

**TITLE 21 PUBLIC WORKS
DIVISION 2 DEPARTMENT OF TRANSPORTATION**

CHAPTER 24 RIGHT OF WAY

Article 1 Affordable Rent Program

§2653 Purpose and Scope

The California Legislature has declared the availability of affordable residential housing is of vital statewide importance and state agencies, including the Department of Transportation, have a responsibility to use the power vested in them to meet the housing needs of all economic segments of the community. Accordingly, the Department sets forth herein the Affordable Rent Program by which the Department can consider affordability when adjusting rents for current residential tenants who are economically disadvantaged. The Affordable Rent Program is intended to protect existing low-income tenants from large rental rate increases, which may otherwise result in their current rental unit becoming unaffordable. For new tenants, rents will be set at fair market rates.

Authority cited: Section 65580, Government Code; Section 104.6, Streets and Highways Code

Reference cited: Section 65580, Government Code; Section 104.6, Streets and Highways Code

§2654 Definition of Terms

Affordable Rent Level means 25% of the gross monthly income for tenants who began renting the unit on or before March 3, 1981 or 30% of the gross monthly income for tenants who began renting the unit after March 3, 1981.

Annual Income means total income for the most recent past tax year, before adjustments, credits and taxes.

Fair Market Rent means the amount of rent a parcel would command in the open market if offered under the terms and conditions typical of the market for similar properties.

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RAP refers to the Relocation Assistance Program as set forth in the Uniform Relocation Assistance and Real Property Acquisitions Policies Act of 1970, as amended (URA) and Title 49 Code of Federal Regulations Part 24 (2005).

Authority cited: Section 65580, Government Code; Section 104.6, Streets and Highways Code

Reference cited: Section 65580, Government Code; Section 104.6, Streets and Highways Code

§2655 Tenant Affordability Standards

In order to qualify for the Affordable Rent Program, tenants must (1) be in occupancy as of December 31, 2012; (2) not be eligible for RAP; and (3) have an Annual Income not exceeding 120% of the county median household income as identified in accordance with the Department of Housing and Community Development's annual publication of Official State Income Limits, adjusted for size of household, published pursuant to Health and Safety Code section 50093.

Authority cited: Section 65580, Government Code; Section 104.6, Streets and Highways Code

Reference cited: Section 65580, Government Code; Section 104.6, Streets and Highways Code

§2656 Income Standards

Affordability is based on Annual Income from all tenants 18 years or older living in the household. Children up to the age of 23, who are enrolled in school full-time including college, will not be included in determining income. Income will be verified using W-2 Forms, state and federal income tax returns, pay stubs, and any other financial documentation relevant to income. When current tenants do not submit complete and accurate supporting financial documentation they will be charged fair market rent.

Authority cited: Section 65580, Government Code; Section 104.6, Streets and Highways Code

Reference cited: Section 65580, Government Code; Section 104.6, Streets and Highways Code

§2657 Rent Standards

Rent charged to tenants who qualify for the Affordable Rent Program will be the higher of either: (1) The current rent; or (2) The Affordable Rent Level. Any rent increase made under the provisions of the Affordable Rent Program shall be limited as follows: (1) if current rent is 25%

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or less below the Affordable Rent Level, there will be annual 10% rent increases until actual rent equals the Affordable Rent Level, or (2) if current rent is more than 25% below the Affordable Rent Level, there will be 10% rent increases every six months until actual rent is 25% or less below the affordable rent level and then there will be annual 10% rent increases until actual rent equals the affordable rent level. In no case shall the rent in the affordable rent program exceed the fair market rent.

Authority cited: Section 65580, Government Code; Section 104.6, Streets and Highways Code

Reference cited: Section 65580, Government Code; Section 104.6, Streets and Highways Code

§2658 Tenant Eligibility

Continued eligibility for the program will be reviewed annually by the Department.

Authority cited: Section 65580, Government Code; Section 104.6, Streets and Highways Code

Reference cited: Section 65580, Government Code; Section 104.6, Streets and Highways Code