

## **SECTION 1.**

*This act shall be known as the California Homes and Jobs Act of 2013.*

## **SEC. 2.**

*The Legislature finds and declares that having a healthy housing market that provides an adequate supply of homes affordable to Californians at all income levels is critical to the economic prosperity and quality of life in the state. The Legislature further finds and declares all of the following:*

*(a) Funding approved by the state's voters in 2002 and 2006, as of June 2011, has financed the construction, rehabilitation, and preservation of over 11,600 shelter spaces and 57,220 affordable apartments, including 2,500 supportive homes for people experiencing homelessness. In addition, these funds have helped 57,290 families become or remain homeowners. Nearly all of the voter-approved funding for affordable housing was awarded by the beginning of 2012.*

*(b) The requirement in the Community Redevelopment Law that redevelopment agencies set aside 20 percent of tax increment for affordable housing generated roughly one billion dollars (\$1,000,000,000) per year. With the elimination of redevelopment agencies, this funding stream has disappeared.*

*(c) California has 12 percent of the United States population, but 21.4 percent of its homeless population. Seventy-three percent of people experiencing homelessness in California fell into it because they could not afford a place to live. Sixty-two percent of homeless Californians are unsheltered, 14 percent are veterans, and 20 percent are families.*

*(d) Furthermore, 4 of the top 10 metropolitan areas in the country for homeless are in the following metropolitan areas in California: San Jose-Sunnyvale-Santa Clara, Los Angeles-Long Beach-Santa Ana, Fresno, and Stockton.*

*(e) California continues to have the second lowest homeownership rate in the nation, and minimum wage earners have to work 120 hours per week to afford the average two-bedroom apartment.*

*(f) Millions of Californians are affected by the state's chronic housing shortage, including seniors, veterans, people experiencing chronic homelessness, working families, people with mental, physical, or developmental disabilities, agricultural workers, people exiting jails, prisons, and other state institutions, survivors of domestic violence, and former foster and transition-aged youth.*

*(g) While the current credit and foreclosure crisis has resulted in reductions in home prices in some areas, it has increased pressure on the rental housing market and slowed new housing production of all types, exacerbating the mismatch between the ever-increasing number of households that need housing they can afford and the supply.*

*(h) California's workforce continues to experience longer commute times as persons in the workforce seek affordable housing outside the areas in which they work. If California is unable to support the construction of affordable housing in these areas, congestion problems will strain the state's transportation system and exacerbate greenhouse gas emissions.*

*(i) Many economists agree that the state's higher than average unemployment rate is due in large part to massive shrinkage in the construction industry from 2005 to 2009, including losses of nearly 700,000 construction-related jobs, a 60-percent decline in construction spending, and an 83-percent reduction in residential permits. Restoration of a healthy construction sector will significantly reduce the state's unemployment rate.*

*(j) The lack of sufficient housing impedes economic growth and development by making it difficult for California employers to attract and retain employees.*

*(k) To keep pace with continuing demand, the state should identify and establish a permanent, ongoing source or sources of funding dedicated to affordable housing development. Without a reliable source of funding for housing affordable to the state's workforce and most vulnerable residents, the state and its local and private housing development partners will not be able to continue increasing the supply of housing after existing housing bond resources are depleted.*

*(l) The investment will leverage billions of dollars in private investment, lessen demands on law enforcement and dwindling health care resources as fewer people are forced to live on the streets or in dangerous substandard buildings, and increase businesses' ability to attract and retain skilled workers.*

*(m) In order to promote housing and homeownership opportunities, the recording fee imposed by this act should not be applied to any recordings made in connection with a sale of real property. Purchasing housing is likely the largest purchase made by Californians, and it is the intent of this act not to increase transaction costs associated with these transfers.*

**SEC. 3.**

*Section 27388.1 is added to the Government Code, to read:*

**27388.1.**

*(a) (1) Commencing January 1, 2014, and except as provided in paragraph (2), in addition to any other recording fees specified in this code, a fee of seventy-five dollars (\$75) shall be paid at the time of recording of every real estate instrument, paper, or notice required or permitted by law to be recorded except those expressly exempted from payment of recording fees. "Real estate instrument, paper, or notice" means a document relating to real property, including, but not limited to, the following: deed, grant deed, trustee's deed, deed of trust, reconveyance, quit claim deed, fictitious deed of trust, assignment of deed of trust, request for notice of default, abstract of judgment, subordination agreement, declaration of homestead, abandonment of homestead, notice of default, release or discharge, easement, notice of trustee sale, notice of completion, UCC financing statement, mechanic's lien, maps, and covenants, conditions, and restrictions.*

*(2) The fee described in paragraph (1) shall not be imposed on any real estate instrument, paper, or notice recorded in connection with a transfer subject to the imposition of a documentary transfer tax as defined in Section 11911 of the Revenue and Taxation Code.*

*(b) The fees, after deduction of any actual and necessary administrative costs incurred by the county recorder in carrying out this section, shall be sent quarterly to the Department of Housing and Community Development for deposit in the California Homes and Jobs Trust Fund established by Section 50471 of the Health and Safety Code, to be expended for the purposes set forth in that section. In addition, the county shall pay to the Department of Housing and Community Development interest, at the legal rate, on any funds not paid to the Controller within 30 days of the end of a quarter.*

**SEC. 4.**

*Chapter 2.5 (commencing with Section 50470) is added to Part 2 of Division 31 of the Health and Safety Code, to read:*

**CHAPTER 2.5. California Homes and Jobs Trust Fund**

**Article 1. General Provisions**

**50470.**

*This chapter shall be known, and may be cited, as the California Homes and Jobs Act of 2013.*

**50471.**

*(a) There is hereby created in the State Treasury the California Homes and Jobs Trust Fund. All interest or other increments resulting from the investment of moneys in the fund shall be deposited in the fund, notwithstanding Section 16305.7 of the Government Code. Moneys in the California Homes and Jobs Trust Fund shall not be subject to transfer to any other fund pursuant to any provision of Part 2 (commencing with Section 16300) of Division 4 of Title 2 of the Government Code, except to the Surplus Money Investment Fund. Upon appropriation by the Legislature, moneys in the fund may be expended for the following purposes:*

*(1) Supporting the development, acquisition, rehabilitation, and preservation of housing affordable to low- and moderate-income households, including, but not limited to, emergency shelters; transitional and permanent rental housing, including necessary service and operating subsidies; foreclosure mitigation; and homeownership opportunities.*

(2) Administering housing programs that receive an appropriation from the fund. Moneys expended for this purpose shall not exceed 5 percent of the moneys in the fund.

(3) The cost of periodic audits required by Section 50475.

(b) Both of the following shall be paid and deposited in the fund:

(1) Any moneys appropriated and made available by the Legislature for purposes of the fund.

(2) Any other moneys that may be made available to the department for the purposes of the fund from any other source or sources.

#### **50472.**

(a) This section applies to all construction projects in excess of one million dollars (\$1,000,000) that are funded, in whole or in part, from the California Homes and Jobs Trust Fund, and that are public works within the meaning of Section 1720 of the Labor Code.

(b) (1) The Department of Industrial Relations shall monitor and enforce compliance with applicable prevailing wage requirements for any construction contract on a project subject to this section and shall charge each person or entity awarding a construction contract for the reasonable and directly related costs of monitoring and enforcing compliance with the prevailing wage requirements. The department, with the approval of the Director of Finance, shall determine the rate or rates, which the department may from time to time amend, that the department shall charge to recover the reasonable and directly related costs of performing the monitoring and enforcement services for public works projects. However, the amount charged by the department shall not exceed one-fourth of 1 percent of the amount of the contract.

(2) All moneys received by the department pursuant to this section shall be deposited into the State Public Works Enforcement Fund created by Section 1771.3 of the Labor Code.

(3) Paragraph (1) shall not apply to a project if a collective bargaining agreement binds all of the contractors performing work on the project, and that collective bargaining agreement includes a mechanism for resolving disputes regarding the payment of wages.

### **Article 2. Audits and Reporting**

#### **50475.**

The California State Auditor's Office shall conduct periodic audits to ensure that the annual allocation to individual programs is awarded by the department in a timely fashion consistent with the requirements of this chapter. The first audit shall be conducted no later than 24 months from the effective date of this section.

#### **50476.**

In its annual report to the Legislature pursuant to Section 50408, the department shall report how funds that were made available pursuant to this chapter and allocated in the prior year were expended, including efforts to promote a geographically balanced distribution of funds. The department shall make the report available to the public on its Internet Web site.

#### **SEC. 5.**

No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution because a local agency or school district has the authority to levy service charges, fees, or assessments sufficient to pay for the program or level of service mandated by this act, within the meaning of Section 17556 of the Government Code.

#### **SEC. 6.**

This act is an urgency statute necessary for the immediate preservation of the public peace, health, or safety within the meaning of Article IV of the Constitution and shall go into immediate effect. The facts constituting the necessity are:

In order to provide affordable housing opportunities at the earliest possible time, it is necessary for this act to take effect immediately