey	Monterey County	489	547
Monterey	Pacific Grove	8	9
Monterey	Salinas	882	987
Monterey	Sand City	4	5
Monterey	Seaside	12	13
Monterey	Soledad	138	154
Napa	American Canyon	49	54
Napa	Calistoga	6	7
Napa	Napa	308	345
Napa	Napa County	122	136
Napa	St. Helena	41	45
Napa	Yountville town	14	15
Nevada	Grass Valley	74	82
Nevada	Nevada City ³	N/A	Contact HCD
Nevada	Nevada County	385	431
Nevada	Truckee	331	370
Orange	Anaheim	488	546
Orange	Brea	51	57
Orange	Buena Park	158	176
Orange	Costa Mesa	63	70
Orange	Cypress	28	30
Orange	Dana Point	102	114
Orange	Fountain Valley	163	182
Orange	Fullerton	171	191
Orange	Garden Grove	139	155
Orange	Huntington Beach	517	579
Orange	Irvine	2960	3315
Orange	La Habra	138	154
Orange	La Palma	31	34
Orange	Laguna Beach	71	79
Orange	Laguna Hills	5	6

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Orange	Laguna Niguel	205	229
Orange	Lake Forest	14	16
Orange	Los Alamitos	0	1
Orange	Mission Viejo	584	653
Orange	Newport Beach	733	821
Orange	Orange	435	487
Orange	Orange County	3327	3725
Orange	Placentia	182	203
Orange	San Clemente	463	518
Orange	San Juan Capistrano	108	121
Orange	Santa Ana	140	156
Orange	Seal Beach	8	9
Orange	Stanton	30	33
Orange	Tustin	306	342
Orange	Villa Park	15	16
Orange	Westminster	116	129
Orange	Yorba Linda	212	237
Placer	Auburn	58	64
Placer	Colfax	14	15
Placer	Lincoln	736	824
Placer	Loomis town	23	26
Placer	Placer County	820	918
Placer	Rocklin	1488	1666
Placer	Roseville	2276	2549
Plumas	Plumas County	131	146
Plumas	Portola	2	3
Riverside	Banning	138	154
Riverside	Beaumont	32	36
Riverside	Blythe	68	75
Riverside	Calimesa	16	17
Riverside	Canyon Lake	69	77
Riverside	Cathedral City	505	565
Riverside	Coachella	189	212
Riverside	Corona	1606	1798
Riverside	Desert Hot Springs	8	9
Riverside	Hemet	348	389
Riverside	Indian Wells	157	175
Riverside	Indio	313	350
Riverside	La Quinta	1136	1271
Riverside	Lake Elsinore	303	339
Riverside	Moreno Valley	270	302
Riverside	Murrieta	780	873
Riverside	Norco	74	82
Riverside	Palm Desert	633	708
Riverside	Palm Springs	139	155
Riverside	Perris	154	172

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Riverside	Rancho Mirage	352	393
Riverside	Riverside	1394	1561
Riverside	Riverside County	3404	3812
Riverside	San Jacinto	231	259
Riverside	Temecula	1398	1565
Sacramento	Citrus Heights	267	299
Sacramento	Folsom	1603	1795
Sacramento	Galt	248	277
Sacramento	Isleton	0	1
Sacramento	Sacramento	1453	1626
Sacramento	Sacramento County	3566	3993
Santa Barbara	Buellton ³	N/A	Contact HCD
Santa Barbara	Carpinteria	26	28
Santa Barbara	Guadalupe	0	1
Santa Barbara	Lompoc	48	53
Santa Barbara	Santa Barbara	70	78
Santa Barbara	Santa Barbara County	538	602
Santa Barbara	Santa Maria	277	310
Santa Barbara	Solvang ³	N/A	Contact HCD
San Benito	Hollister	412	461
San Benito	San Benito County	204	228
San Benito	San Juan Bautista	4	5
San Bernadino	Adelanto	8	9
San Bernadino	Apple Valley town	333	372
San Bernadino	Barstow	2	3
San Bernadino	Big Bear Lake	100	111
San Bernadino	Chino	131	146
San Bernadino	Chino Hills	622	696
San Bernadino	Colton	72	81
San Bernadino	Fontana	1323	1481
San Bernadino	Grand Terrace	8	9
San Bernadino	Hesperia	314	352
San Bernadino	Highland	187	209
San Bernadino	Loma Linda	99	111
San Bernadino	Montclair	44	48
San Bernadino	Needles	29	32
San Bernadino	Ontario	195	218
San Bernadino	Rancho Cucamonga	1026	1149
San Bernadino	Redlands	156	174
San Bernadino	Rialto	167	187
San Bernadino	San Bernardino	113	126
San Bernadino	San Bernardino County	889	996
San Bernadino	Twentynine Palms	5	6
San Bernadino	Upland	141	157
San Bernadino	Victorville	340	380
San Bernadino	Yucaipa	190	212

* Figures subject to rounding formulas

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San Bernadino	Yucca Valley	47	53
San Diego	Carlsbad	1878	2102
San Diego	Chula Vista	2066	2313
San Diego	Coronado	36	40
San Diego	Del Mar ³	N/A	Contact HCD
San Diego	El Cajon	100	112
San Diego	Encinitas	341	381
San Diego	Escondido	391	437
San Diego	Imperial Beach	21	23
San Diego	La Mesa	7	8
San Diego	Lemon Grove	16	18
San Diego	National City	0	1
San Diego	Oceanside	694	777
San Diego	Poway	207	232
San Diego	San Diego	6283	7036
San Diego	San Diego County	1853	2074
San Diego	San Marcos	628	702
San Diego	Santee	89	99
San Diego	Solana Beach	22	25
San Diego	Vista	171	191
San Francisco	San Francisco	3055	3421
San Joaquin	Escalon	51	57
San Joaquin	Lathrop	122	136
San Joaquin	Lodi	286	320
San Joaquin	Manteca	504	564
San Joaquin	Ripon	93	103
San Joaquin	San Joaquin County	250	280
San Joaquin	Stockton	1426	1597
San Joaquin	Tracy	1249	1398
San Luis Obispo	Arroyo Grande	143	159
San Luis Obispo	Atascadero	132	147
San Luis Obispo	Grover Beach	62	69
San Luis Obispo	Morro Bay	69	77
San Luis Obispo	Paso Robles	290	324
San Luis Obispo	Pismo Beach	88	98
San Luis Obispo	San Luis Obispo	120	134
San Luis Obispo	San Luis Obispo County	776	868
San Mateo	Atherton town	4	5
San Mateo	Belmont	20	22
San Mateo	Brisbane	103	115
San Mateo	Burlingame	47	53
San Mateo	Colma town	0	1
San Mateo	Daly City	50	56
San Mateo	East Palo Alto	68	76
San Mateo	Foster City	1	2
San Mateo	Half Moon Bay	37	41

* Figures subject to rounding formulas

Permits for New Residential Units

ATTACHMENT A

A County	B Jurisdiction	C Housing Units ¹ Baseline Level (Annual Permit Average from 10/97-9/00) *	D Housing Units ² Eligibility Threshold for the Issuance of New Residential Permits (112% of baseline).*
San Mateo	Hillsborough town	18	20
San Mateo	Menlo Park	60	67
San Mateo	Millbrae	4	5
San Mateo	Pacifica	68	76
San Mateo	Portola Valley town	9	10
San Mateo	Redwood City	289	323
San Mateo	San Bruno	6	7
San Mateo	San Carlos	26	29
San Mateo	San Mateo	314	351
San Mateo	San Mateo County	361	404
San Mateo	South San Francisco	147	165
San Mateo	Woodside town	22	24
Santa Clara	Campbell	65	72
Santa Clara	Cupertino	192	215
Santa Clara	Gilroy	402	450
Santa Clara	Los Altos	50	56
Santa Clara	Los Altos Hills town	33	36
Santa Clara	Los Gatos town	78	87
Santa Clara	Milpitas	311	348
Santa Clara	Monte Sereno	12	13
Santa Clara	Morgan Hill	322	360
Santa Clara	Mountain View	312	349
Santa Clara	Palo Alto	345	386
Santa Clara	San Jose	4321	4839
Santa Clara	Santa Clara	375	420
Santa Clara	Santa Clara County	278	311
Santa Clara	Saratoga	77	86
Santa Clara	Sunnyvale	390	436
Santa Cruz	Capitola	23	25
Santa Cruz	Santa Cruz	80	89
Santa Cruz	Santa Cruz County	302	338
Santa Cruz	Scotts Valley	46	51
Santa Cruz	Watsonville	123	137
Shasta	Anderson	36	40
Shasta	Redding	456	510
Shasta	Shasta County	247	276
Shasta	Shasta Lake	61	7
Sierra	Loyalton	2	3
Sierra	Sierra County	11	12
Siskiyou	Dorris	0	1
Siskiyou	Dunsmuir	2	3
Siskiyou	Etna	1	2
Siskiyou	Fort Jones	1	2
Siskiyou	Montague	1	2
Siskiyou	Mount Shasta	16	17
Siskiyou	Siskiyou County	115	128

* Figures subject to rounding formulas

Permits for New Residential Units

ATTACHMENT A

A County	B Jurisdiction	C Housing Units ¹ Baseline Level (Annual Permit Average from 10/97-9/00) *	D Housing Units ² Eligibility Threshold for the Issuance of New Residential Permits (112% of baseline).*
Siskiyou	Tulelake	0	1
Siskiyou	Weed	0	1
Siskiyou	Yreka	6	7
Solano	Benicia	28	31
Solano	Dixon	82	91
Solano	Fairfield	521	583
Solano	Rio Vista	160	179
Solano	Solano County	37	41
Solano	Suisun City	76	85
Solano	Vacaville	638	714
Solano	Vallejo	436	488
Sonoma	Cloverdale	165	184
Sonoma	Cotati	28	31
Sonoma	Healdsburg	156	174
Sonoma	Petaluma	485	543
Sonoma	Rohnert Park	58	64
Sonoma	Santa Rosa	1197	1340
Sonoma	Sebastopol	29	32
Sonoma	Sonoma	71	79
Sonoma	Sonoma County	284	318
Sonoma	Windsor town	256	286
Stanislaus	Ceres	102	114
Stanislaus	Hughson	23	25
Stanislaus	Modesto	1066	1193
Stanislaus	Newman	84	94
Stanislaus	Oakdale	51	57
Stanislaus	Patterson	161	180
Stanislaus	Riverbank	54	60
Stanislaus	Stanislaus County	423	473
Stanislaus	Turlock	512	573
Stanislaus	Waterford	6	7
Sutter County	Live Oak	9	10
Sutter County	Sutter County	115	128
Sutter County	Yuba City	77	86
Tehema	Corning	5	6
Tehema	Red Bluff	24	26
Tehema	Tehama 3	N/A	Contact HCD
Tehema	Tehama County	122	136
Trinity	Trinity County	44	49
Tulare	Dinuba	79	88
Tulare	Exeter	42	47
Tulare	Farmersville	35	39
Tulare	Lindsay	11	12
Tulare	Porterville	201	225
Tulare	Tulare	230	257
Tulare	Tulare County	312	349

* Figures subject to rounding formulas

Permits for New Residential Units

ATTACHMENT A

A County	B Jurisdiction	C Housing Units ¹ Baseline Level (Annual Permit Average from 10/97-9/00) *	D Housing Units ² Eligibility Threshold for the Issuance of New Residential Permits (112% of baseline).*
Tulare	Visalia	638	714
Tulare	Woodlake	36	40
Tuolumne	Sonora	19	21
Tuolumne	Tuolumne County	266	297
Ventura	Camarillo	455	509
Ventura	Fillmore	55	61
Ventura	Moorpark	63	70
Ventura	Ojai	8	9
Ventura	Oxnard	840	940
Ventura	Port Hueneme	10	11
Ventura	San Buenaventura	221	247
Ventura	Santa Paula	18	20
Ventura	Simi Valley	1034	1158
Ventura	Thousand Oaks	764	855
Ventura	Ventura County	235	263
Yolo	Davis	844	945
Yolo	West Sacramento	160	179
Yolo	Winters	33	36
Yolo	Woodland	263	294
Yolo	Yolo County	37	41
Yuba	Marysville	21	23
Yuba	Wheatland	9	10
Yuba	Yuba County	126	141

1 Calculated by HCD using Construction Industry Research Board data; CIRB Address: 2511 Empire Ave., Burbank, CA 91504, (818) 841-8210

2 Where applicable, figure adjusted to represent an increase of 1 unit

3 Data not available

Attachment B

Employment Demand Areas

HIGH DEMAND	MODERATE DEMAND	LOWER DEMAND
County Name	County Name	County Name
ALAMEDA	BUTTE	ALPINE
CONTRA COSTA	EL DORADO	AMADOR
LOS ANGELES	FRESNO	CALAVERAS
ORANGE	IMPERIAL	COLUSA
RIVERSIDE	KERN	DEL NORTE
SACRAMENTO	MADERA	GLENN
SAN BERNARDINO	MARIN	HUMBOLDT
SAN DIEGO	MERCED	INYO
SAN FRANCISCO	MONTEREY	KINGS
SAN MATEO	NAPA	LAKE
SANTA CLARA	NEVADA	LASSEN
SONOMA	PLACER	MARIPOSA
VENTURA	SAN JOAQUIN	MENDOCINO
	SAN LUIS OBISPO	MODOC
	SANTA BARBARA	MONO
	SANTA CRUZ	PLUMAS
	SHASTA	SAN BENITO
	SOLANO	SIERRA
	STANISLAUS	SISKIYOU
	TULARE	SUTTER
	YOLO	TEHAMA
		TRINITY
		TUOLUMNE
		YUBA

Parameters for Determining a County's Employment Demand:

- High Demand County:** Average Annual Employment Growth from 1997-1999 exceeds 6,400 new jobs
and, Ratio of Existing Supplies of Housing and Jobs is below 1.1
OR
Average Annual Employment Growth from 1997-1999 exceeds 15,000 new jobs
and, Average Annual Employment Growth from 1997-1999 exceeds State average job growth of 3%
- Medium Demand County** Average Annual Employment Growth from 1997-1999 is between 1,000 and 6,400 new jobs
and, Ratio of Existing Supplies of Housing and Jobs is below 1.8
- Low Demand County** Average Annual Employment Growth from 1997-1999 is fewer than 1,000 new jobs
and, Ratio of Existing Supplies of Housing and Jobs exceeds 0.9

Sources: Employment by Industry Data 1996-1999 from EDD and May 2000 E-5 City/County Population and Housing Estimates from DOF

BILL NUMBER: SB 423 CHAPTERED
BILL TEXT

CHAPTER 482
FILED WITH SECRETARY OF STATE SEPTEMBER 12, 2002
APPROVED BY GOVERNOR SEPTEMBER 11, 2002
PASSED THE SENATE AUGUST 20, 2002
PASSED THE ASSEMBLY AUGUST 19, 2002
AMENDED IN ASSEMBLY JUNE 30, 2002
AMENDED IN ASSEMBLY JUNE 24, 2002
AMENDED IN ASSEMBLY JUNE 10, 2002
AMENDED IN SENATE JUNE 4, 2001
AMENDED IN SENATE MAY 16, 2001

INTRODUCED BY Senator Torlakson

FEBRUARY 21, 2001

An act to add Chapter 3.8 (commencing with Section 50550) to Part 2 of Division 31 of the Health and Safety Code, relating to housing.

LEGISLATIVE COUNSEL'S DIGEST

SB 423, Torlakson. Workforce Housing Reward Program.

Existing law establishes, among other housing programs, the Jobs-Housing Balance Improvement Program administered by the Department of Housing and Community Development.

This bill would establish the Workforce Housing Reward Program to be administered by the department to provide local assistance for the construction or acquisition of capital assets to cities, counties, and cities and counties that provide land use approval to affordable housing developments, as specified.

This bill would become operative only upon approval by the voters of the Housing and Emergency Shelter Trust Fund Act of 2002 as enacted by Chapter 26 of the Statutes of 2002, and would prescribe the use of certain funds that would be transferred to the Jobs-Housing Balance Improvement Account pursuant to that act.

THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Chapter 3.8 (commencing with Section 50550) is added to Part 2 of Division 31 of the Health and Safety Code, to read:

CHAPTER 3.8. WORKFORCE HOUSING REWARD PROGRAM

50550. There is hereby established the Workforce Housing Reward Program, to be administered by the department for the purpose of providing local assistance to cities, counties, and cities and counties that provide land use approval to housing developments affordable to very low and low-income households.

50550.1. (a) To the extent that funds are available, the department shall provide local assistance grants to a city, county, or city and county that issues a building permit for a housing development consisting of newly constructed units that are affordable to very low or low-income households if all of the following conditions are met:

(1) Final land use approval was granted to the development on or after January 1, 2004.

(2) (A) In the case of rental units, the development is subject to a regulatory agreement recorded against the property that obligates the owner to maintain rents on the restricted units at levels affordable to very low or low-income households for at least 55 years.

(B) In the case of ownership housing, units shall be initially sold to households of low or very low income at an affordable housing cost. If public funds are used to achieve an affordable housing cost, then upon the sale of an assisted unit to a low- or very low income household, the public entity shall ensure the repayment of the public funds and reuse of those funds for affordable housing for a period of at least 20 years. The proposed mechanism for restrictions of ownership units shall be consistent with criteria established by the department and specified in the Notice of Funding Availability.

(3) By the end of the 12-month period covered by the Notice of Funding Availability, the city, county, or city and county has an adopted housing element that the department has found pursuant to Section 65585 of the Government Code to be in substantial 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 and has submitted to the department the annual progress report required by Section 65400 of the Government Code within the preceding 12 months.

(b) For each year that funds are available, the department shall issue a Notice of Funding Availability to cover permits issued during a 12-month time period. The department shall accept applications at the close of the 12-month period. Grant amounts shall be determined as a per-bedroom incentive for each unit restricted for very low and low-income households. For the purposes of this section single-room occupancies and studio apartments shall be considered as one-bedroom units. The grant for very low income units shall be greater than the grant for low-income units. If the eligibility for funds exceeds the amount of funding available for this program, the department shall reduce all grants proportionally.

(c) A city, county, or city and county that qualified for a grant from the Jobs-Housing Balance Incentive Grant Program pursuant to Section 50544 during the 2001 calendar year shall receive an additional amount of funds for each bedroom that qualifies under this section. The department shall determine the amount of the bonus grant to be awarded pursuant to this subdivision.

50550.2. (a) Grants provided pursuant to this chapter shall be used for the construction or acquisition of capital assets as set forth in Section 16727 of the Government Code that serve to benefit the community. Eligible projects include, but are not limited to, traffic improvements, neighborhood parks, bike paths, libraries, school facilities, play areas, community centers, and police and fire stations.

(b) The department may deny funding to any jurisdiction that it determines, based on reasonable evidence, failed to grant final land

use approval for eligible developments on a timely basis between January 1, 2003, and January 1, 2004.

(c) The department shall adopt guidelines for the operation of the program. The guidelines shall not be subject to the requirements of Chapter 2.5 (commencing with Section 11340) of Part 1 of Title 2 of the Government Code.

SEC. 2. (a) Twenty-five million dollars (\$25,000,000) of the funds transferred to the Jobs-Housing Balance Improvement Account pursuant to paragraph (8) of subdivision (a) of Section 53533 of the Health and Safety Code shall be used to provide prorated grants to cities, counties, and cities and counties that qualified for funds from the Jobs-Housing Balance Incentive Grant Program pursuant to Section 50544 of the Health and Safety Code during the 2001 calendar year. Notwithstanding subdivision (c) of Section 50544 of the Health and Safety Code, the prorated grant amounts shall be only determined as a per-unit incentive weighted for high, medium, and low employment demand areas. Notwithstanding subdivision (a) of Section 50544 of the Health and Safety Code, grant funds shall be used for the construction or acquisition of capital assets as set forth in Section 16727 of the Government Code that serve to benefit the community.

(b) Sixty-five million dollars (\$65,000,000) of the funds transferred to the Jobs-Housing Balance Improvement Account pursuant to paragraph (8) of subdivision (a) of Section 53533 of the Health and Safety Code shall be used to provide local assistance grants pursuant to Chapter 3.8 (commencing with Section 50550) of Part 2 of Division 31 of the Health and Safety Code.

(c) Ten million dollars (\$10,000,000) of the funds transferred to the Jobs-Housing Balance Improvement Account pursuant to paragraph (8) of subdivision (a) of Section 53533 of the Health and Safety Code shall be used to provide bonus grants pursuant to subdivision (c) of Section 50550.1 of the Health and Safety Code.

SEC. 3. This act shall become operative only upon approval by the voters of the Housing and Emergency Shelter Trust Fund Act of 2002, as enacted by Chapter 26 of the Statutes of 2002.

Government Code 16727. Proceeds from the sale of any bonds issued pursuant to this chapter shall be used only for the following purposes:

(a) The costs of construction or acquisition of capital assets. "Capital assets" mean tangible physical property with an expected useful life of 15 years or more. "Capital assets" also means tangible physical property with an expected useful life of 10 to 15 years, but these costs may not exceed 10 percent of the bond proceeds net of all issuance costs. "Capital assets" include major maintenance, reconstruction, demolition for purposes of reconstruction of facilities, and retrofitting work that is ordinarily done no more often than once every 5 to 15 years or expenditures that continue or enhance the useful life of the capital asset. "Capital assets" also include equipment with an expected useful life of two years or more. Costs allowable under this section include costs incidentally but directly related to construction or acquisition, including, but not limited to, planning, engineering, construction management, architectural, and other design work, environmental impact reports and assessments, required mitigation expenses, appraisals, legal expenses, site acquisitions, and necessary easements.

(b) To make grants or loans, if the proceeds of the grants or loans are used for the costs of construction or acquisition of capital assets. Bond proceeds may also be used to pay the costs of a state agency for administering the grant or loan program.

(c) To repay funds borrowed in anticipation of the sale of the bonds, including interest, or to pay interest on the bonds themselves.

(d) To pay the costs of a state agency with responsibility for administering the bond program. These costs include those incurred by the Treasurer, the Controller, the Department of Finance, and the Public Works Board for staff, operating expenses and equipment, and consultants' costs.

(e) The costs of the Treasurer's office directly associated with the sale and payment of the bonds, including, but not limited to, underwriting discounts, costs of printing, bond counsel, registration, and fees of trustees.

Nothing in this section is intended to prohibit the investment of bond proceeds or the use of proceeds of those investments in any manner authorized by law.