AMENDED IN ASSEMBLY APRIL 18, 2022

AMENDED IN ASSEMBLY MARCH 24, 2022

CALIFORNIA LEGISLATURE—2021–22 REGULAR SESSION

ASSEMBLY BILL No. 2011

Introduced by Assembly Member ~~Quirk-Silva~~ *Wicks*

February 14, 2022

An act to ~~amend Section 50675.1.1 of the Health and Safety Code, relating to housing, and making an appropriation therefor.~~ *add Chapter 4.1 (commencing with Section 65912.100) to Division 1 of Title 7 of the Government Code, relating to housing.*

LEGISLATIVE COUNSEL'S DIGEST

AB 2011, as amended, ~~Quirk-Silva~~ *Wicks*. ~~Multifamily Housing Program: housing for people experiencing homelessness: recreational vehicle parking programs.~~ *Affordable Housing and High Road Jobs Act of 2022.*

The Planning and Zoning Law authorizes a development proponent to submit an application for a multifamily housing development that is subject to a streamlined, ministerial approval process and not subject to a conditional use permit if the development satisfies specified objective planning standards.

This bill would make certain housing developments that meet specified affordability and site criteria and objective development standards a use by right within a zone where office, retail, or parking are a principally permitted use, and would subject these development projects to one of 2 streamlined, ministerial review processes. The bill would require a development proponent for a housing development project approved pursuant to the streamlined, ministerial review process to

require, in contracts with construction contractors, that certain wage and labor standards will be met, including that all construction workers shall be paid at least the general prevailing rate of wages, as specified. The bill would require a development proponent to certify to the local government that those standards will be met in project construction. By expanding the crime of perjury, the bill would impose a state-mandated local program. The bill would require the Labor Commissioner to enforce the obligation to pay prevailing wages. The bill would require a development proponent for a development of 50 or more housing units to require construction contractors to participate in an apprenticeship program or request dispatch of apprentices from a state-approved apprenticeship program, and to make specified health care expenditures for construction craft employees. The bill would require the development proponent to certify compliance with those requirements to the local government and to report monthly to the local government that they are in compliance with those requirements. The bill would subject the development proponent and the construction contractors and subcontractors to specified civil penalties for failing to comply with those requirements, and would require the penalty funds to be deposited in the State Public Works Enforcement Fund. The bill would prohibit a local government from imposing any requirement, including increased fees, on the basis that the project is eligible to receive ministerial or streamlined approval. Because the bill would impose new duties on local governments, the bill would impose a state-mandated local program.

The California Environmental Quality Act (CEQA) requires a lead agency, as defined, to prepare, or cause to be prepared, and certify the completion of, an environmental impact report on a project that it proposes to carry out or approve that may have a significant effect on the environment or to adopt a negative declaration if it finds that the project will not have that effect. CEQA also requires a lead agency to prepare a mitigated negative declaration for a project that may have a significant effect on the environment if revisions in the project would avoid or mitigate that effect and there is no substantial evidence that the project, as revised, would have a significant effect on the environment. CEQA does not apply to the approval of ministerial projects.

The approval process established by this bill would be ministerial in nature, thereby exempting the approval of development projects subject to that approval process from CEQA.

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

This bill would provide that with regard to certain mandates no reimbursement is required by this act for a specified reason.

With regard to any other mandates, this bill would provide that, if the Commission on State Mandates determines that the bill contains costs so mandated by the state, reimbursement for those costs shall be made pursuant to the statutory provisions noted above.

~~Existing law establishes the Multifamily Housing Program, which is administered by the Department of Housing and Community Development. Existing law requires that funds appropriated in the 2020 Budget Act or an act related to the 2020 Budget Act to provide housing for individuals and families who are experiencing homelessness or who are at risk of homelessness and who are impacted by the COVID-19 pandemic be disbursed in accordance with the Multifamily Housing Program for specified uses.~~

~~This bill would expand the eligible use of those above-described funds to include costs relating to recreational vehicle parking programs. By authorizing the use of previously appropriated funds for a new purpose, the bill would make an appropriation.~~

Vote: ~~⅔~~ *majority*. Appropriation: ~~yes~~ *no*. Fiscal committee: yes. State-mandated local program: ~~no~~ *yes*.

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

SECTION 1. Chapter 4.1 (commencing with Section 65912.100) is added to Division 1 of Title 7 of the Government Code, to read:

CHAPTER 4.1. AFFORDABLE HOUSING AND HIGH ROAD JOBS ACT OF 2022

Article 1. General Provisions

65912.100. This chapter shall be known and cited as the Affordable Housing and High Road Jobs Act of 2022.

65912.101. For purposes of this chapter, the following terms have the following meanings:

(a) "Commercial corridor" means a highway, as defined in Section 360 of the Vehicle Code, that is not a freeway, as defined in Section 332 of the Vehicle Code, and that has a right-of-way, as defined in Section 525 of the Vehicle Code, of at least 70 and not greater than 150 feet.

(b) "Development proponent" means a developer who submits a housing development project application to a local government under the streamlined, ministerial review process pursuant to this chapter.

(c) "Health care expenditures" include contributions under Sections 501(c) or (d) or 401(a) of the Internal Revenue Code and payments toward "medical care" as defined under Section 213(d)(1) of the Internal Revenue Code.

(d) "Industrial use" means utilities, manufacturing, transportation storage and maintenance facilities, and warehousing uses. "Industrial use" does not include power substations or utility conveyances such as power lines, broadband wires, and pipes.

(e) "Local government" means a city, including a charter city, a county, including a charter county, or a city and county, including a charter city and county.

(f) "Major transit stop" has the same meaning as defined in subdivision (b) of Section 21155 of the Public Resources Code.

(g) "Side street" means a highway, as defined in Section 360 of the Vehicle Code, that is not a freeway, as defined in Section 332 of the Vehicle Code, and that has a right-of-way, as defined in Section 525 of the Vehicle Code, of at least 25 and fewer than 70 feet.

(h) "Single-family property" means a property with a single residential dwelling unit. For purposes of this chapter, a residential dwelling unit does not include accessory dwelling units, as defined in Section 65852.2, or junior accessory dwelling units, as defined in Section 65852.22.

(i) "Urban uses" means any current or former residential, commercial, public institutional, transit or transportation passenger facility, or retail use, or any combination of those uses.

65912.102. The department may review, adopt, amend, and repeal guidelines to implement uniform standards or criteria that supplement or clarify the terms, references, or standards set forth in this chapter. Any guidelines or terms adopted pursuant to this

section are not subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

Article 2. Affordable Housing Developments in Commercial Zones

65912.110. Notwithstanding any inconsistent provision of a local government's general plan, specific plan, zoning ordinance, or regulation, a housing development shall be a use by right within a zone where office, retail, or parking are a principally permitted use and shall be subject to streamlined, ministerial review pursuant to Section 65912.114 if the proposed housing development satisfies all of the requirements in Sections 65912.111, 65912.112, and 65912.113.

65912.111. A development project shall not be subject to the streamlined, ministerial review process provided by Section 65912.114 unless the development is proposed to be located on a site that satisfies all of the following criteria:

(a) It is a legal parcel or parcels that meet either of the following:

(1) It is within a city where the city boundaries include some portion of either an urbanized area or urban cluster, as designated by the United States Census Bureau.

(2) It is in an unincorporated area, and the legal parcel or parcels are wholly within the boundaries of an urbanized area or urban cluster, as designated by the United States Census Bureau.

(b) At least 75 percent of the perimeter of the site adjoins parcels that are developed with urban uses. For purposes of this subdivision, parcels that are only separated by a street or highway shall be considered to be adjoined.

(c) It is not adjacent to any site where more than two-thirds of the square footage on the site is dedicated to industrial use.

(d) It satisfies the requirements specified in subparagraphs (B) to (K), inclusive, of paragraph (6) of subdivision (a) of Section 65913.4.

(e) It is not an existing parcel of land or site that is governed under the Mobilehome Residency Law (Chapter 2.5 (commencing with Section 798) of Title 2 of Part 2 of Division 2 of the Civil Code), the Recreational Vehicle Park Occupancy Law (Chapter 2.6 (commencing with Section 799.20) of Title 2 of Part 2 of

Division 2 of the Civil Code), the Mobilehome Parks Act (Part 2.1 (commencing with Section 18200) of Division 13 of the Health and Safety Code), or the Special Occupancy Parks Act (Part 2.3 (commencing with Section 18860) of Division 13 of the Health and Safety Code).

65912.112. A development project shall not be subject to the streamlined, ministerial review process provided by Section 65912.114 unless the development proposal meets all of the following affordability criteria:

(a) One hundred percent of the units within the development project, excluding managers' units, shall be dedicated to lower income households, as defined in Section 50079.5 of the Health and Safety Code, at an affordable cost, as defined by Section 50052.5, or an affordable rent set in an amount consistent with the rent limits established by the California Tax Credit Allocation Committee.

(b) The units shall be subject to a recorded deed restriction for a period of 55 years for rental units and 45 years for owner-occupied units.

65912.113. A development project shall not be subject to the streamlined, ministerial review process provided by Section 65912.114 unless the development proposal meets all of the following objective development standards:

(a) The development shall be a multifamily housing project and at least 67 percent of the square footage of the new construction associated with the project shall be designated for residential use.

(b) The residential density for the development will meet or exceed the applicable density deemed appropriate to accommodate housing for lower income households in that jurisdiction as specified in paragraph (3) of subdivision (c) of Section 65583.2.

(c) The development will meet the following objective zoning standards, objective subdivision standards, and objective design review standards:

(1) The applicable standards shall be those for the zone that allows residential use at a greater density between the following:

(A) The existing zoning designation for the parcel.

(B) The closest parcel that allows residential use at a density that meets the requirements of subdivision (b).

(2) The applicable standards shall be those in effect at the time that the development is submitted to the local government pursuant to this article.

(3) The applicable standards shall not preclude any additional density or any other concessions, incentives, or waivers of development standards granted pursuant to the Density Bonus Law in Section 65915.

(d) For purposes of this section, "objective zoning standards," "objective subdivision standards," and "objective design review standards" mean standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official before submittal. These standards may be embodied in alternative objective land use specifications adopted by a city or county, and may include, but are not limited to, housing overlay zones, specific plans, inclusionary zoning ordinances, and density bonus ordinances, subject to the following:

(1) A development shall be deemed consistent with the objective zoning standards related to housing density, as applicable, if the density proposed is compliant with the maximum density allowed within that land use designation, notwithstanding any specified maximum unit allocation that may result in fewer units of housing being permitted.

(2) In the event that objective zoning, general plan, subdivision, or design review standards are mutually inconsistent, a development shall be deemed consistent with the objective zoning and subdivision standards pursuant to this section if the development is consistent with the standards set forth in the general plan.

65912.114. (a) If the local government determines that the proposed development is in conflict with any of the objective planning standards specified in this article, it shall provide the development proponent written documentation of which standard or standards the development conflicts with, and an explanation for the reason or reasons the development conflicts with that standard or standards, within the following timeframes:

(1) Within 60 days of submittal of the development proposal to the local government if the development contains 150 or fewer housing units.

(2) Within 90 days of submittal of the development proposal to the local government if the development contains more than 150 housing units.

(b) If the local government fails to provide the required documentation pursuant to subdivision (a), the development shall be deemed to satisfy the required objective planning standards.

(c) For purposes of this section, a development is consistent with the objective planning standards if there is substantial evidence that would allow a reasonable person to conclude that the development is consistent with the objective planning standards.

(d) The determination of whether a proposed project submitted pursuant to this section is or is not in conflict with the objective planning standards is not a "project" as defined in Section 21065 of the Public Resources Code.

(e) Design review of the development may be conducted by the local government's planning commission or any equivalent board or commission responsible for review and approval of development projects, or the city council or board of supervisors, as appropriate. That design review shall be objective and be strictly focused on assessing compliance with criteria required for streamlined, ministerial review of projects, as well as any reasonable objective design standards published and adopted by ordinance or resolution by a local jurisdiction before submittal of the development to the local government, and shall be broadly applicable to developments within the jurisdiction. That design review shall be completed as follows and shall not in any way inhibit, chill, or preclude the ministerial approval provided by this section or its effect, as applicable:

(1) Within 90 days of submittal of the development proposal to the local government pursuant to this section if the development contains 150 or fewer housing units.

(2) Within 180 days of submittal of the development proposal to the local government pursuant to this section if the development contains more than 150 housing units.

(f) The local government shall ensure that the project satisfies the requirements specified in subdivision (d) of Section 66300, regardless of whether the development is within or not within an affected city or within or not within an affected county.

(g) If the development is consistent with all objective subdivision standards in the local subdivision ordinance, an application for

a subdivision pursuant to the Subdivision Map Act (Division 2 (commencing with Section 66410)) shall be exempt from the requirements of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

(h) A local government's approval of a development pursuant to this section shall, notwithstanding any other law, be subject to the expiration timeframes specified in subdivision (f) of Section 65913.4.

(i) Any proposed modifications to a development project approved pursuant to this section shall be undertaken pursuant to subdivision (g) of Section 65913.4.

(j) A local government shall not adopt or impose any requirement, including, but not limited to, increased fees or inclusionary housing requirements, that applies to a project solely or partially on the basis that the project is eligible to receive streamlined, ministerial review pursuant to this section.

(k) A local government shall issue a subsequent permit required for a development approved under this section pursuant to paragraph (2) of subdivision (h) of Section 65913.4.

(l) A public improvement that is necessary to implement a development that is approved pursuant to this section shall be undertaken pursuant to paragraph (3) of subdivision (h) of Section 65913.4.

Article 3. Mixed-Income Housing Developments Along Commercial Corridors

65912.120. Notwithstanding any inconsistent provision of a local government's general plan, specific plan, zoning ordinance, or regulation, a housing development shall be a use by right within a zone where office, retail, or parking are a principally permitted use and shall be subject to streamlined, ministerial review pursuant to Section 65912.124 if the proposed housing development satisfies all of the requirements in Sections 65912.121, 65912.122, and 65912.123.

65912.121. A development project shall not be subject to the streamlined, ministerial review process provided by Section 65912.124 unless the development project is on a site that satisfies all of the following criteria:

(a) It is located on a legal parcel or parcels that meet either of the following:

(1) It is within a city where the city boundaries include some portion of either an urbanized area or urban cluster, as designated by the United States Census Bureau.

(2) It is in an unincorporated area, and the legal parcel or parcels are wholly within the boundaries of an urbanized area or urban cluster, as designated by the United States Census Bureau.

(b) The project site abuts a commercial corridor.

(c) The project site has a frontage along the commercial corridor of a minimum of 50 feet.

(d) The site is not greater than 20 acres.

(e) At least 75 percent of the perimeter of the site adjoins parcels that are developed with urban uses. For purposes of this subdivision, parcels that are only separated by a street or highway shall be considered to be adjoined.

(f) It is not adjacent to any site where more than two-thirds of the square footage on the site is dedicated to industrial use.

(g) The parcel satisfies the requirements specified in subparagraphs (B) to (K), inclusive, of paragraph (6) of subdivision (a) of Section 65913.4.

(h) The development is not located on a site where any of the following apply:

(1) The development would require the demolition of the following types of housing:

(A) Housing that is subject to a recorded covenant, ordinance, or law that restricts rents to levels affordable to persons and families of moderate, low, or very low income.

(B) Housing that is subject to any form of rent or price control through a public entity's valid exercise of its police power.

(C) Housing that has been occupied by tenants within the past 10 years, excluding any manager's units.

(2) The site was previously used for housing that was occupied by tenants, excluding any manager's units, that was demolished within 10 years before the development proponent submits an application under this article.

(3) The development would require the demolition of a historic structure that was placed on a national, state, or local historic register.

(4) The property contains housing units that are occupied by tenants, and units at the property are, or were, subsequently offered for sale to the general public by the subdivider or subsequent owner of the property.

(i) The development shall not be upon an existing parcel of land or site that is governed under the Mobilehome Residency Law (Chapter 2.5 (commencing with Section 798) of Title 2 of Part 2 of Division 2 of the Civil Code), the Recreational Vehicle Park Occupancy Law (Chapter 2.6 (commencing with Section 799.20) of Title 2 of Part 2 of Division 2 of the Civil Code), the Mobilehome Parks Act (Part 2.1 (commencing with Section 18200) of Division 13 of the Health and Safety Code), or the Special Occupancy Parks Act (Part 2.3 (commencing with Section 18860) of Division 13 of the Health and Safety Code).

65912.122. A development project shall not be subject to the streamlined, ministerial review process provided by Section 65912.124 unless the development project meets all of the following affordability criteria:

(a) A rental housing development shall have a recorded deed restriction that ensures, at a minimum, that for a period of 55 years, 15 percent of the units shall be set at an affordable rent, as defined in Section 50053 of the Health and Safety Code, to lower income households, as defined in Section 50079.5 of the Health and Safety Code.

(b) An owner-occupied housing development shall have a recorded deed restriction that ensures, at a minimum, either of the following affordability criteria for a period of 45 years:

(1) Thirty percent of the units must be offered at an affordable housing cost, as defined in Section 50052.5 of the Health and Safety Code, to moderate-income households, as defined in Section 50093 of the Health and Safety Code.

(2) Fifteen percent of the units must be offered at an affordable housing cost, as defined in Section 50052.5 of the Health and Safety Code, to lower income households, as defined in Section 50079.5 of the Health and Safety Code.

(c) If the amount of affordable housing required by a local inclusionary housing ordinance exceeds that of this section, then the project shall abide by the local inclusionary housing ordinance.

65912.123. A development project shall not be subject to the streamlined, ministerial review process provided by Section

65912.124 unless the development project meets all of the following objective development standards:

(a) The development shall be a multifamily housing project and at least 67 percent of the square footage of the new construction associated with the project is designated for residential use.

(b) The residential density for the development shall be determined as follows:

(1) In a metropolitan jurisdiction, as determined pursuant to subdivisions (d) and (e) of Section 65853.2, the residential density for the development shall meet or exceed the greater of the following:

(A) The residential density allowed on the parcel by the local government.

(B) For sites on a commercial corridor of less than 100 feet in width, 40 units per acre.

(C) For sites on a commercial corridor of 100 feet in width or greater, 60 units per acre.

(D) Notwithstanding subparagraph (B) or (C), for sites within one-half mile of a major transit stop, 80 units per acre.

(2) In a jurisdiction that is not a metropolitan jurisdiction, as determined pursuant to subdivisions (d) and (e) of Section 65853.2, the residential density for the development shall meet or exceed the greater of the following:

(A) The residential density allowed on the parcel by the local government.

(B) For sites on a commercial corridor of less than 100 feet in width, 30 units per acre.

(C) For sites on a commercial corridor of 100 feet in width or greater, 50 units per acre.

(D) Notwithstanding paragraphs (2) and (3), for sites within one-half mile of a major transit stop, 70 units per acre.

(c) The height limit applicable to the housing development shall be the greater of the following:

(1) The height allowed on the parcel by the local government.

(2) For sites on a commercial corridor of less than 100 feet in width, 35 feet.

(3) For sites on a commercial corridor of 110 feet in width or greater, 45 feet.

(4) Notwithstanding paragraphs (2) and (3), for sites within one-half mile of a major transit stop, 65 feet.

(d) The property meets the following setback standards:

(1) For the portion of the property that fronts a commercial corridor, the following shall occur:

(A) No setbacks shall be required.

(B) All parking must be set back at least 25 feet.

(C) On the ground floor, the development must abut within 10 feet of the property line for at least 80 percent of the frontage.

(2) For the portion of the property that fronts a side street, the development must abut within 10 feet of the property line for at least 60 percent of the frontage.

(3) When the property line of a development site abuts a single-family property, the following shall occur:

(A) The ground floor of the development project shall be set back at 10 feet from the single-family property. The amount required to be set back may be decreased by the local government.

(B) Starting with the third floor of the property, each subsequent floor of the development project shall be stepped back from the single-family property in an amount equal to five feet multiplied by the floor number. For purposes of this paragraph, the ground floor counts as the first floor. The amount required to be stepped back may be decreased by the local government.

(4) When the property line of a development site abuts a property that is not a single-family property, starting with the third floor of the property, each subsequent floor of the development project shall be stepped back from the other property in an amount equal to five feet multiplied by the floor number. For purposes of this paragraph, the ground floor counts as the first floor. The amount required to be stepped back may be decreased by the local government.

(e) No parking shall be required, except that this article shall not reduce, eliminate, or preclude the enforcement of any requirement imposed on a new multifamily residential or nonresidential development to provide bicycle parking, electric vehicle supply equipment installed parking spaces, or parking spaces that are accessible to persons with disabilities that would have otherwise applied to the development if this article did not apply.

(f) Other objective zoning standards, objective subdivision standards, and objective design review standards as follows:

(1) The applicable standards shall be those for the closest zone in the city, county, or city and county that allows residential use at the residential density determined pursuant to subdivision (b). If no zone exists that allows the residential density determined pursuant to subdivision (b), the applicable standards shall be those for the zone that allows the greatest density within the city, county, or city and county.

(2) The applicable standards shall be those in effect at the time that the development is submitted to the local government pursuant to this article.

(3) The applicable standards shall not preclude any additional density requirements or any other concessions, incentives, or waivers of development standards granted pursuant to the Density Bonus Law in Section 65915.

(4) For purposes of this section, "objective zoning standards," "objective subdivision standards," and "objective design review standards" mean standards that involve no personal or subjective judgment by a public official and are uniformly verifiable by reference to an external and uniform benchmark or criterion available and knowable by both the development applicant or proponent and the public official before submittal. These standards may be embodied in alternative objective land use specifications adopted by a city or county, and may include, but are not limited to, housing overlay zones, specific plans, inclusionary zoning ordinances, and density bonus ordinances. In the event that objective zoning, general plan, subdivision, or design review standards are mutually inconsistent, a development shall be deemed consistent with the objective zoning and subdivision standards pursuant to this subdivision if the development is consistent with the standards set forth in the general plan.

65912.124. (a) If the local government determines that the proposed housing development is in conflict with any of the objective planning standards specified in this article, it shall provide the development proponent written documentation of which standard or standards the development conflicts with, and an explanation for the reason or reasons the development conflicts with that standard or standards, within the following timeframes:

(1) Within 60 days of submittal of the development proposal to the local government if the development contains 150 or fewer housing units.

(2) Within 90 days of submittal of the development proposal to the local government if the development contains more than 150 housing units.

(b) If the local government fails to provide the required documentation pursuant to subdivision (a), the development shall be deemed to satisfy the required objective planning standards.

(c) For purposes of this section, a development is consistent with the objective planning standards if there is substantial evidence that would allow a reasonable person to conclude that the development is consistent with the objective planning standards.

(d) The determination of whether a proposed project submitted pursuant to this section is or is not in conflict with the objective planning standards is not a "project" as defined in Section 21065 of the Public Resources Code.

(e) Design review of the development may be conducted by the local government's planning commission or any equivalent board or commission responsible for review and approval of development projects, or the city council or board of supervisors, as appropriate. That design review shall be objective and be strictly focused on assessing compliance with criteria required for streamlined, ministerial review of projects, as well as any reasonable objective design standards published and adopted by ordinance or resolution by a local jurisdiction before submittal of the development to the local government, and shall be broadly applicable to developments within the jurisdiction. That design review shall be completed as follows and shall not in any way inhibit, chill, or preclude the ministerial approval provided by this section or its effect, as applicable:

(1) Within 90 days of submittal of the development proposal to the local government pursuant to this section if the development contains 150 or fewer housing units.

(2) Within 180 days of submittal of the development proposal to the local government pursuant to this section if the development contains more than 150 housing units.

(f) The local government shall ensure that the project satisfies the requirements specified in subdivision (d) of Section 66300, regardless of whether the development is within or not within an affected city or within or not within an affected county.

(g) If the development is consistent with all objective subdivision standards in the local subdivision ordinance, an application for

a subdivision pursuant to the Subdivision Map Act (Division 2 (commencing with Section 66410)) shall be exempt from the requirements of the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code).

(h) A local government's approval of a development pursuant to this section shall, notwithstanding any other law, be subject to the expiration timeframes specified in subdivision (f) of Section 65913.4.

(i) Any proposed modifications to a development project approved pursuant to this section shall be undertaken pursuant to subdivision (g) of Section 65913.4.

(j) A local government shall not adopt or impose any requirement, including, but not limited to, increased fees or inclusionary housing requirements, that applies to a project solely or partially on the basis that the project is eligible to receive streamlined, ministerial review pursuant to this section.

(k) A local government shall issue a subsequent permit required for a development approved under this section pursuant to paragraph (2) of subdivision (h) of Section 65913.4.

(l) A public improvement that is necessary to implement a development that is approved pursuant to this section shall be undertaken pursuant to paragraph (3) of subdivision (h) of Section 65913.4.

Article 4. Labor Standards

65912.130. (a) A proponent of a development project approved by a local government pursuant to Article 2 (commencing with Section 65912.110) or Article 3 (commencing with Section 65912.120) shall require in contracts with construction contractors, and shall certify to the local government, that the standards specified in this section will be met in project construction.

(b) A development that is not in its entirety a public work for purposes of Chapter 1 (commencing with Section 1720) of Part 7 of Division 2 of the Labor Code and approved by a local government pursuant to Article 2 (commencing with Section 65912.110) or Article 3 (commencing with Section 65912.120) shall be subject to all of the following:

(1) All construction workers employed in the execution of the development shall be paid at least the general prevailing rate of per diem wages for the type of work and geographic area, as determined by the Director of Industrial Relations pursuant to Sections 1773 and 1773.9 of the Labor Code, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(2) The development proponent shall ensure that the prevailing wage requirement is included in all contracts for the performance of the work for those portions of the development that are not a public work.

(3) All contractors and subcontractors for those portions of the development that are not a public work shall comply with both of the following:

(A) Pay to all construction workers employed in the execution of the work at least the general prevailing rate of per diem wages, except that apprentices registered in programs approved by the Chief of the Division of Apprenticeship Standards may be paid at least the applicable apprentice prevailing rate.

(B) Maintain and verify payroll records pursuant to Section 1776 of the Labor Code and make those records available for inspection and copying as provided in that section. This subparagraph does not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the development and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subparagraph, "project labor agreement" has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(c) (1) The obligation of the contractors and subcontractors to pay prevailing wages pursuant to this section may be enforced by the any of the following:

(A) The Labor Commissioner through the issuance of a civil wage and penalty assessment pursuant to Section 1741 of the Labor Code, which may be reviewed pursuant to Section 1742 of the Labor Code, within 18 months after the completion of the development.

(B) An underpaid worker through an administrative complaint or civil action.

(C) A joint labor-management committee through a civil action under Section 1771.2 of the Labor Code.

(2) If a civil wage and penalty assessment is issued pursuant to this section, the contractor, subcontractor, and surety on a bond or bonds issued to secure the payment of wages covered by the assessment shall be liable for liquidated damages pursuant to Section 1742.1 of the Labor Code.

(3) This subdivision does not apply if all contractors and subcontractors performing work on the development are subject to a project labor agreement that requires the payment of prevailing wages to all construction workers employed in the execution of the development and provides for enforcement of that obligation through an arbitration procedure. For purposes of this subdivision, "project labor agreement" has the same meaning as set forth in paragraph (1) of subdivision (b) of Section 2500 of the Public Contract Code.

(d) Notwithstanding subdivision (c) of Section 1773.1 of the Labor Code, the requirement that employer payments not reduce the obligation to pay the hourly straight time or overtime wages found to be prevailing does not apply to those portions of development that are not a public work if otherwise provided in a bona fide collective bargaining agreement covering the worker.

(e) The requirement of this section to pay at least the general prevailing rate of per diem wages does not preclude use of an alternative workweek schedule adopted pursuant to Section 511 or 514 of the Labor Code.

65912.131. (a) For a development of 50 or more housing units approved by a local government pursuant to Article 2 (commencing with Section 65912.110) or Article 3 (commencing with Section 65912.120), the development proponent shall require in contracts with construction contractors and shall certify to the local government that each contractor of any tier who will employ construction craft employees or will let subcontracts for at least 1,000 hours shall satisfy the requirements in subdivisions (b) and (c). A construction contractor is deemed in compliance with subdivisions (b) and (c) if it is signatory to a valid collective bargaining agreement that requires utilization of registered

apprentices and expenditures on health care for employees and dependents.

(b) A contractor with construction craft employees shall either participate in an apprenticeship program approved by the State of California Division of Apprenticeship Standards pursuant to Section 3075 of the Labor Code, or request the dispatch of apprentices from a state-approved apprenticeship program under the terms and conditions set forth in Section 1777.5 of the Labor Code. A contractor without construction craft employees shall show a contractual obligation that its subcontractors comply with this subdivision.

(c) Each contractor with construction craft employees shall make health care expenditures for each employee in an amount per hour worked on the development equivalent to at least the hourly pro rata cost of a Covered California Platinum level plan for two 40-year old adults and two dependents 0 to 14 years of age for the Covered California rating area in which the development is located. A contractor without construction craft employees shall show a contractual obligation that its subcontractors comply with this subdivision. Qualifying expenditures shall be credited toward compliance with prevailing wage payment requirements set forth in Section 65912.102.

(d) (1) The development proponent shall provide to the local government, on a monthly basis while its construction contracts on the development are being performed, a report demonstrating compliance with subdivisions (b) and (c). The reports shall be considered public records under the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1), and shall be open to public inspection.

(2) A development proponent that fails to provide the monthly report shall be subject to a civil penalty for each month for which the report has not been provided, in the amount of 10 percent of the dollar value of construction work performed by that contractor on the development in the month in question, up to a maximum of ten thousand dollars ($10,000). Any contractor or subcontractor that fails to comply with subdivision (b) or (c) shall be subject to a civil penalty of two hundred dollars ($200) per day for each worker employed in contravention of subdivision (b) or (c).

(3) Penalties may be assessed by the Labor Commissioner within 18 months of completion of the development using the procedures

for issuance of civil wage and penalty assessments specified in Section 1741 of the Labor Code, and may be reviewed pursuant to Section 1742 of the Labor Code. Penalties shall be deposited in the State Public Works Enforcement Fund established pursuant to Section 1771.3 of the Labor Code.

(e) Each construction contractor shall maintain and verify payroll records pursuant to Section 1776 of the Labor Code. Each construction contractor shall submit payroll records directly to the Labor Commissioner at least monthly in a format prescribed by the Labor Commissioner in accordance with subparagraph (A) of paragraph (3) of subdivision (a) of Section 1771.4 of the Labor Code. The records shall include a statement of fringe benefits. Upon request by a joint labor-management cooperation committee established pursuant to the Federal Labor Management Cooperation Act of 1978 (29 U.S.C. Sec. 175a), the records shall be provided pursuant to subdivision (e) of Section 1776 of the Labor Code.

(f) All construction contractors shall report any change in apprenticeship program participation or health care expenditures to the local government within 10 business days, and shall reflect those changes on the monthly report. The reports shall be considered public records pursuant to the California Public Records Act (Division 10 (commencing with Section 7920.000) of Title 1) and shall be open to public inspection.

(g) A joint labor-management cooperation committee established pursuant to the Federal Labor Management Cooperation Act of 1978 (29 U.S.C. Sec. 175a) shall have standing to sue a construction contractor for failure to make health care expenditures pursuant to subdivision (c) in accordance with Section 218.7 or 218.8 of the Labor Code.

Article 5. Severability

65912.140. The provisions of this chapter are severable. If any portion, section, subdivision, paragraph, clause, sentence, phrase, word, or application of this chapter is for any reason held to be invalid by a decision of any court of competent jurisdiction, that decision shall not affect the validity of the remaining portions of this chapter. The people of the State of California hereby declare that they would have adopted this chapter and each and every

portion, section, subdivision, paragraph, clause, sentence, phrase, word, and application not declared invalid or unconstitutional without regard to whether any other portion of this chapter or application thereof would be subsequently declared invalid. In particular, the provisions of Section 65912.130 and the provisions of Section 65912.131 are distinct and severable from one another, and the provisions of subdivision (c) of Section 65912.131 concerning health care expenditure are distinct and severable from the remaining provisions of Article 4 (commencing with Section 65912.131). If Section 65912.130 is held invalid, the requirements of Section 65912.131 shall stand alone and vice versa. If any portion of Section 65912.131 is held invalid, the remaining provisions of this article shall continue in effect with the exception of subdivision (g) of Section 65912.131.

SEC. 2. No reimbursement is required by this act pursuant to Section 6 of Article XIII B of the California Constitution for certain costs that may be incurred by a local agency or school district because, in that regard, this act creates a new crime or infraction, eliminates a crime or infraction, or changes the penalty for a crime or infraction, within the meaning of Section 17556 of the Government Code, or changes the definition of a crime within the meaning of Section 6 of Article XIII B of the California Constitution.

However, if the Commission on State Mandates determines that this act contains other costs mandated by the state, reimbursement to local agencies and school districts for those costs shall be made pursuant to Part 7 (commencing with Section 17500) of Division 4 of Title 2 of the Government Code.

~~SECTION 1. Section 50675.1.1 of the Health and Safety Code is amended to read:~~

~~50675.1.1. (a) Notwithstanding any other law, including subdivision (b) of Section 50675.1, funds appropriated in the 2020 Budget Act or an act related to the 2020 Budget Act, including, but not limited to, moneys received from the Coronavirus Relief Fund established by the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act (Public Law 116-136), to provide housing for individuals and families who are experiencing homelessness or who are at risk of homelessness, as defined in Section 578.3 of Title 24 of the Code of Federal Regulation, and who are impacted by the COVID-19 pandemic, shall be disbursed~~

~~in accordance with the Multifamily Housing Program, including as grants to cities, counties, and other local public entities, as necessary, created by this chapter for the following uses, consistent with applicable federal law and guidance:~~

~~(1) Acquisition or rehabilitation of motels, hotels, or hostels.~~

~~(2) Master leasing of properties.~~

~~(3) Acquisition of other sites and assets, including purchase of apartments or homes, adult residential facilities, residential care facilities for the elderly, manufactured housing, and other buildings with existing residential uses that could be converted to permanent or interim housing.~~

~~(4) Conversion of units from nonresidential to residential in a structure with a certificate of occupancy as a motel, hotel, or hostel.~~

~~(5) The purchase of affordability covenants and restrictions for units.~~

~~(6) Relocation costs for individuals who are being displaced as a result of rehabilitation of existing units.~~

~~(7) Capitalized operating subsidies for units purchased, converted, or altered with funds provided by this section.~~

~~(8) Recreational vehicle parking programs, including subsidizing rent for recreational vehicles or other costs associated with safe parking programs. For purposes of this paragraph, "recreational vehicle" has the same meaning as that term is defined in Section 18010.~~

~~(b) Where possible, the funds described in subdivision (a) shall be allocated by the department in a manner that takes into consideration all of the following:~~

~~(1) Need geographically across the state.~~

~~(2) Areas with high unsheltered populations and high COVID-19 infection rates.~~

~~(3) The demonstrated ability of the applicant to fund ongoing operating reserves.~~

~~(4) The creation of new permanent housing options.~~

~~(5) The potential for state funding for capitalized operating reserves to make additional housing units financially viable through this program.~~

~~(c) Any conflict between the other requirements of the Multifamily Housing Program created by this chapter and this section shall be resolved in favor of this section, as may be set forth in the guidelines authorized by this section.~~

~~(d) The Department of Housing and Community Development may adopt guidelines for the expenditure of the funds appropriated to the department. The guidelines shall not be subject to the requirements of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.~~

~~(e) Up to 2 percent of the funds appropriated for this section may be expended for the costs to administer this program.~~

~~(f) On or before April 1, 2021, the Department of Housing and Community Development, in coordination with the Business, Consumer Services, and Housing Agency, shall report to the chairs of each fiscal committee and each relevant policy committee of the Legislature on the use of the funds described in this section. The report shall include, but not be limited to, all of the following:~~

~~(1) The amount of funds expended for the uses described in this section.~~

~~(2) The location of any properties for which the funds are used.~~

~~(3) The number of useable housing units produced, or planned to be produced, using the funds.~~

~~(4) The number of individuals housed, or likely to be housed, using the funds.~~

~~(5) The number of units, and the location of those units, for which operating subsidies have been, or are planned to be, capitalized using the funds.~~

~~(6) An explanation of how funding decisions were made for acquisition, conversion, or rehabilitation projects, or for capitalized operating subsidies, including what metrics were considered in making those decisions.~~

~~(7) Any lessons learned from the use of the funds.~~

~~(g) Any project that uses funds received from the Coronavirus Relief Fund for any of the purposes specified in subdivision (a) shall be deemed consistent and in conformity with any applicable local plan, standard, or requirement, and allowed as a permitted use, within the zone in which the structure is located, and shall not be subject to a conditional use permit, discretionary permit, or to any other discretionary reviews or approvals.~~

~~(h) A report to be submitted pursuant to subdivision (f) shall be submitted in compliance with Section 9795 of the Government Code.~~

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