

Assembly Bill No. 448

CHAPTER 336

An act to add Section 6539.5 to the Government Code, relating to joint powers.

[Approved by Governor September 11, 2018. Filed with
Secretary of State September 11, 2018.]

legislative counsel's digest

AB 448, Daly. Joint powers authorities: Orange County Housing Finance Trust.

Existing law authorizes 2 or more public agencies, by agreement, to form a joint powers authority to exercise any power common to the contracting parties, as specified. Existing law authorizes the agreement to set forth the manner by which the joint powers authority will be governed.

This bill would authorize the creation of the Orange County Housing Finance Trust, a joint powers authority, for the purposes of funding housing specifically assisting the homeless population and persons and families of extremely low, very low, and low income within the County of Orange, as specified.

This bill would make legislative findings and declarations as to the necessity of a special statute for the County of Orange.

The people of the State of California do enact as follows:

SECTION 1. The Legislature finds and declares all of the following:

(a) The County of Orange is in the midst of a fluid and worsening homelessness crisis. Since 2013, the county has experienced a 53-percent increase in the unsheltered homeless population, many of whom have sought shelter over the last five years on the Santa Ana riverbed and at the Orange County Civic Center in Santa Ana.

(b) There has been a lack of regional focus that continues to stymie the implementation of a long-term solution to homelessness in the County of Orange.

(c) The County of Orange and the cities within the county have worked together to develop an approach under the Joint Exercise of Powers Act (Article 1 (commencing with Section 6500) of Chapter 5 of Division 7 of Title 1 of the Government Code) to establish and authorize the use of an Orange County Housing Finance Trust that would not only be responsible for responding to the homelessness crisis with the development of capital projects and the acquisition of necessary funds for those projects, but also

for helping the county respond to the low-income and affordable housing crisis that the region is experiencing in tandem with the homelessness crisis.

(d) Permanent supportive housing and other services provided to those within that form of housing is a nationally recognized model for ending chronic homelessness, and can assist the County of Orange in its response to the homelessness crisis.

(e) Neither the Orange County Housing Finance Trust nor the act authorizing the creation of the Orange County Housing Finance Trust do any of the following:

(1) Regulate land use in cities or in the unincorporated area of the County of Orange.

(2) Authorize the Orange County Housing Finance Trust to serve as an owner or operator of housing units.

(3) Authorize the Orange County Housing Finance Trust to, in any manner, exercise any authority to levy, or advocate or incentivize the levying of, any fee, charge, dedication, reservation, tax assessment, or other exaction related to development projects.

(4) Authorize the Orange County Housing Finance Trust to require or incentivize inclusionary zoning requirements. It is the intent of the Legislature that the power to adopt inclusionary zoning ordinances remain with the entities that possess land use and planning authority.

SEC. 2. Section 6539.5 is added to the Government Code, to read:

6539.5. (a) (1) Notwithstanding any other law, the County of Orange and any of the cities within the County of Orange may enter into a joint powers agreement pursuant to this chapter to create and operate a joint powers agency to fund housing to assist the homeless population and persons and families of extremely low, very low, and low income, as defined in Section 50093 of the Health and Safety Code, within the County of Orange.

(2) The joint powers agency created pursuant to this section shall be known as the Orange County Housing Finance Trust, and shall be created and operate in accordance with this section.

(b) The Orange County Housing Finance Trust shall be governed by a board of directors consisting of elected officials representing the County of Orange and representative cities that are party to the joint powers agreement.

(c) Notwithstanding any other law, the Orange County Housing Finance Trust may do any of the following:

(1) Fund the planning and construction of housing of all types and tenures for the homeless population and persons and families of extremely low, very low, and low income, as defined in Section 50093 of the Health and Safety Code, including, but not limited to, permanent supportive housing.

(2) Receive public and private financing and funds.

(3) Authorize and issue bonds, certificates of participation, or any other debt instrument repayable from funds and financing received pursuant to paragraph (2) and pledged by the Orange County Housing Finance Trust.

(d) The Orange County Housing Finance Trust shall incorporate into its joint powers agreement annual financial reporting and auditing requirements that shall maximize transparency and public information as to the receipt

and use of funds by the agency. The annual financial report shall show how the funds have furthered the purposes of the Orange County Housing Finance Trust.

(e) The Orange County Housing Finance Trust shall comply with the regulatory guidelines of each specific state funding source received.

SEC. 3. The Legislature finds and declares that a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the unique challenges faced by the County of Orange and the cities located within the county in addressing the housing needs of extremely low, very low, and low-income households and the homeless within the county.