

October 16, 2003

TO: Persons interested in housing and community development issues

FROM: Senator Denise Moreno Ducheny, Chair
Senate Housing and Community Development Committee

RE: 2003 Legislative Summary

The Legislature completed the first year of the 2003-2004 legislative session on September 12. Below is a summary of the bills related to housing and community development that were acted on in 2003. Bills noted with an asterisk relate to housing or community development in some fashion but were not heard by the Senate Committee on Housing and Community Development. To obtain the text or committee analysis for any individual bill, please visit the Senate's website at www.sen.ca.gov and click on "Legislation" to search for the bill. If you do not have internet access, please feel free to contact the committee at 916-445-8740.

HOUSING PROGRAMS

SB 120 (Margett) establishes the Elderly and Disabled Persons' Revolving Home Improvement Loan Program at HCD to provide no-interest home improvement loans to qualified elderly and disabled individuals. *In the Senate Housing and Community Development Committee.*

SB 162 (Alarcon) makes classified employees who provide service in a high priority school eligible for the Extra Credit Teacher Home Purchase Program while maintaining a priority for eligible teachers, principals, vice principals, and assistant principals. *Signed into law. Chapter 853, Statutes of 2003.*

SB 306 (Ducheny), among other things, allows Farmworker Housing Grant Program funds to be used for the acquisition of manufactured housing as part of a program to address and remedy the impacts of current and potential displacement of farmworker families from existing labor camps, mobilehome parks, or other housing. *Signed into law. Chapter 814, Statutes of 2003.*

SB 321 (Torlakson) places a \$15 billion bond on the November 2004 ballot for transportation (\$8 billion), housing (\$3 billion), and local infrastructure (\$4 billion). *In the Senate Appropriations Committee.*

SB 353 (Ducheny) allows the California Housing Finance Agency to subordinate its loans and to offer unsecured loans or loans secured by assets other than real property to local public entities. *Signed into law. Chapter 193, Statutes of 2003.*

***SB 360 (Romero)** delays the effective date of prevailing wage laws for tax credit and bond projects to January 1, 2005. *In Assembly Labor and Employment Committee.*

SB 561 (Knight) transfers the Cal-Vet Farm and Home Loan Program from the Veterans Affairs Agency to the California Housing Finance Agency. *In the Senate Housing and Community Development Committee.*

SB 639 (Torlakson) extends, through 2008, the sunset on the Inter-Regional Partnership State Pilot Project to Improve the Balance of Jobs and Housing. *Signed into law. Chapter 501, Statutes of 2003.*

AB 32 (Salinas) extends the sunset on the Joe Serna, Jr. Farmworker Family Wellness Program to January 1, 2008 and allows grantees under the Joe Serna, Jr. Farmworker Housing Program to enter into long-term leases with local growers to house the grower's employees. *On Senate floor.*

***AB 269 (Mullin)** requires HCD to provide a report regarding the Downtown Rebound Program to the Legislature on or before July 1, 2004. *In the Assembly Housing and Community Development Committee.*

AB 304 (Mullin) makes a number of changes to programs operated by CalHFA:

- Requires CalHFA to provide downpayment assistance of 6%, as opposed to 3%, with half of the funds available for the Homeownership in Revitalization Areas Program.
- Allows the agency to establish higher assistance limits under the Extra Credit Teacher Home Purchase Program where necessary to ensure program participation in high cost areas.
- Limits home prices under the Homebuyer Down Payment Assistance Program of 2002 (School Facility Fee Program) to 100% of the five-year median home price in the county in areas where that average exceeds the Fannie Mae conforming loan limit.
- Allows the agency to transfer bond funds available to the California Housing Loan Insurance Fund in order to insure mortgages for low and moderate income homebuyers.
- Allows CAHLIF, until 2011, to provide mortgage insurance to households earning more than 120% AMI if the household otherwise qualifies to participate in a Fannie Mae or Freddie Mac affordable housing program.
- Clarifies that the agency may pledge, rather than loan, funds from the California Housing Finance Fund to back the Housing Loan Insurance Fund.

Signed into law. Chapter 553, Statutes of 2003.

***AB 333 (Mullin)** requires HCD to provide a report on the progress of the CalHome Program by December 31, 2004. *In the Assembly Housing and Community Development Committee.*

***AB 339 (Aghazarian)** incorporates the Farmworker Housing Assistance Program into the Low Income Housing Tax Credit Program as a setaside. *In the Assembly Revenue and Taxation Committee.*

***AB 437 (Matthews)** gives priority for competitive state grants for projects located in Jobs-Housing Opportunity Zones identified by the five-county Interregional Partnership Program. *In the Assembly Housing and Community Development Committee.*

***AB 475 (Correa)** increase the loan to value limit for PERS loans from 95% to 100%. *Signed into law. Chapter 97, Statutes of 2003.*

AB 493 (Salinas) allows CalHome funds to be used to provide forgivable loans to rehabilitate, repair, or replace manufactured housing in a mobilehome park that is not permanently affixed to a foundation. *Amended to be a public safety bill. Re-referred to Senate Rules Committee from Senate floor.*

***AB 644 (Mullin)** requires TCAC to give consideration in awarding tax credits to projects that provide child care. *In the Assembly Revenue and Taxation Committee.*

***AB 672 (Montanez)** establishes the Smart Growth Homebuyer's Downpayment Assistance Program at CalHFA to provide buyers of homes located within 1/2 mile of a public transportation station with financial assistance for a downpayment. *In the Assembly Housing and Community Development Committee.*

***AB 868 (Parra)** gives local entities greater leeway to keep state migrant farm labor centers open beyond the normal 180 day open season. *In the Assembly Housing and Community Development Committee.*

***AB 1036 (Mullin)** increases the loan limit under the Cal-Vet Program to \$125,000 for mobilehomes and 150% of the Fannie Mae limit for farms. The bill also allows the VA to waive the down-payment requirement for loans guaranteed by the federal VA and to provide down-payment assistance to lower-income first-time homebuyers. *Signed into law. Chapter 441, Statutes of 2003.*

***AB 1309 (Goldberg)** authorizes a city or county to acquire and utilize or convey real property for construction of new school site replacement housing. *Signed into law. Chapter 574, Statutes of 2003.*

AB 1462 (Salinas) allows HCD to waive a part of the matching fund requirement for grant or loan requests of \$500,000 or less under specified conditions. *On the Senate floor.*

AB 1475 (Steinberg) extends the sunset on the Supportive Housing Initiatives Act, adds a priority to the supportive housing component of the Multifamily Housing Program for projects

that have a focus on measurable outcomes, and requires counties that receive AB 34 funds to enter into contracts with sponsors of supportive housing projects to the greatest extent possible. *Signed into law. Chapter 578, Statutes of 2003.*

***AB 1594 (Committee on Veterans Affairs)** allows shelter and transitional housing providers receiving funds under the Emergency Housing Assistance Program to limit occupancy based on veteran status if the facility provides services to meet the special needs of veterans. *Signed into law. Chapter 776, Statutes of 2003.*

***AB 1598 (Corbett)** extends the sunset date for the Earthquake Grant and Loan Program which assists low- and moderate-income homeowners in areas at risk for earthquake damage in retrofitting their homes. *Signed into law. Chapter 448, Statutes of 2003.*

***AB 1756 (Budget Committee)**, among other things, authorizes the use of Proposition 46 bond funds to backfill \$39 million worth of existing commitments under the CalHome and Farmworker Housing Grant Programs, authorizes HCD to use up to \$4.1 million in Proposition 46 bond funds for reconstruction of migrant farm labor centers if funds remain after other applications have been approved, and prohibits any rent increases at migrant farm labor centers during the 2003-2004 fiscal year. *Signed into law as a budget trailer bill. Chapter 228, Statutes of 2003.*

PLANNING AND LAND USE

***SB 18 (Burton)** creates a procedure in CEQA for the Native American Heritage Commission to determine whether a proposed project may adversely change a traditional tribal cultural site and to recommend project changes and mitigation measures to avoid or reduce those changes. *On the Assembly floor.*

***SB 115 (Torlakson)** requires that all homebuyers receive a written statement or map from the planning department that indicates the zoning, including the permitted housing densities, of all lands within 1/4 mile of the exterior boundary of the property. *In the Senate Judiciary Committee.*

SB 477 (Florez) requires HCD to develop a strategy for the development of farm labor housing and to establish a task force to assist in the development of the strategy. *In the Senate Housing and Community Development Committee.*

SB 491 (Ducheny) extends by one year the deadline for jurisdictions in all regions to update their housing elements for the 4th revision cycle. *Signed into law. Chapter 58, Statutes of 2003.*

SB 492 (Ducheny) sunsets the provision relating to funding eligibility for self-certified jurisdictions on the same date as the SANDAG self-certification pilot program sunsets. *On the Senate floor.*

SB 558 (Ducheny) requires local governments to zone sufficient vacant land for residential use that is physically suitable for housing development, that is without legal constraints to housing

development, and that accommodates the community's 20-year need for new housing. *In the Senate Housing and Community Development Committee.*

SB 619 (Ducheny) contains various provisions to facilitate the approval of affordable housing developments. Specifically, the bill:

- provides that multifamily housing developments of 100 units or less shall be a permitted use not subject to a conditional use permit on parcels zoned for multifamily housing if various conditions are met;
- makes it illegal for a local government to deny a development because it consists of multifamily housing;
- provides that the Coastal Commission has an obligation to encourage affordable housing in the coastal zone and require it to make specific findings before reducing locally approved densities;
- expands coverage of the anti-NIMBY act to include mixed use housing;
- allows non-profit housing developers to collect attorney's fees from NIMBY groups that file frivolous and dilatory lawsuits challenging the local government approval of the project; and
- modifies the CalHome Program to include mutual housing, to create a priority for projects that create balance communities, and to allow grantees to apply their own underwriting guidelines for rehabilitation loans with prior HCD approval.

Signed into law. Chapter 793, Statutes of 2003.

SB 744 (Dunn) allows a developer of affordable housing to appeal to HCD an adverse local land use decision that results in denial or conditions that make the project financially infeasible. *On the Senate floor.*

***SB 898 (Burton)** prohibits a local government from zoning, rezoning, or pre-zoning any important cropland for nonagricultural use and from granting approval of a tentative map or parcel map if the land is important farmland that would be converted to a nonagricultural use. *Amended to be a spot bill. In the Assembly Local Government Committee.*

AB 218 (Simitian) provides that in any dispute between HCD and a planning agency over the application of the definition of a housing unit, the department shall defer to the Department of Finance, which shall make a written determination based on the most recent definition of a housing unit from the United States Census Bureau. *Vetoed.*

AB 305 (Mullin) requires local governments to provide an additional density bonus or incentive to developers who provide child care facilities in the development. *Signed into law. Chapter 430, Statutes of 2003.*

***AB 518 (Salinas)** requires a local agency formation commission to consider how a proposed boundary change will affect a city and the county in achieving their respective fair shares of the regional housing needs. *Signed into law. Chapter 176, Statutes of 2003.*

AB 668 (Cox) allows a city and county to negotiate the transfer of the county's regional housing need share in the event of an incorporation. In the event of a disagreement, either party may

request the council to governments to revise its determination. *Signed into law. Chapter 760, Statutes of 2003.*

***AB 980 (Salinas)** allows local governments to self-certify their housing elements if the element requires the jurisdiction to produce or cause to be produced 15 percent of the jurisdiction's share of the regional housing need for very low, low-, and moderate-income households during the planning period. *In the Assembly Housing and Community Development Committee.*

***AB 994 (Cox)** requires the regional housing needs allocation process to consider and a community's site inventory to include lands within the city or county owned by the state or federal government and unable to be rezoned by the city or county. The bill as originally introduced would have allowed a community to count prison beds towards its site inventory for housing element purposes. *In the Assembly Local Government Committee.*

***AB 1089 (Dutton)** allows a community to count student dormitories towards its site inventory for housing element purposes. *Amended to deal with redevelopment law. In the Assembly Housing and Community Development Committee.*

***AB 1158 (Lowenthal)** recrafts the regional housing needs assessment process for housing element purposes, including placing the housing element on a six-year cycle. *In the Assembly Housing and Community Development Committee.*

***AB 1160 (Steinberg)** establishes development standards for local approval of second units, requires a community to grant a parking reduction under density bonus law, and expands the definition of "by right" development for housing element purposes. *In the Assembly Housing and Community Development Committee.*

AB 1192 (Dutra) clarifies that a local government is solely responsible for compliance with the no-net loss zoning statute unless a developer requests the downzoning in his or her initial application. *On the Assembly floor for concurrence.*

AB 1217 (Leno) exempts from the provisions of the Ellis Act residential hotels in Los Angeles, San Diego, and San Francisco that were built prior to January 1, 1990 and for which the owner has not filed a notice to withdraw the units from the market prior to January 1, 2004. *Signed into law. Chapter 766, Statutes of 2003.*

***AB 1268 (Wiggins)** requires all local governments to adopt a 20-year growth zone beyond which infrastructure services may not be extended and to adopt an inclusionary housing program that ensures 20 percent of new units are affordable to very low and low income households. *Amended to spot bill form. In the Senate Local Government Committee.*

***AB 1322 (S. Horton)** provides a CEQA exemption for projects that are consistent with properly granted zoning variances from a general plan for which an environmental impact report was certified. *In the Assembly Natural Resources Committee.*

***AB 1410 (Wolk)** requires state or local agencies which are selling surplus property in a transit village area or infill opportunity zone to give right of first refusal to the county, city, redevelopment, public transportation, or housing agencies in which the property is located. *Signed into law. Chapter 772, Statutes of 2003.*

AB 1426 (Steinberg) requires each city and county in the greater Sacramento region to ensure that 10% of all new housing permits are for units affordable to very low and low income households. *On the Senate floor.*

PRESERVATION

SB 538 (Torlakson) requires owners of at-risk affordable housing developments to provide prospective tenants with the same notices already given to existing tenants and clarifies that to meet the exemption from the notice requirement, the owner must record a regulatory agreement that ensures affordability for the greater of 30 years or the remaining term of federal governmental assistance. *Signed into law. Chapter 255, Statutes of 2003.*

FISCALIZATION OF LAND USE

***SB 526 (Torlakson)** reimburses local governments for lost property tax revenues when affordable housing developments are granted an exemption from paying property taxes. *In Senate Local Government Committee.*

***AB 1112 (Lowenthal)** requires HCD to designate six housing transit districts in which the local community receives tax increment financing from increases in assessed value due to affordable housing construction. *In the Assembly Appropriations Committee.*

***AB 1221 (Steinberg)** exchanges a portion of a city's or county's locally levied sales tax revenue for an equivalent amount of property tax revenue from the state, thereby altering future land use incentives towards property tax generating uses. *On the Assembly floor.*

FAIR HOUSING

***SB 69 (Oller)** requires a person to notify a housing provider in writing of any failure to meet accessibility requirements and give the housing provider 90 days to make improvements before initiating any court action. *In the Senate Judiciary Committee.*

***SB 381 (Oller)** prohibit the placement of certain juvenile offenders in group homes located in neighborhoods that are zoned residential. *In the Senate Public Safety Committee.*

***SB 382 (Oller)** requires applicants for a license to run a group home for teenage sex offenders to notify the local government, local law enforcement, and neighbors of the application. *In the Senate Public Safety Committee.*

***SB 522 (Soto)** establishes a licensing and inspection program for residential hotels or motels, apartments, and room and board facilities in which over 25% of the residents are recipients of

SSI/SSP or other federal or state disability assistance or have a disability. The bill would require as a condition of annual licensure that the licensee provide a trained, certified administrator on duty at all times to meet the special needs of the residents and submit a letter from local enforcement agencies stating that there are no current violations of state or laws at the facility. *In the Senate Health and Human Services Committee.*

***SB 1025 (Escutia)** requires that at least 10% of multilevel townhomes permitted after July 1, 2005 have an accessible bathroom on the primary entry level floor and meet existing accessibility requirements for mobility impaired persons. *Signed into law. Chapter 642, Statutes of 2003.*

***AB 18 (Leno)** removes the preemption on local ordinances that are stronger than the Fair Employment and Housing Act. *Amended to cover a different subject. In the Assembly Judiciary Committee.*

***AB 196 (Leno)** expands the prohibition on sexual discrimination and harassment by including gender in the definition of sex. *Signed into law. Chapter 164, Statutes of 2003.*

***AB 1536 (Goldberg)**, among other things, clarifies that the DFEH may seek a temporary restraining order on its own without the involvement of the Attorney General. *Signed into law. Chapter 447, Statutes of 2003.*

BUILDING STANDARDS

SB 289 (Murray) requires the builder of a single family residence that is intended for sale to offer purchasers the option of installing a solar energy system on the home. In addition, the bill requires that an undetermined percentage of single family residences constructed after January 1, 2006 include a two kilowatt solar energy system. *In the Senate Appropriations Committee.*

***SB 567 (Torlakson)** increases the fines for violations of city or county building and safety codes determined to be an infraction for the second violation of the same ordinance within one year from \$200 to \$500, and for the third violation of the same ordinance within one year from \$500 to \$1,000. *Signed into law. Chapter 60, Statutes of 2003.*

AB 731 (Spitzer) alters the frequency of mandatory fire inspections from once annually to once every three years for apartment houses that are not more than 3 stories tall and whose units exit directly to the outside. *In the Senate Housing and Community Development Committee.*

AB 1034 (Mullin) makes a number of changes to statutes governing the enforcement of building standards under the State Housing Law, including allowing local building officials to seek a receiver for uncorrected building code violations under provisions currently limited to seismic safety violations, requiring an owner of a cited property to record a Notice of Conveyance of Substandard Property that includes the name and address of the new owner, and providing that a buyer of a cited property is subject to all recorded notices of violation in addition to recorded notices of pending court actions. *Signed into law. Chapter 474, Statutes of 2003.*

AB 1216 (Vargas) provides the State Fire Marshall with explicit authority to propose building codes for structures in fire hazard severity zones. *Signed into law. Chapter 688, Statutes of 2003.*

***AB 1257 (Koretz)** specifies that in criminal prosecutions involving housing, building, or fire code violations, the people have the burden of proof of the violation and the defendant has the burden of proving any defense or mitigating circumstance. *In the Assembly Housing and Community Development Committee.*

AB 1400 (Wolk) require a developer of any new residential housing development, beginning 90 days after HCD adopts a standard form, but no sooner than July 1, 2004, to provide a buyer a list of specified universal accessibility features that would make the home entrance, interior routes of travel, kitchen, and bathrooms, fully accessible to persons with disabilities and indicate whether each feature is standard, limited, optional, or not available. *Signed into law. Chapter 642, Statutes of 2003.*

AB 1576 (Liu) provides that failure to brace a water heater is a nuisance which may be enforced by building code inspectors and that tenants may not be evicted in order to comply with the bracing requirement. *Signed into law. Chapter 581, Statutes of 2003.*

AB 1633 (Levine) allows the Building Standards Commission to adopt building standards for any buildings outside of the jurisdiction of a state agency if it determines that uniform, statewide standards are necessary to protect the public health and safety or are otherwise in the public interest. *In the Senate Housing and Community Development Committee.*

AB 1731 (Housing and Community Development Committee), among other things, makes a number of cleanup changes to the State Historical Building Code. *Signed into law. Chapter 504, Statutes of 2003.*

COMMON INTEREST DEVELOPMENTS

***AB 104 (Lowenthal)** requires homeowner associations to make the accounting books and records and the minutes of proceedings of the association available for inspection and copying by a member of the association with certain exceptions. The bill also requires a court to award attorney fees to a successful plaintiff for violations of the section and permits a court to levy civil penalties of \$500 per day. *Signed into law, Chapter 375, Statutes of 2003.*

***AB 210 (Nation)** prohibits smoking in common areas of CIDs and apartment complexes, prohibits smoking in apartment units other than those designated as smoking units by the owner, and declares the wafting of smoke into the interest of any other person in a CID to be a nuisance. *In the Assembly Housing and Community Development Committee.*

AB 512 (Bates) establishes minimum standards and procedures for changes to the operating rules in a common interest development and allows homeowners to subject any rule change to a referendum. The bill also adds chapter and title headings to the Davis-Stirling Act. *Signed into law. Chapter 557, Statutes of 2003.*

AB 1086 (Laird) prospectively prohibits a community service organization or similar entity from imposing any assessment or fee in connection with the transfer of title to an individual interest in a common interest development. *Signed into law. Chapter 393, Statutes of 2003.*

AB 1525 (Longville) bars a homeowners association from prohibiting displays of non-commercial speech that meet specified size, material and location standards. *Signed into law. Chapter 774, Statutes of 2003.*

MOBILE AND MANUFACTURED HOMES

***SB 37 (Dunn)** allows an enforcement agency to issue a citation with a civil penalty for specific violations of the Mobilehome Parks Act that have continued for at least 14 days after issuance of a notice to correct. *In the Assembly Housing and Community Development Committee.*

SB 54 (Dunn) requires a mobilehome park owner to obtain a permit from the enforcement agency and the written authorization of the affected residents in order to create, move, shift or alter lots lines in the park. The bill also declares that it is necessary for enforcement agencies to notify persons who have made an inspection request as to when the complaint will be investigated and to advise the complainant of the findings. *Signed into law. Chapter 815, Statutes of 2003.*

***SB 116 (Dunn)** allows mobilehome owners in mobilehome parks to display campaign signs for 90 days prior to an election and 15 days after an election. *Signed into law. Chapter 249, Statutes of 2003.*

SB 306 (Ducheny), among other things, exempts from the fee and permit requirements of the Mobilehome Parks Act parks that accommodate 12 or fewer manufactured homes for agricultural employees on agricultural lands, requires manufactured housing dealers to keep open for inspection during normal business hours any place of business where records are kept, and allows HCD to release from the regulatory agreement in an MPROP-financed park all individual spaces purchased by residents, as opposed to only those purchased by low-income residents. *Signed into law. Chapter 814, Statutes of 2003.*

***SB 740 (Dunn)** requires park owners to provide a right of first refusal to tenant organizations to purchase a park in which 30% of residents are low-income or for which the owner seeks to change to use of the park, if the tenant organization has requested such right. *In the Senate Judiciary Committee.*

***AB 624 (Corbett)** prohibits a park owner from requiring that prospective homeowners have a monthly gross income greater than three times the sum of specified monthly housing costs. The bill also prohibits management from terminating a tenancy based upon facts which the landlord does not have reasonable cause to believe true. *On the Assembly floor.*

***AB 682 (Corbett)** provide a mobilehome park tenant who is facing eviction with the right to sell his or her mobilehome within a 60-day period after receiving a notice of eviction. *Signed into law. Chapter 561, Statutes of 2003.*

***AB 693 (Corbett)** provides that that a mobilehome park owner who willfully violates the Mobilehome Residency Law may be liable for punitive damages in lieu of the statutory penalty of \$2000. *Signed into law. Chapter 98, Statutes of 2003.*

***AB 767 (Nakano)** allows a park owner to evict a tenant who is convicted of specified crimes committed in the park, including child molestation, arson, assault with a firearm and battery resulting in serious bodily harm. *Signed into law. Chapter 388, Statutes of 2003.*

***AB 805 (Diaz)** requires mobilehome park owners to provide park residents with a notice that failure to make timely payment of rent or other charges three times or more in a year can result in a termination of tenancy without a grace period or further notice. *Signed into law. Chapter 85, Statutes of 2003.*

***AB 1173 (Haynes)** provides that a mobilehome park space is exempt from rent control if the mobilehome owner is domiciled out of state. The bill also provides that a mobilehome is eligible for rent control when it is being held available for sale by the owner, so long as the homeowner actively markets and advertises the mobilehome for sale in good faith to bona fide purchasers. *Signed into law. Chapter 132, Statutes of 2003.*

***AB 1287 (Lieber)** requires park management to provide prospective mobilehome buyers with a notice regarding tenants financial obligations, including a disclosure of rent and other charges that the prospective buyer would be charged. *Signed into law. Chapter 767, Statutes of 2003.*

AB 1572 (Lieber) makes a number of changes to the Manufactured Home Recovery Fund program relating to eligible claimants, recoverable amounts and claim procedures. *On the Assembly floor for concurrence.*

LANDLORD-TENANT LAW

***SB 90 (Torlakson)** requires rental housing owners to provide documentation of costs related to deductions from a tenant's security deposit. *Signed into law. Chapter 335, Statutes of 2003.*

***SB 178 (Cedillo)** clarifies that the Costa-Hawkins Act does not prohibit implementation of inclusionary housing programs. *Amended to be a trailer bill for AB 1426 (Steinberg). On the Assembly floor.*

***SB 345 (Kuehl)** seals unlawful detainer actions in which a tenant prevails, requires an owner to attach a copy of the lease and termination notice to an unlawful detainer complaint, allows an owner to enter a unit if an oral agreement has been reached with the tenant regarding the entry, and allows a housing authority to evict a non-participant in drug activity only if the tenant should have reasonably foreseen the activity, failed to take affirmative steps to prevent it, and was not the victim of the criminal activity. *Signed into law. Chapter 787, Statutes of 2003.*

***AB 21 (Liu)** requires CalTrans to establish a task force to develop recommendations on rental rates on department-owned residential property in the 710 Freeway Corridor. The bill also prohibits the department from increasing rents on such occupied residential units and place a moratorium on any without-cause evictions until January 1, 2005. *In the Senate Transportation Committee.*

***AB 309 (Chan)** requires a business that primarily negotiates certain consumer contracts in Chinese, Tagalog, Vietnamese, or Korean to provide the consumer with a written translation of the contract in that language prior to the execution of the contract. *Signed into law. Chapter 330, Statutes of 2003.*

***AB 647 (Nunez)** provides that a landlord who has failed to abate a nuisance or repair a substandard condition after being notified of the need to do so by a housing code enforcement officer may not raise the rent or issue a 3-day notice for delinquent rent and is subject to special damages of \$5000 per violation and to paying the tenant's attorney fees in any eviction for non-payment of rent. *Signed into law. Chapter 109, Statutes of 2003.*

***AB 831 (Goldberg)** gives tenants ten days to answer an unlawful detainer and provides that the five days to vacate upon issuance of a writ of possession does not include weekends and judicial holidays. *On the Assembly floor.*

***AB 1059 (Lieber)** subjects a landlord to a civil penalty of up to \$2,000 for specified unlawful acts to influence a tenant to vacate a rental dwelling and increases the punitive damages awardable against a landlord for malicious, fraudulent or oppressive retaliatory actions to a maximum of \$2,000. *Signed into law. Chapter 542, Statutes of 2003.*

***AB 1202 (Montanez)** permits a tenant to satisfy a security deposit with a bond or commercial insurance policy. *In the Assembly Judiciary Committee.*

***AB 1256 (Koretz)** exempts dwelling units older than 25 years from the Costa-Hawkins limitations on rent control. *In the Assembly Housing and Community Development Committee.*

***AB 1384 (Maddox)** provides that an owner must not offer a pre-move-out inspection when the tenancy is terminated pursuant to a 3-day notice. *Signed into law. Chapter 576, Statutes of 2003.*

REDEVELOPMENT

***SB 109 (Torlakson)** adds to the list of major audit violations and alters procedures by which the Attorney General follows up on referrals from the Controller's office. *Signed into law. Chapter 318, Statutes of 2003.*

***SB 114 (Torlakson)** removes the sunset on the law that prevents redevelopment agencies and local governments from providing financial assistance to big box retailers and vehicle dealers

moving to the jurisdiction from another community in the same market area. *Signed into law. Chapter 781, Statutes of 2003.*

***SB 465 (Soto)** exempts transit villages from meeting the physical definitions of blight in order to qualify as redevelopment areas and expands the definition of transit village to include areas within 1/2 mile of a transit station. *In the Senate Appropriations Committee.*

*** SB 965 (Aanestad)** allows Redding and Shasta County to borrow money from the local redevelopment agency's Low and Moderate Income Fund for property acquisition for a state veterans home. *Signed into law. Chapter 198, Statutes of 2003.*

***SB 1045 (Budget and Fiscal Review Committee)** requires a one-time \$135 million statewide funding shift from redevelopment agencies to the Educational Revenue Augmentation Fund in each county. The bill also allows agencies to extend project area timelines by one year to offset the shift. *Signed into law as a budget trailer bill. Chapter 260, Statutes of 2003.*

***AB 494 (Garcia)** prohibits transfers of L&M funds to schools in any county in which any jurisdiction has not fully complied with housing element law. *In the Assembly Housing and Community Development Committee.*

***AB 723 (Matthews)** authorizes local governments to create infrastructure financing districts in jobs-housing opportunity zones designated as part of the five-county Interregional Partnership Program. *In the Senate Local Government Committee.*

***AB 1058 (Lieber)** exempts from any transfers of tax increment revenue any redevelopment agency that incorporates "community benefit standards" into a redevelopment project. *In the Assembly Housing and Community Development Committee.*

***AB 1089 (Dutton)** allows a redevelopment agency to meet its replacement housing requirements by purchasing affordability covenants on mobilehome parks. *In the Assembly Housing and Community Development Committee.*

***AB 1171 (Diaz)** allows any redevelopment agency in Santa Clara County, until 2008, to transfer its low- and moderate-income housing funds to another redevelopment agency for affordable housing uses within a 5-mile radius outside its redevelopment area. *In the Assembly Housing and Community Development Committee.*

AB 1358 (Simitian) allows redevelopment agencies in cities of more than 100,000 in San Mateo, Santa Clara, or Santa Cruz Counties to expend housing setaside funds outside the territorial jurisdiction of the agency if within 5 miles of the exterior boundary of a project area. *In the Senate Housing and Community Development Committee.*

***AB 1626 (Runner)** provides that an agency that meets one of the exemptions from the 20% housing setaside requirement may use those funds for other economic development purposes. *In the Assembly Housing and Community Development Committee.*

AB 1731 (Housing and Community Development Committee), among other things, exempts debt related to affordable housing from the time limits associated with pre-1994 project areas. *Signed into law. Chapter 504, Statutes of 2003.*

COMMUNITY DEVELOPMENT

SB 172 (Ducheny) consolidates the manufacturing enhancement area program into the enterprise zone program and allows post-1990 enterprise zones to seek a five year extension as pre-1990 zones already can. *In Senate Revenue and Taxation Committee.*

SB 305 (Ducheny) transfers administrative authority for the enterprise zone program from the Technology, Trade and Commerce Agency to the Department of Housing and Community Development. *Signed into law. Chapter 593, Statutes of 2003*

SB 1029 (Ashburn) authorizes two new enterprise zones and requires TTCA to consider geographic location and community size in designating an enterprise zone. *In the Senate Housing and Community Development Committee.*

***AB 11 (Garcia)** converts the Brawley manufacturing enhancement area into an enterprise zone. *In the Assembly Appropriations Committee.*

***AB 410 (Haynes)** enacts the California Neighborhood Initiative to require the Technology, Trade, and Commerce Agency to designate 25 California Renewal Communities within the state to be linked with available state, federal and private resources. *In the Assembly Committee on Jobs, Economic Development and the Economy.*

***AB 411 (Haynes)** creates the California New Markets Venture Capital Program and requires the Technology, Trade & Commerce Agency to enter into agreements with eligible companies to guarantee the debentures of the companies to support investment in small enterprises located in low or moderate income geographic areas. The bill also creates a tax credit for qualified equity investments in entities that invest in qualified low-income community businesses. *In the Assembly Committee on Jobs, Economic Development and the Economy.*

***AB 439 (Matthews)** allow enterprise zones to request expansions of up to 25 percent, as opposed to 15 percent. *In the Assembly Committee on Jobs, Economic Development and the Economy.*

***AB 516 (Matthews)** allows enterprise zones in rural areas to obtain a five year extension regardless of the year of designation. *In the Assembly Appropriations Committee.*

***AB 592 (Ridley-Thomas)** allows a community to reconfigure the boundaries of an enterprise zone consistent with its existing size. *In the Assembly Appropriations Committee.*

***AB 708 (Correa)** allows post-1990 enterprise zones to obtain a five year extension similar to pre-1990 zones. *In the Assembly Appropriations Committee.*

AB 1035 (Aghazarian) requires TTCA to designate an enterprise zone within Stanislaus County. *In the Senate Housing and Community Development Committee.*

***AB 1757 (Budget Committee)** abolishes the Technology, Trade and Commerce Agency as of January 1, 2004 and transfers specific program to other state entities. *Signed into law as a budget trailer bill. Chapter 229, Statutes of 2003.*

OTHER

***SB 293 (Brulte)** prohibits local agencies from levying, collecting, or imposing a monetary charge or exaction on a development for general revenue purposes. The bill also limits the location where local officials can finance services with a Mello-Roos Act special tax to the territory that is subject to the special tax and provides that if local officials impose a Mello-Roos Act special tax on property, they cannot deny the development activity based on the applicant's refusal to join the community facilities district. *In the Senate Local Government Committee.*

***SB 804 (Machado)** increases the homestead exemption for money judgements from \$125,000 to \$150,000 for individuals 65 years of age or older and disabled individuals. *Signed into law. Chapter 64, Statutes of 2003.*

SCA 11 (Alarcon) reduces the vote threshold to 55% for local infrastructure bonds that fund affordable housing, transportation enhancement activities, acquisition of land for agricultural, recreational, or open-space use and park maintenance, and general infrastructure. *In the Senate Committee on Constitutional Amendments.*

AB 322 (Parra) allows the principal residence of a disabled veteran who has qualified for the disabled veterans property tax exemption to maintain the exemption after the veteran no longer resides in the home because he or she has been confined to a care facility or hospital. *Signed into law. Chapter 278, Statutes of 2003.*