

HEALTH AND SAFETY CODE

SECTION 50900-50916

50900. The California Housing Finance Agency is hereby continued in existence in the Business, Transportation and Housing Agency. The agency constitutes a public instrumentality and a political subdivision of the state, and the exercise by the agency of the powers conferred by this division shall be deemed and held to be the performance of an essential public function.

50901. The agency shall be administered by a board of directors consisting of 11 voting members, including a chairperson selected by the Governor from among his or her appointees. The State Treasurer, the Secretary of the Business, Transportation and Housing Agency, and the Director of Housing and Community Development, or their designees, shall be members, in addition to six members appointed by the Governor, one member appointed by the Speaker of the Assembly, and one member appointed by the Senate Rules Committee. The Director of Finance, the Director of the State Office of Planning and Research, and the executive director of the agency shall serve as nonvoting ex officio members of the board.

50902. (a) Appointed members of the board shall be able persons broadly reflective of the economic, cultural, and social diversity of the state, including ethnic minorities and women. However, it is not intended that formulas or specific ratios be applied in order to achieve that diversity.

(b) The Governor shall select four of his or her six appointees from among the following categories: (1) an elected official of a city or county engaged in the planning or implementation of a housing, housing-assistance, or housing-rehabilitation program; (2) a person experienced in residential real estate in the savings and loan, mortgage banking, or commercial banking industry; (3) a person experienced as a builder of residential housing; (4) a person experienced in organized labor in the residential construction industry; (5) a person experienced in the management of rental or cooperative housing occupied by lower income households; (6) a person experienced in manufactured housing finance and development; and (7) a person representing the public. Not more than one person from each category may serve on the board at any one time, except that two members may be appointed by the Governor to represent the public.

(c) The Governor shall also appoint two members who are residents of rental or cooperative housing financed by the agency or who are persons experienced in counseling, assisting, or representing tenants.

(d) At least one of the members appointed by the Governor shall be a resident of a rural or nonmetropolitan area.

(e) The Senate Rules Committee and the Speaker of the Assembly shall each appoint a person representing the public.

The term of members of the board shall be six years. Any person appointed to fill a vacancy on the board shall serve only for the remainder of the unexpired term. Members of the board shall, subject to continued qualification, be eligible for reappointment. If a member of the board ceases to meet the qualifications specified in this section, the membership of that person on the board shall be terminated.

50903. All members of the board appointed by the Governor shall be confirmed by the Senate.

50904. The representation of varied interest groups on the board shall be deemed essential to obtain information for the development of policy and decisions of the board. It shall not be a conflict of interest for an official of any local public entity or a resident of any housing development, or a director, officer, stockholder, or employee of any savings and loan institution, investment banking firm, brokerage firm, commercial bank or trust company, architectural firm, insurance company, labor union, or any other person, association, or corporation to serve as a member of the board. If any board member has a financial interest in any matter before the board for a decision, that interest shall be disclosed as a matter of official public record. The board member shall not attempt to influence, participate in deliberations concerning, or vote as to that matter.

Violation of this section constitutes grounds for disqualification from office as a board member. Violation of the disclosure requirements of this section constitutes a misdemeanor under Section 91000 of the Government Code.

50905. (a) No employee of the agency shall be employed by, hold any paid official relation to, or have any financial interest in, any housing sponsor or any housing development financed or assisted under this part. No real property to which a member of the board or employee of the agency holds legal title or in which the person has any financial interest shall be purchased by the agency or sold by the member of the board or employee of the agency to a housing sponsor for a housing development to be financed under this part.

Any violation of this section shall be a conflict of interest that shall be grounds for disqualification of the member from the board or employee of the agency from his or her employment with the board or agency.

(b) Except as provided by subdivision (c), the following actions shall be voidable in the discretion of the agency:

(1) Any purchase by the agency of real property in which a member of the board or employee of the agency has legal title or a financial interest.

(2) Any commitment by the agency to provide financial assistance to a housing sponsor in which a member of the board or employee of the agency is employed, holds any official relation, or has any financial interest.

(3) Any commitment by the agency to provide financial assistance