

AMENDED IN ASSEMBLY MAY 3, 2010

AMENDED IN ASSEMBLY APRIL 8, 2010

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2065**

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**Introduced by Assembly Members Charles Calderon and  
De La Torre**

February 18, 2010

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An act to add Section 33320.6 to the Health and Safety Code, relating to redevelopment, *and declaring the urgency thereof, to take effect immediately.*

LEGISLATIVE COUNSEL'S DIGEST

AB 2065, as amended, Charles Calderon. Redevelopment Agency of the City of Downey: plan amendment.

The Community Redevelopment Law authorizes the establishment of redevelopment agencies in communities in order to address the effects of blight, as defined, in those communities and requires those agencies to prepare, or cause to be prepared, and approve a redevelopment plan for each project area. Existing law authorizes the legislative body to amend or modify the plan by ordinance upon the recommendation of the agency and establishes procedural requirements and restrictions related to amendment of the plan.

Section 16 of Article XVI of the California Constitution authorizes a redevelopment agency to receive funding through tax increments attributable to increases in assessed property tax valuation of property in a project area due to the redevelopment. Not less than 20% of tax increments generated from a project area are required to be used by a redevelopment agency to increase and improve the community's supply

of low- and moderate-income housing. Redevelopment agencies also are required in specified years to remit an amount of revenue for deposit in various funds for allocation to school entities.

This bill would authorize the redevelopment agency of the City of Downey to add described territory to a redevelopment project area within the city upon the adoption of an ordinance adopted by the city council that contains specified time limitations and restrictions. The bill would exempt the adoption of the amendment of the redevelopment plan to add the specified territory of the City of Downey from various requirements. The bill would authorize the agency to subordinate to bonded debt the amount required to be paid to an affected school entity upon a finding that the agency will have sufficient funds available to pay both the bonded debt payments and the required payments. *The bill would provide that these provisions become operative on or after January 1, 2012, if the City of Downey finds and declares that Tesla Motors has not constructed a manufacturing operation in the described territory.*

The bill would make a legislative declaration regarding the need for a special statute.

*This bill would declare that it is to take effect immediately as an urgency statute.*

Vote: ~~majority~~<sup>2/3</sup>. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

*The people of the State of California do enact as follows:*

- 1 SECTION 1. (a) It is the intent of the Legislature to encourage
- 2 and allow the redevelopment of certain property in the City of
- 3 Downey for job creation and the increase of the community and
- 4 region's economic base adjacent to that property.
- 5 (b) The Legislature finds and declares that extraordinary
- 6 measures are required in order to address the current economic
- 7 recession and the unusually high unemployment rate. The
- 8 amendment of the territory specified in this act to a project area
- 9 of the City of Downey will create 1,200 new clean-tech and
- 10 career-ladder jobs, encourage green technology production, and
- 11 further stimulate economic revitalization in the region.
- 12 SEC. 2. Section 33320.6 is added to the Health and Safety
- 13 Code, to read:

1 33320.6. (a) (1) The redevelopment agency within the City  
2 of Downey may add the following territory consisting of two  
3 parcels to a redevelopment project area within the city:

4 (A) Those portions of Lot 2 and Lot 3 of fractional Section 10,  
5 Township 3 South, Range 12 West, in the Rancho Santa Gertrudes,  
6 together with a portion of the southwest quarter of said fractional  
7 Section 10, in the City of Downey, County of Los Angeles, State  
8 of California as recorded in book 1, page 502 of miscellaneous  
9 records, recorded in the office of the county recorder of said county,  
10 described as follows:

11 Beginning at a point in the northerly line of said Lot 2 in the  
12 northwest quarter of fractional Section 10, said line also being the  
13 northerly line of Stewart and Gray Road, 80 feet wide, distant  
14 thereon south 89°52'14" west 646.51 feet from the northeast corner  
15 of said Lot 2; thence on a line between said point of beginning and  
16 the southwest corner of the southeast quarter of the northeast  
17 quarter of the southwest quarter of fractional Section 10, south  
18 00°13'16" west 1011.24 feet to the true Point of Beginning; thence  
19 south 89°48'11" west 1194.23 feet to a point in a line that is parallel  
20 with and distant southeasterly 40.00 feet, measured at right angles,  
21 from the centerline of Lakewood Boulevard, as shown on county  
22 Surveyors B Series Map No. 1147, on file in the office of the  
23 county engineer of said county; thence south ~~31°41'38"~~ 31°41'38"  
24 west, along said parallel line, a distance of 1437.27 feet to a point  
25 in a line that is parallel with and distant easterly 40.00 feet,  
26 measured at right angles, from the centerline of Clark Avenue as  
27 shown on said county Surveyors B Series Map No. 1147; thence  
28 south 00°03'38" west, along last said parallel line, a distance of  
29 485.49 feet; thence north 90°00'00" east 859.79 feet to the  
30 beginning of a tangent curve concave northwesterly and having a  
31 radius of 600.00 feet; thence northeasterly along said curve through  
32 a central angle of 18°48'42", a distance of 197.00 feet to the  
33 beginning of a compound curve concave northwesterly and having  
34 a radius of 82.00 feet; thence northeasterly along said curve through  
35 a central angle of 59°12'23", a distance of 84.73 feet to the  
36 beginning of a reverse curve concave southeasterly and having a  
37 radius of 398.00 feet; thence northeasterly along said curve through  
38 a central angle of 78°01'06", a distance of 541.95 feet; thence north  
39 90°00'00" east 321.62 feet to the beginning of a tangent curve  
40 concave southwesterly and having a radius of 418.00 feet; thence

1 southeasterly along said curve through a central angle of  $17^{\circ}39'05''$ ,  
2 a distance of 128.78 feet to said line between the point of beginning  
3 and the southwest corner of the southeast quarter of the northeast  
4 quarter of the southwest quarter of fractional Section 10; thence  
5 north  $00^{\circ}13'16''$  east, along said line, a distance of 1324.18 feet to  
6 the true Point of Beginning.

7 Containing an area of 2,550,976 square feet, more or less.

8 (B) That portion of Lot 2 in the northwest quarter of fractional  
9 Section 10, Township 3 South, Range 12 West, in the Rancho  
10 Santa Gertrudes, together with a portion of the southwest quarter  
11 of said fractional Section 10, in the City of Downey, County of  
12 Los Angeles, State of California as recorded in book 1, page 502  
13 of miscellaneous records, recorded in the office of the county  
14 recorder of said county, described as follows:

15 Beginning at a point in the northerly line of said Lot 2 in the  
16 northwest quarter of fractional Section 10, said line also being the  
17 northerly line of Stewart and Gray Road, 80 feet wide, distant  
18 thereon south  $89^{\circ}52'14''$  west 646.51 feet from the northeast corner  
19 of said Lot 2; thence on a line between said point of beginning and  
20 the southwest corner of the southeast quarter of the northeast  
21 quarter of the southwest quarter of fractional Section 10, south  
22  $00^{\circ}13'16''$  west 1100.59 feet to the true Point of Beginning; thence  
23 at right angles to the easterly line of said Lot 2, said easterly line  
24 also being the centerline of Bellflower Boulevard, north  $89^{\circ}52'23''$   
25 east 613.20 feet to a point in a line that is parallel with and distant  
26 westerly 40.00 feet, measured at right angles, from said easterly  
27 line of Lot 2; thence south  $00^{\circ}07'37''$  east, along said parallel line,  
28 a distance of 222.54 feet to the intersection of said parallel line,  
29 with a line that is parallel with and distant westerly 40.00 feet,  
30 measured at right angles, from the easterly line of said southwest  
31 quarter of said fractional Section 10; thence south  $00^{\circ}04'17''$  east,  
32 along last said parallel line, a distance of 1225.63 feet to a line that  
33 is parallel with and distant northerly 96.00 feet, measured at right  
34 angles, from the southerly line of said northeast quarter of the  
35 southwest quarter of fractional Section 10; thence south  $89^{\circ}51'04''$   
36 west, along last said parallel line, a distance of 238.81 feet to the  
37 beginning of a tangent curve concave northeasterly and having a  
38 radius of 252.00 feet; thence northwesterly along said curve  
39 through a central angle  $49^{\circ}21'31''$ , a distance of 217.09 feet to the  
40 beginning of a reverse curve concave southwesterly and having a

1 radius of 418.00 feet; thence northwesterly along said curve  
2 through a central angle of 31°33'30", a distance of 230.23 feet to  
3 said line between the point of beginning and the southwest corner  
4 of the southeast quarter of the northeast quarter of the southwest  
5 quarter of fractional Section 10; thence north 00°13'16" east, along  
6 said line, a distance of 1234.83 feet to the true Point of Beginning.

7 Containing an area of 857,497 square feet, more or less.

8 (2) The Legislature hereby finds and conclusively determines  
9 that the area described in paragraph (1) is predominantly urbanized  
10 and blighted territory, as defined in Sections 33030 and 33031.

11 (3) Notwithstanding any other law, if the agency exercises the  
12 authority specified in paragraph (1), the amendment of the  
13 redevelopment plan to add the above described territory shall not  
14 be subject to the legal requirements of this chapter and shall only  
15 be subject to the procedures as provided in this section.

16 (b) The agency may exercise its authority pursuant to  
17 subdivision (a) upon an ordinance adopted by the city council that  
18 contains all of the following:

19 (1) A limitation on the number of dollars of taxes that may be  
20 divided and allocated for the added area to the redevelopment  
21 agency. *The limitation shall require that the agency may only*  
22 *collect tax increment funds to repay the City of Downey and its*  
23 *general fund an amount not to exceed thirty million dollars*  
24 *(\$30,000,000) of the tax increment funds allocated to the added*  
25 *territory described in paragraph (1) of subdivision (a), after*  
26 *allocating 20 percent of that revenue pursuant to Section 33334.2,*  
27 *for the purpose of reimbursing the City of Downey for rental*  
28 *property expenses in the added territory. Taxes shall not be divided*  
29 *and shall not be allocated to the redevelopment agency beyond*  
30 *this limitation, except by amendment of the redevelopment plan*  
31 *pursuant to Section 33354.6, or as necessary to comply with*  
32 *subdivision (a) of Section 33333.8.*

33 (2) (A) A time limitation on the establishing of loans, advances,  
34 and indebtedness to be paid with the proceeds of property taxes  
35 received pursuant to Section 33670 to finance in whole or in part  
36 the redevelopment in the added area, which may not exceed 20  
37 years from the effective date of the ordinance specified in  
38 subdivision (b), except by amendment of the redevelopment plan  
39 as authorized by subparagraph (B). The loans, advances, or  
40 indebtedness may be repaid over a period of time longer than the

1 time limit as provided in this section. No loans, advances, or  
 2 indebtedness to be repaid from the allocation of taxes shall be  
 3 established or incurred by the agency beyond this time limitation,  
 4 except as necessary to comply with subdivision (a) of Section  
 5 33333.8.

6 (B) The time limitation established by subparagraph (A) may  
 7 be extended only by amendment of the redevelopment plan after  
 8 the agency finds, based on substantial evidence, that: (i) substantial  
 9 blight remains within the project area, (ii) the blight cannot be  
 10 eliminated without the establishment of additional debt, and (iii)  
 11 the elimination of blight cannot reasonably be accomplished by  
 12 private enterprise acting alone or by the legislative body’s use of  
 13 financing alternatives other than tax increment financing. However,  
 14 this amended time limitation may not exceed 30 years from the  
 15 effective date of the ordinance specified in subdivision (b), except  
 16 as necessary to comply with subdivision (a) of Section 33333.8.

17 (3) A time limit, not to exceed 30 years from the effective date  
 18 of the ordinance specified in subdivision (b), on the effectiveness  
 19 of the redevelopment plan with respect to the added area. After  
 20 the time limit on the effectiveness of the redevelopment plan, the  
 21 agency shall have no authority to act pursuant to the redevelopment  
 22 plan except to pay previously incurred indebtedness, comply with  
 23 subdivision (a) of Section 33333.8, and enforce existing covenants  
 24 or contracts.

25 (4) A time limit, not to exceed 45 years from the effective date  
 26 of the ordinance specified in subdivision (b), *with respect to the*  
 27 *added area*, to repay indebtedness with the proceeds of property  
 28 taxes received pursuant to Section 33670. After the time limit  
 29 established pursuant to this paragraph, an agency may not receive  
 30 property taxes pursuant to Section 33670, except as necessary to  
 31 comply with subdivision (a) of Section 33333.8.

32 (5) The limitations contained in a redevelopment plan adopted  
 33 pursuant to this section shall not be applied to limit allocation of  
 34 taxes to an agency to the extent required to comply with Section  
 35 33333.8. In the event of a conflict between these limitations and  
 36 the obligations under Section 33333.8 the limitation established  
 37 in the ordinance shall be suspended pursuant to Section 33333.8.

38 (6) Provide for conformity with the community’s general plan,  
 39 as may be amended from time to time.

1 (7) The requirements of Section 33333 shall be met by  
2 conformance with the Downey Landing specific plan, as may be  
3 amended from time to time.

4 (8) *The redevelopment agency shall make payments from the*  
5 *territory described in paragraph (1) of subdivision (a) to affected*  
6 *taxing entities as required by subdivision (a) of Section 33607.5.*

7 (c) (1) The amendment of the redevelopment plan to add the  
8 territory described in paragraph (1) of subdivision (a) shall not be  
9 subject to the requirements of Section 33333.11.

10 (2) The ordinance adopted by the city council pursuant to  
11 subdivision (b) shall not be subject to referendum and shall be  
12 deemed exempt from the provisions of Sections 33450 and 33378.

13 ~~(d) Notwithstanding subdivision (k) of Section 33352, the~~  
14 ~~California Environmental Quality Act (Division 13 (commencing~~  
15 ~~with Section 21000) of the Public Resources Code) shall not apply~~  
16 ~~to the adoption of the amendment of the redevelopment plan to~~  
17 ~~add the territory described in paragraph (1) of subdivision (a). All~~  
18 ~~projects, as defined in the act, that implement the amended~~  
19 ~~redevelopment plan shall be subject to the act, including, but not~~  
20 ~~limited to, specific plans and rezonings.~~

21 *(d) The Legislature hereby finds and determines that the prior*  
22 *comprehensive environmental analysis conducted and certified by*  
23 *the City of Downey through the Environmental Impact Report for*  
24 *the Downey Landing Specific Plan, dated February 2002, which*  
25 *encompasses the territory described in paragraph (1) of subdivision*  
26 *(a), is deemed to meet the requirements of subdivision (k) of Section*  
27 *33352 for purposes of approving the amended plan, and no further*  
28 *analysis is required under the California Environmental Quality*  
29 *Act (Division 13 (commencing with Section 21000) of the Public*  
30 *Resources Code) for the purposes of adopting the expanded project*  
31 *area plan. All projects, as defined in the California Environmental*  
32 *Quality Act, that implement the amended redevelopment plan shall*  
33 *be subject to that act, including, but not limited to, specific plans*  
34 *and rezoning.*

35 (e) Notwithstanding any other law, from the first year that the  
36 agency receives tax increment revenue and prior to incurring any  
37 bonded indebtedness, the agency administering a project area  
38 pursuant to this section may subordinate to the bonded debt the  
39 amount required to be paid to an affected school district or  
40 community college district pursuant to this section upon a finding,

1 based upon substantial evidence, that the agency will have  
2 sufficient funds available to pay both the bonded debt payments  
3 and the payments required by this section.

4 *(f) This section shall not be operative on or after January 1,*  
5 *2012, if the City of Downey finds and declares that Tesla Motors*  
6 *has not constructed a manufacturing operation in the territory*  
7 *described in paragraph (1) of subdivision (a).*

8 SEC. 3. The Legislature finds and declares that, because of the  
9 unique circumstances applicable only to the redevelopment agency  
10 of the City of Downey, a statute of general applicability cannot be  
11 enacted within the meaning of subdivision (b) of Section 16 of  
12 Article IV of the California Constitution. Therefore, this special  
13 statute is necessary.

14 *SEC. 4. This act is an urgency statute necessary for the*  
15 *immediate preservation of the public peace, health, or safety within*  
16 *the meaning of Article IV of the Constitution and shall go into*  
17 *immediate effect. The facts constituting the necessity are:*

18 *In order to provide unique and urgently needed economic*  
19 *stimulus and revitalization in the City of Downey and surrounding*  
20 *regions, it is necessary that this act take immediate effect.*