

SEC. 3. Section 135.5 is added to the Streets and Highways Code, to read:

"135.5. The department may acquire, either in fee or in any lesser estate or interest, any unimproved or unoccupied real property, or real property not devoted primarily to residential use, to provide replacement housing for low-income individuals and families who reside in economically depressed areas and are displaced because of the acquisition or clearance of rights-of-way for a project on the state highway system, in order to enable them to live in decent, safe, and sanitary dwellings. All other property acquired for such purpose shall be acquired by means other than condemnation. The acquisition of such property is declared to be a public purpose and use."

SEC. 4. Section 135.6 is added to the Streets and Highways Code, to read:

"135.6. The department may contract with other public agencies, private individuals, and corporations for the financing, planning, development, construction, management, sale, exchange, or lease of replacement housing. Low-income individuals and families displaced because of the acquisition or clearance of rights-of-way for a project on the state highway system shall be given priority in buying, leasing, transferring, or exchanging property for replacement housing."

SEC. 4. Section 37110.5 is added to the Health and Safety Code, to read:

"37110.5. The department may provide assistance to the Department of Public Works in the undertaking, construction, maintenance, operation, or financing of replacement housing designed for persons displaced because of the acquisition or clearance of rights-of-way for a project on the state highway system. The department may advise the California Highway Commission of its recommendation whether or not an area traversed by an adopted highway location is an area that is economically depressed before the California Highway Commission makes its determination thereon."

SEC. 6. If any provision of this act or the application thereof to any person or circumstances is held invalid, such invalidity shall not affect other provisions or applications of the act which can be given effect without the invalid provision or application, and to this end the provisions of this act are severable.

LEGISLATIVE COUNSEL'S DIGEST

AB 1072, as introduced, Ralph (G.E.&E.). Replacement housing.

Adds various secs., S.&H.C., and H.&S.C.

Authorizes Department of Public Works to provide relocation assistance to low income individuals and families who own and reside in housing located in an economically depressed area who are displaced as a result of the acquisition or clearance of rights-of-way for a project on the state highway system, by the acquisition of replacement housing for such individuals and families. Defines terms. Authorizes the department to adopt rules and regulations providing standards and procedures for such relocation assistance.

Authorizes the department to condemn unimproved or unoccupied real property, or real property not devoted primarily to residential use, to provide replacement housing for low income individuals and families who reside in economically depressed areas and are so displaced; provides that acquisition of all other property for such purpose must be by means other than condemnation.

Authorizes the department to contract with public and private entities for the financing, planning, development, construction, management, sale, exchange, or lease of replacement housing; and gives low income individuals and families so displaced priority in buying, leasing, transferring, or exchanging property for replacement housing.

Authorizes the Department of Housing and Community Development to render assistance to the department in the undertaking, construction, maintenance, operation, or financing of replacement housing, and to advise the California Highway Commission regarding whether or not an area traversed by an adopted highway location is an economically depressed area.

RELOCATION PROGRAM FOR LOW INCOME FAMILIES

California has been working toward solution of the serious economic hardship caused when public projects such as highways require the acquisition of large number of homes owned by *low income families*.

At present time, our Division of Highways can legally assist these families three ways: (1) pay fair market value, (2) help find them another house, (3) reimburse their moving costs. However, in depressed areas a \$10,000 home may