

Governor Schwarzenegger Signs Housing Industry Legislation

Governor Arnold Schwarzenegger today signed [SB 1185](#) by Senator Alan Lowenthal (D-Long Beach) allowing developers to build already approved subdivisions as soon as financing becomes available by extending the expiration date for specified subdivision maps.

“Over the past several months, my Administration has worked hard to offset California’s housing slump and stimulate the overall economy. And with today’s action, we will be ready when the market turns around and demand goes back up,” Governor Schwarzenegger said.

Due to a slowing housing market, it has become more difficult for developers to secure financing to build projects where subdivision maps have already been approved. These maps will soon expire and require developers to go through the entitlement process again, which can take years. This bill allows a one-time extension of existing subdivision maps so developers can build immediately when the demand for housing goes up. It gives developers an automatic 12 month extension on previously approved subdivision maps and allows local governments to approve an additional 12 month extension at their discretion.

To help Californians affected by the housing market downturn, the Governor has:

- [Led efforts urging Congress and the Bush Administration to raise federal loan limits](#). Last fall, the Governor sent a [letter](#) calling on Congress to increase those limits and sent a similar [letter](#) again earlier this year. After Congress and the President approved a temporary increase, the Governor asked them to make the increase permanent. In February, the Governor met with [the U.S. Department of Housing and Urban Development Secretary](#) in Washington D.C. to reiterate the importance of a permanent loan limit increase.
- [Announced \\$10.5 million](#) to train workers displaced by the housing slump.
- [Awarded \\$73 million for affordable housing projects](#) in Proposition 1C and Proposition 46 funds to help more than 1,600 California families rent or purchase affordable housing.
- [Awarded \\$5.6 million](#) to help displaced mortgage and banking workers find new jobs.
- [Announced \\$69.5 million in permanent low-interest loans](#) from the Proposition 1C housing bonds to jumpstart 14 affordable multi-family projects up and down the state, helping more than 1,000 California families and individuals realize the dream of an affordable rental home.
- [Announced more than \\$72 million in federal HOME Investment Partnerships](#) Program funds to provide assistance to first-time homebuyers, reduce the number of bank owned homes and increase the number of rental properties.
- [Joined the OneCalifornia Foundation to announce a bridge loan fund](#) for homeowners facing foreclosure in Oakland.

- [Launched a \\$1.2 million public awareness campaign](#) to help educate homeowners about options that can help them avoid losing their homes to foreclosures.
- [Announced an agreement with major loan servicers](#) to streamline the loan modification process for subprime borrowers living in their homes.
- [Signed legislation](#) to increase protections for Californians who own or plan to purchase homes and to expand affordable housing opportunities.