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## **AB-672 Publicly owned golf courses: conversion: affordable housing.** (2021-2022)

### **As Amends the Law Today**

**SECTION 1.** Chapter 14.7 (commencing with Section 50871) is added to Part 2 of Division 31 of the Health and Safety Code, to read:

#### **CHAPTER 14.7. Conversion of Publicly Owned Golf Courses to Affordable Housing**

**50871.** (a) Upon appropriation by the Legislature, the Department of Housing and Community Development shall administer a program to provide incentives in the form of grants to local agencies that enter into a development agreement to convert a golf course owned by the local agency into housing and publicly accessible open space.

(b) In order to be eligible for a grant, a local agency shall enter into a disposition and development agreement with a developer that, at a minimum, meets the following requirements:

(1) The agreement ensures that at least 25 percent of all new dwelling units developed on the former golf course are affordable to, and occupied by, lower income households, in accordance with subdivision (c).

(2) At least 15 percent of the development is publicly accessible open space. Space used as a golf course shall not be considered open space.

(3) No more than one-third of the square footage of the development, excluding the portion reserved for open space, is dedicated to nonresidential uses. Parking shall be considered a nonresidential use.

(c) (1) Rental units developed pursuant to this section shall be subject to a recorded deed restriction of 55 years that provides that the units designated for use by lower income households are continuously available to or occupied by lower income households at rents that do not exceed those prescribed by Section 50053 of the Health and Safety Code, or, to the extent that the terms of federal, state, or local financing or financial assistance conflicts with Section 50053 of the Health and Safety Code, rents that do not exceed those prescribed by the terms of the financing or financial assistance. The deed restriction shall authorize the local agency to monitor the development for compliance with its terms.

(2) (A) Ownership units developed pursuant to this section shall be subject to a recorded deed restriction of 45 years that provides that the units designated for use by lower income households are continuously available to lower income households at affordable housing costs that do not exceed those prescribed by Section 50052.5 of the Health and Safety Code, or, to the extent that the terms of federal, state, or local financing or financial assistance conflicts with Section 50052.5 of the Health and Safety Code, affordable housing costs that do not exceed those prescribed by the terms of the financing or financial assistance. The deed restriction shall authorize the local agency to monitor the development for compliance with its terms.

(B) Ownership units developed pursuant to this section shall be subject to an equity sharing agreement consistent with paragraph (2) of subdivision (c) of Section 65915 of the Government Code, and the local agency shall utilize any proceeds received from an equity sharing agreement for programs to facilitate lower income home ownership.

(d) To the extent that funds are available, the department shall issue a Notice of Funding Availability (NOFA) covering the 12-month period after the NOFA is issued, and, if there was no NOFA for the previous 12-month period, covering the 12-month period before the NOFA was issued. The department shall accept applications from applicants throughout the 12-month period after the NOFA is issued.

(e) (1) The department shall allocate a grant to each local agency that meets the criteria specified in subdivision (b) in an amount determined by the department and pursuant to the NOFA. If the amount of funds available to

*the department is insufficient to provide each eligible local agency with the full grant amount specified in the NOFA, the department shall reduce the amount of grant funds awarded to each eligible local agency proportionately.*

*(2) The department shall disburse half of the grant funds awarded to the local agency after the local agency enters into a development agreement that meets the criteria of this section. The department shall disburse the remaining half of the grant funds awarded to the local agency after the completion of the development of housing and publicly accessible open space that meet the criteria of this section and the development agreement.*

*(f) 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 adopted pursuant to this chapter shall not be subject to Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2 of the Government Code.*

*(g) For purposes of this section, both of the following definitions apply:*

*(1) "Local agency" means any local public agency and excludes any state agency, board, or commission.*

*(2) "Lower income household" has the same meaning as in Section 50079.5 of the Health and Safety Code.*