

AMENDED IN ASSEMBLY APRIL 16, 2012

AMENDED IN ASSEMBLY MARCH 29, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2146

Introduced by Assembly Member Mansoor Cook
(Coauthors: Assembly Members Jeffries, Nestande, and Portantino)

February 23, 2012

~~An act to add Chapter 2.95 (commencing with Section 53399) to Part 1 of Division 2 of Title 5 of the Government Code, relating to local government finance. An act to add Section 83123.5 to the Government Code, relating to the Political Reform Act of 1974.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 2146, as amended, ~~Mansoor Cook. Former federal military bases; reuse; infrastructure financing districts. Political Reform Act of 1974: local campaign reform: County of San Bernardino.~~

The Political Reform Act of 1974 establishes the Fair Political Practices Commission, which has the primary responsibility for the impartial, effective administration and implementation of the act, including acting as the civil prosecutor responsible for the enforcement of the penalty provisions of the act.

This bill would, upon mutual agreement between the Fair Political Practices Commission and the Board of Supervisors of the County of San Bernardino, authorize the Commission to have primary responsibility for the impartial, effective administration, implementation, and enforcement of a local campaign finance reform ordinance of the County of San Bernardino. The bill would authorize the Commission to investigate possible violations of the local county campaign finance

reform ordinance and bring administrative actions against persons who violate the ordinance, as specified. The bill would require the Board of Supervisors of the County of San Bernardino to consult with the Commission prior to adopting and amending any local campaign finance reform ordinance that is subsequently enforced by the Commission. The bill would specify that the Board of Supervisors of the County of San Bernardino and the Commission may enter into any agreements necessary and appropriate for the operation of these provisions, including agreements for reimbursement of state costs with county funds. The bill would provide that the Board of Supervisors of the County of San Bernardino or the Commission may, at any time, by ordinance or resolution, terminate any agreement for the Commission to administer, implement, or enforce the local campaign finance reform ordinance or any provision thereof.

The bill would make legislative findings and declarations concerning the need for special legislation.

The Political Reform Act of 1974, an initiative measure, provides that the Legislature may amend the act to further the act's purposes upon a $\frac{2}{3}$ vote of each house and compliance with specified procedural requirements.

This bill would declare that it furthers the purposes of the act.

~~Existing law authorizes the legislative body of a city or county to create an infrastructure financing district, adopt an infrastructure financing plan, and issue financing bonds, to finance specified public facilities, upon voter approval. Existing law requires that an infrastructure financing plan created by a legislative body include a date on which the district will cease to exist, not to exceed 30 years from the date on which the ordinance forming the district is adopted.~~

~~This bill would authorize the legislative body of a city or county to establish an infrastructure financing district for the area of a military base that has been closed by the federal government, as specified. If the legislative body chooses to establish an infrastructure financing district, the bill would require the legislative body of the city or county to prepare an infrastructure financing plan, subject to voter approval, as specified, and to include a date on which the district will cease to exist, not to exceed 30 years from the date on which the ordinance forming the district is adopted. The bill would additionally authorize the district to issue bonds, upon voter approval, to finance specified improvements in the area of a military base that has been closed by the federal government.~~

Vote: ~~majority~~^{2/3}. Appropriation: no. Fiscal committee: ~~no~~^{yes}.
State-mandated local program: no.

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

1 SECTION 1. Section 83123.5 is added to the Government Code,
2 to read:
3 83123.5. (a) Upon mutual agreement between the Commission
4 and the Board of Supervisors of the County of San Bernardino,
5 the Commission is authorized to assume primary responsibility
6 for the impartial, effective administration, implementation, and
7 enforcement of a local campaign finance reform ordinance passed
8 by the Board of Supervisors of the County of San Bernardino. The
9 Commission is authorized to be the civil prosecutor responsible
10 for the civil enforcement of that local campaign finance reform
11 ordinance in accordance with this title. As the civil prosecutor of
12 the County of San Bernardino’s local campaign finance reform
13 ordinance, the Commission may do both of the following:
14 (1) Investigate possible violations of the local campaign finance
15 reform ordinance.
16 (2) Bring administrative actions in accordance with this title
17 and Chapter 5 (commencing with Section 11500) of Part 1 of
18 Division 3 of Title 2.
19 (b) Any local campaign finance reform ordinance of the County
20 of San Bernardino enforced by the Commission pursuant to this
21 section shall comply with this title.
22 (c) The Board of Supervisors of the County of San Bernardino
23 shall consult with the Commission prior to adopting and amending
24 any local campaign finance reform ordinance that is subsequently
25 enforced by the Commission pursuant to this section.
26 (d) The Board of Supervisors of the County of San Bernardino
27 and the Commission may enter into any agreements necessary and
28 appropriate to carry out the provisions of this section, including
29 agreements pertaining to any necessary reimbursement of state
30 costs with county funds for costs incurred by the Commission in
31 administering, implementing, or enforcing a local campaign
32 finance reform ordinance pursuant to this section.
33 (e) The Board of Supervisors of the County of San Bernardino
34 or the Commission may, at any time, by ordinance or resolution,
35 terminate an agreement made pursuant to this section for the

1 *Commission to administer, implement, or enforce a local campaign*
2 *finance reform ordinance or any provision thereof.*

3 *SEC. 2. The Legislature finds and declares that a special law*
4 *is necessary and that a general law cannot be made applicable*
5 *within the meaning of Section 16 of Article IV of the California*
6 *Constitution because of the necessity to avoid an appearance of*
7 *corruption in the County of San Bernardino’s electoral process.*
8 *The proposed local campaign finance reform ordinance is intended*
9 *to make it more difficult for candidates and influential individuals*
10 *and entities to engage in quid pro quo corruption, make the*
11 *financing of campaigns for elective county offices more*
12 *transparent, and to make more information, especially financial*
13 *information, regarding candidates and their supporters available*
14 *to voters. Enforcement of the local campaign finance reform*
15 *ordinance by the Commission is needed to ensure the integrity of*
16 *the ordinance.*

17 *SEC. 3. The Legislature finds and declares that this bill*
18 *furtheres the purposes of the Political Reform Act of 1974 within*
19 *the meaning of subdivision (a) of Section 81012 of the Government*
20 *Code.*

21 ~~SECTION 1. Chapter 2.95 (commencing with Section 53399)~~
22 ~~is added to Part 1 of Division 2 of Title 5 of the Government Code,~~
23 ~~to read:~~

24
25 ~~CHAPTER 2.95. INFRASTRUCTURE FINANCING DISTRICTS REUSE~~
26 ~~OF MILITARY BASES~~

27
28 ~~Article 1. General Provisions~~

29
30 ~~53399. The Legislature finds and declares all of the following:~~

31 ~~(a) Military bases that have been closed by the federal~~
32 ~~government were not included as development in the general plans~~
33 ~~prepared by cities and counties.~~

34 ~~(b) Cities and counties have not planned or provided for the~~
35 ~~infrastructure necessary to reuse military bases that have been~~
36 ~~closed by the federal government.~~

37 ~~(c) Military bases that have been closed by the federal~~
38 ~~government typically have unusable aged infrastructure and~~
39 ~~inadequate or nonexistent classroom space not capable of~~
40 ~~supporting future development.~~

1 ~~(d) Several of these bases that would be best used as public~~
2 ~~spaces, such as open space and parks, require environmental~~
3 ~~cleanup, which will require funding.~~

4 ~~(e) If additional tax sources, based on the reuse of a military~~
5 ~~base that has been closed by the federal government, are not~~
6 ~~directed back to that former military base, the former military base~~
7 ~~is not likely to be redeveloped, or it will take a considerably longer~~
8 ~~amount of time to redevelop the former military base.~~

9 ~~(f) Allowing tax increment financing will allow the tax base to~~
10 ~~increase more rapidly, thereby allowing these former military bases~~
11 ~~to be developed.~~

12 ~~53399.1. For purposes of this chapter, the following terms have~~
13 ~~the following meanings:~~

14 ~~(a) “Affected taxing entity” means any governmental taxing~~
15 ~~agency that levied or had levied on its behalf a property tax on all~~
16 ~~or a portion of the property located in the proposed district in the~~
17 ~~fiscal year prior to the designation of the district, but not including~~
18 ~~any county office of education, school district, or community~~
19 ~~college district.~~

20 ~~(b) “Debt” means any binding obligation to repay a sum of~~
21 ~~money, including obligations in the form of bonds, certificates of~~
22 ~~participation, long-term leases, loans from government agencies,~~
23 ~~or loans from banks, other financial institutions, private businesses,~~
24 ~~or individuals.~~

25 ~~(c) (1) “District” means an infrastructure financing district~~
26 ~~established on a military base that has been closed by the federal~~
27 ~~government.~~

28 ~~(2) An infrastructure financing district is a “district” within the~~
29 ~~meaning of Section 1 of Article XIII A of the California~~
30 ~~Constitution.~~

31 ~~(d) “Infrastructure financing district” means a legally constituted~~
32 ~~governmental entity established pursuant to this chapter for the~~
33 ~~sole purpose of financing public facilities on military bases that~~
34 ~~have been closed by the federal government.~~

35 ~~(e) (1) “Landowner” or “owner of land” means any person~~
36 ~~shown as the owner of land on the last equalized assessment roll~~
37 ~~or otherwise known to be the owner of the land by the legislative~~
38 ~~body.~~

39 ~~(2) The legislative body has no obligation to obtain other~~
40 ~~information as to the ownership of land, and its determination of~~

1 ownership shall be final and conclusive for the purposes of this
2 chapter. A public agency is not a landowner or owner of land for
3 purposes of this chapter, unless the public agency owns all of the
4 land to be included within the proposed district.

5 (f) “Legislative body” means the city council or board of
6 supervisors.

7 53399.3.— (a) A district may finance any of the following:

8 (1) Construction of any of the following forms of infrastructure:

9 (A) Utilities.

10 (B) Roads.

11 (C) Architecture and engineering.

12 (2) Project management related to the types of infrastructure
13 specified in paragraph (1).

14 (3) Construction of school facilities, including architecture and
15 engineering, and outside project management.

16 (b) A district shall not finance the compensation of government
17 officers or employees, routine or ongoing maintenance, repair
18 work, or the costs of ongoing operation.

19 53399.5.— Any action or proceeding to attack, review, set aside,
20 void, or annul the creation of a district, adoption of an infrastructure
21 financing plan, including a division of taxes thereunder, or an
22 election pursuant to this chapter shall be commenced within 30
23 days after the enactment of the ordinance creating the district
24 pursuant to Section 53399.36. Consistent with the time limitations
25 of this section, such an action or proceeding with respect to a
26 division of taxes under this chapter may be brought pursuant to
27 Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of
28 the Code of Civil Procedure, except that Section 869 of the Code
29 of Civil Procedure shall not apply.

30 53399.7.— An action to determine the validity of the issuance
31 of bonds pursuant to this chapter may be brought pursuant to
32 Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of
33 the Code of Civil Procedure. However, notwithstanding the time
34 limits specified in Section 860 of the Code of Civil Procedure, the
35 action shall be commenced within 30 days after adoption of the
36 resolution pursuant to Section 53399.68 providing for issuance of
37 the bonds if the action is brought by an interested person pursuant
38 to Section 863 of the Code of Civil Procedure. Any appeal from
39 a judgment in that action or proceeding shall be commenced within
40 30 days after entry of judgment.

1 Article 2. Preparation and Adoption of Infrastructure Financing
2 Plans
3

4 53399.10.— A legislative body of a city or county may designate
5 one or more proposed infrastructure financing districts pursuant
6 to this chapter. Proceedings for the establishment of a district shall
7 be instituted by the adoption of a resolution of intention to establish
8 the proposed district and shall do all of the following:

9 (a) ~~State that an infrastructure financing district is proposed to~~
10 ~~be established under the terms of this chapter and describe the~~
11 ~~boundaries of the proposed district, which may be accomplished~~
12 ~~by reference to a map on file in the office of the clerk of the city~~
13 ~~or county.~~

14 (b) ~~State the type of public facilities proposed to be financed~~
15 ~~by the district. The district may only finance public facilities~~
16 ~~authorized by Section 53399.3.~~

17 (c) ~~State that incremental property tax revenue from the city or~~
18 ~~county and some or all affected taxing entities within the district~~
19 ~~may be used to finance these public facilities.~~

20 (d) ~~Fix a time and place for a public hearing on the proposal.~~

21 53399.12.— ~~The legislative body shall direct the clerk to mail a~~
22 ~~copy of the resolution of intention to create the district to each~~
23 ~~owner of land within the district.~~

24 53399.14.— ~~The legislative body shall direct the clerk to mail a~~
25 ~~copy of the resolution to each affected taxing entity.~~

26 53399.16.— ~~After adopting the resolution pursuant to Section~~
27 ~~53399.10, the legislative body shall designate an appropriate~~
28 ~~official to prepare an infrastructure plan pursuant to Section~~
29 ~~53399.18.~~

30 53399.18.— ~~After receipt of a copy of the resolution of intention~~
31 ~~to establish a district, the official designated pursuant to Section~~
32 ~~53399.16 shall prepare a proposed infrastructure financing plan.~~
33 ~~The proposed infrastructure financing plan shall be consistent with~~
34 ~~the general plan of the city or county within which the district is~~
35 ~~located and shall include all of the following:~~

36 (a) ~~A map and legal description of the proposed district, which~~
37 ~~may include all or a portion of the district designated by the~~
38 ~~legislative body in its resolution of intention.~~

39 (b) ~~A description of the public facilities required to serve the~~
40 ~~development proposed in the area of the district including those~~

1 to be provided by the private sector, those to be provided by
2 governmental entities without assistance under this chapter, those
3 public improvements and facilities to be financed with assistance
4 from the proposed district, and those to be provided jointly. The
5 description shall include the proposed location, timing, and costs
6 of the public improvements and facilities.

7 (e) A finding that the public facilities are of communitywide
8 significance and provide significant benefits to an area larger than
9 the area of the district.

10 (d) A financing section, which shall contain all of the following
11 information:

12 (1) A specification of the maximum portion of the incremental
13 tax revenue of the city or county and of each affected taxing entity
14 proposed to be committed to the district for each year during which
15 the district will receive incremental tax revenue. The portion need
16 not be the same for all affected taxing entities. The portion may
17 change over time.

18 (2) A projection of the amount of tax revenues expected to be
19 received by the district in each year during that the district will
20 receive tax revenues, including an estimate of the amount of tax
21 revenues attributable to each affected taxing entity for each year.

22 (3) A plan for financing the public facilities to be assisted by
23 the district, including a detailed description of any intention to
24 incur debt.

25 (4) A limit on the total number of dollars of taxes that may be
26 allocated to the district pursuant to the plan.

27 (5) A date on which the district will cease to exist, by which
28 time all tax allocations to the district will end. The date shall not
29 be more than 30 years from the date on which the ordinance
30 forming the district is adopted pursuant to Section 53399.36.

31 (6) An analysis of the costs to the city or county of providing
32 facilities and services to the area of the district while the area is
33 being developed and after the area is developed. The plan shall
34 also include an analysis of the tax, fee, charge, and other revenues
35 expected to be received by the city or county as a result of expected
36 development in the area of the district.

37 (7) An analysis of the projected fiscal impact of the district and
38 the associated development upon each affected taxing entity.

39 53399.20. The infrastructure financing plan shall be sent to
40 each owner of land within the proposed district and to each affected

1 ~~taxing entity together with any report required by the California~~
2 ~~Environmental Quality Act (Division 13 (commencing with Section~~
3 ~~21000) of the Public Resources Code) that pertains to the proposed~~
4 ~~public facilities or the proposed development project for which~~
5 ~~the public facilities are needed, and shall be made available for~~
6 ~~public inspection. The report shall also be sent to the planning~~
7 ~~commission and the legislative body.~~

8 ~~53399.22. The designated official shall consult with each~~
9 ~~affected taxing entity, and, at the request of any affected taxing~~
10 ~~entity, shall meet with representatives of an affected taxing entity.~~
11 ~~Any affected taxing entity may suggest revisions to the plan.~~

12 ~~53399.24. (a) The legislative body shall conduct a public~~
13 ~~hearing prior to adopting the proposed infrastructure financing~~
14 ~~plan. The public hearing shall be called no sooner than 60 days~~
15 ~~after the plan has been sent to each affected taxing entity. In~~
16 ~~addition to the notice given to landowners and affected taxing~~
17 ~~entities pursuant to Sections 53399.14 and 53399.16, notice of the~~
18 ~~public hearing shall be given by publication not less than once a~~
19 ~~week for four successive weeks in a newspaper of general~~
20 ~~circulation published in the city or county in which the proposed~~
21 ~~district is located. The notice shall state that the district will be~~
22 ~~used to finance public works, briefly describe the public works,~~
23 ~~briefly describe the proposed financial arrangements, including~~
24 ~~the proposed commitment of incremental tax revenue, describe~~
25 ~~the boundaries of the proposed district and state the day, hour, and~~
26 ~~place when and where any persons having any objections to the~~
27 ~~proposed infrastructure financing plan, or the regularity of any of~~
28 ~~the prior proceedings, may appear before the legislative body and~~
29 ~~object to the adoption of the proposed plan by the legislative body.~~

30 ~~(b) At the hour set in the required notices, the legislative body~~
31 ~~shall proceed to hear and pass upon all written and oral objections.~~
32 ~~The hearing may be continued from time to time. The legislative~~
33 ~~body shall consider the recommendations, if any, of affected taxing~~
34 ~~entities, and all evidence and testimony for and against the adoption~~
35 ~~of the plan. The legislative body may modify the plan by~~
36 ~~eliminating or reducing the size and cost of proposed public works,~~
37 ~~by reducing the amount of proposed debt, or by reducing the~~
38 ~~portion, amount, or duration of incremental tax revenues to be~~
39 ~~committed to the district.~~

1 ~~53399.26. (a) The legislative body shall not enact a resolution~~
2 ~~proposing formation of a district and providing for the division of~~
3 ~~taxes of any affected taxing entity pursuant to Article 3~~
4 ~~(commencing with Section 53399.50) unless a resolution approving~~
5 ~~the plan has been adopted by the governing body of each affected~~
6 ~~taxing entity which is proposed to be subject to the division of~~
7 ~~taxes pursuant to Article 3 (commencing with Section 53399.50)~~
8 ~~has been filed with the legislative body at or prior to the time of~~
9 ~~the hearing.~~

10 ~~(b) Nothing in this section shall be construed to prevent the~~
11 ~~legislative body from amending its infrastructure financing plan~~
12 ~~and adopting a resolution proposing formation of the infrastructure~~
13 ~~financing district without allocation of the tax revenues of any~~
14 ~~affected taxing entity that has not approved the infrastructure~~
15 ~~financing plan by resolution of the governing body of the affected~~
16 ~~taxing entity.~~

17 ~~53399.28. (a) At the conclusion of the hearing in Section~~
18 ~~53399.24, the legislative body may adopt a resolution proposing~~
19 ~~adoption of the infrastructure financing plan, as modified, and~~
20 ~~formation of the infrastructure financing district in a manner~~
21 ~~consistent with Section 53399.26, or it may abandon the~~
22 ~~proceedings. If the legislative body adopts a resolution proposing~~
23 ~~formation of the district, it shall then submit the proposal to create~~
24 ~~the district to the qualified electors of the proposed district in the~~
25 ~~next general election or in a special election to be held,~~
26 ~~notwithstanding any other requirement, including any requirement~~
27 ~~that elections be held on specified dates, contained in the Elections~~
28 ~~Code, at least 90 days, but not more than 180 days, following the~~
29 ~~adoption of the resolution of formation. The legislative body shall~~
30 ~~provide the resolution of formation, a certified map of sufficient~~
31 ~~scale and clarity to show the boundaries of the district, and a~~
32 ~~sufficient description to allow the election official to determine~~
33 ~~the boundaries of the district to the official conducting the election~~
34 ~~within three business days after the adoption of the resolution of~~
35 ~~formation. The assessor's parcel numbers for the land within the~~
36 ~~district shall be included if it is a landowner election or the district~~
37 ~~does not conform to an existing district's boundaries and if~~
38 ~~requested by the official conducting the election. If the election is~~
39 ~~to be held less than 125 days following the adoption of the~~
40 ~~resolution of formation, the concurrence of the election official~~

1 conducting the election shall be required. However, any time limit
2 specified by this section or requirement pertaining to the conduct
3 of the election may be waived with the unanimous consent of the
4 qualified electors of the proposed district and the concurrence of
5 the election official conducting the election.

6 ~~(b) If at least 12 persons have been registered to vote within the~~
7 ~~territory of the proposed district for each of the 90 days preceding~~
8 ~~the close of the hearing, the vote shall be by the registered voters~~
9 ~~of the proposed district, who need not necessarily be the same~~
10 ~~persons, with each voter having one vote. Otherwise, the vote shall~~
11 ~~be by the landowners of the proposed district and each landowner~~
12 ~~who is the owner of record at the close of the protest hearing, or~~
13 ~~the authorized representative thereof, shall have one vote for each~~
14 ~~acre or portion of an acre of land that he or she owns within the~~
15 ~~proposed district. The number of votes to be voted by a particular~~
16 ~~landowner shall be specified on the ballot provided to that~~
17 ~~landowner.~~

18 ~~(c) Ballots for the special election authorized by subdivision (a)~~
19 ~~may be distributed to qualified electors by mail with return postage~~
20 ~~prepaid or by personal service by the election official. The official~~
21 ~~conducting the election may certify the proper mailing of ballots~~
22 ~~by an affidavit, which shall be exclusive proof of mailing in the~~
23 ~~absence of fraud. The voted ballots shall be returned to the election~~
24 ~~officer conducting the election not later than the hour specified in~~
25 ~~the resolution calling the election. However, if all the qualified~~
26 ~~voters have voted, the election shall be closed.~~

27 ~~53399.30. (a) Except as otherwise provided in this chapter,~~
28 ~~the provisions of law regulating elections of the local agency that~~
29 ~~calls an election pursuant to this chapter, insofar as they may be~~
30 ~~applicable, shall govern all elections conducted pursuant to this~~
31 ~~chapter. Except as provided in subdivision (b), there shall be~~
32 ~~prepared and included in the ballot material provided to each voter,~~
33 ~~an impartial analysis pursuant to Section 9160 or 9280 of the~~
34 ~~Elections Code, arguments and rebuttals, if any, pursuant to~~
35 ~~Sections 9162 to 9167, inclusive, and 9190 of the Elections Code~~
36 ~~or pursuant to Sections 9281 to 9287, inclusive, and 9295 of the~~
37 ~~Elections Code.~~

38 ~~(b) If the vote is to be by the landowners of the proposed district,~~
39 ~~analysis and arguments may be waived with the unanimous consent~~

1 of all the landowners and shall be so stated in the order for the
2 election:

3 ~~53399.32. (a) If the election is to be conducted by mail ballot,~~
4 ~~the election official conducting the election shall provide ballots~~
5 ~~and election materials pursuant to subdivision (d) of Section 53326~~
6 ~~and Section 53327, together with all supplies and instructions~~
7 ~~necessary for the use and return of the ballot.~~

8 ~~(b) The identification envelope for return of mail ballots used~~
9 ~~in landowner elections shall contain the following:~~

10 ~~(1) The name of the landowner.~~

11 ~~(2) The address of the landowner.~~

12 ~~(3) A declaration, under penalty of perjury, stating that the voter~~
13 ~~is the owner of record or the authorized representative of the~~
14 ~~landowner entitled to vote and is the person whose name appears~~
15 ~~on the identification envelope.~~

16 ~~(4) The printed name and signature of the voter.~~

17 ~~(5) The address of the voter.~~

18 ~~(6) The date of signing and place of execution of the declaration~~
19 ~~pursuant to paragraph (3).~~

20 ~~(7) A notice that the envelope contains an official ballot and is~~
21 ~~to be opened only by the canvassing board.~~

22 ~~53399.34. After the canvass of returns of any election pursuant~~
23 ~~to Section 53399.28, the legislative body may, by ordinance, adopt~~
24 ~~the infrastructure financing plan and create the district with full~~
25 ~~force and effect of law, if two-thirds of the votes upon the question~~
26 ~~of creating the district are in favor of creating the district.~~

27 ~~53399.36. After the canvass of returns of any election~~
28 ~~conducted pursuant to Section 53399.58, the legislative body shall~~
29 ~~take no further action with respect to the proposed infrastructure~~
30 ~~financing district for one year from the date of the election if the~~
31 ~~question of creating the district fails to receive approval by~~
32 ~~two-thirds of the votes cast upon the question.~~

33 ~~53399.38. The legislative body may submit a proposition to~~
34 ~~establish or change the appropriations limit, as defined by~~
35 ~~subdivision (h) of Section 8 of Article XIII B of the California~~
36 ~~Constitution, of a district to the qualified electors of a proposed~~
37 ~~or established district. The proposition establishing or changing~~
38 ~~the appropriations limit shall become effective if approved by the~~
39 ~~qualified electors voting on the proposition and shall be adjusted~~
40 ~~for changes in the cost of living and changes in populations, as~~

1 defined by subdivisions (b) and (c) of Section 7901, except that
2 the change in population may be estimated by the legislative body
3 in the absence of an estimate by the Department of Finance, and
4 in accordance with Section 1 of Article XIII B of the California
5 Constitution. For purposes of adjusting for changes in population,
6 the population of the district shall be deemed to be at least one
7 person during each calendar year. Any election held pursuant to
8 this section may be combined with any election held pursuant to
9 Section 53399.28 in any convenient manner.

10 The legislative body may, by majority vote, initiate proceedings
11 to issue bonds pursuant to this chapter by adopting a resolution
12 stating its intent to issue the bonds, subject to voter approval.

13
14 **Article 3. Division of Taxes**

15
16 ~~53399.50.~~ Any infrastructure financing plan may contain a
17 provision that taxes, if any, levied upon taxable property in the
18 area included within the infrastructure financing district each year
19 by or for the benefit of the State of California, or any affected
20 taxing entity after the effective date of the ordinance adopted
21 pursuant to Section 53399.34 to create the district, shall be divided
22 as follows:

23 (a) ~~That portion of the taxes that would be produced by the rate~~
24 ~~upon which the tax is levied each year by or for each of the affected~~
25 ~~taxing entities upon the total sum of the assessed value of the~~
26 ~~taxable property in the district as shown upon the assessment roll~~
27 ~~used in connection with the taxation of the property by the affected~~
28 ~~taxing entity, last equalized prior to the effective date of the~~
29 ~~ordinance adopted pursuant to Section 53399.26 to create the~~
30 ~~district, shall be allocated to, and when collected shall be paid to,~~
31 ~~the respective affected taxing entities as taxes by or for the affected~~
32 ~~taxing entities on all other property are paid.~~

33 (b) ~~That portion of the levied taxes each year specified in the~~
34 ~~adopted infrastructure financing plan for the city or county and~~
35 ~~each affected taxing entity that has agreed to participate pursuant~~
36 ~~to Section 53399.26 in excess of the amount specified in~~
37 ~~subdivision (a) shall be allocated to, and when collected shall be~~
38 ~~paid into a special fund of, the district for all lawful purposes of~~
39 ~~the district. Unless and until the total assessed valuation of the~~
40 ~~taxable property in a district exceeds the total assessed value of~~

1 the taxable property in the district as shown by the last equalized
 2 assessment roll referred to in subdivision (a), all of the taxes levied
 3 and collected upon the taxable property in the district shall be paid
 4 to the respective affected taxing entities. When the district ceases
 5 to exist pursuant to the adopted infrastructure financing plan, all
 6 moneys thereafter received from taxes upon the taxable property
 7 in the district shall be paid to the respective affected taxing entities
 8 as taxes on all other property are paid.

9 ~~53399.52.~~ All costs incurred by a city or county in connection
 10 with the division of taxes pursuant to Section 53399.50 for a district
 11 shall be paid by that district.

12

13 ~~Article 4. Tax Increment Bonds~~

14

15 ~~53399.60.~~ The legislative body may, by majority vote, initiate
 16 proceedings to issue bonds pursuant to this chapter by adopting a
 17 resolution stating its intent to issue the bonds, subject to water
 18 approval.

19 ~~53399.62.~~ The resolution adopted pursuant to Section 53399.60
 20 shall contain all of the following information:

21 ~~(a) A description of the facilities to be financed with the~~
 22 ~~proceeds of the proposed bond issue.~~

23 ~~(b) The estimated cost of the facilities, the estimated cost of~~
 24 ~~preparing and issuing the bonds, and the principal amount of the~~
 25 ~~proposed bond issuance.~~

26 ~~(c) The maximum interest rate and discount on the proposed~~
 27 ~~bond issuance.~~

28 ~~(d) The date of the election on the proposed bond issuance and~~
 29 ~~the manner of holding the election.~~

30 ~~(e) A determination of the amount of tax revenue available or~~
 31 ~~estimated to be available, for the payment of the principal of, and~~
 32 ~~interest on, the bonds.~~

33 ~~(f) A finding that the amount necessary to pay the principal of,~~
 34 ~~and interest on, the proposed bond issuance will be less than, or~~
 35 ~~equal to, the amount determined pursuant to subdivision (e).~~

36 ~~53399.64.~~ The clerk of the legislative body shall publish the
 37 resolution adopted pursuant to Section 53399.60 once a day for at
 38 least seven successive days in a newspaper published in the city
 39 or county at least six days a week, or at least once a week for two

1 successive weeks in a newspaper published in the city or county
2 less than six days a week.

3 If there are no newspapers meeting these criteria, the resolution
4 shall be posted in three public places within the territory of the
5 district for two succeeding weeks.

6 ~~53399.66.— The legislative body shall submit the proposal to~~
7 ~~issue the bonds to the voters who reside within the district. The~~
8 ~~election shall be conducted in the same manner as the election to~~
9 ~~create the district pursuant to Section 53399.28 and the two~~
10 ~~elections may be consolidated.~~

11 ~~53399.68. (a) The bonds may be issued if two-thirds of the~~
12 ~~voters voting on the proposition vote in favor of issuing the bonds.~~

13 ~~(b) If the voters approve the issuance of the bonds as provided~~
14 ~~by subdivision (a), the legislative body shall proceed with the~~
15 ~~issuance of the bonds by adopting a resolution that shall provide~~
16 ~~for all of the following:~~

17 ~~(1) The issuance of the bonds in one or more series.~~

18 ~~(2) The principal amount of the bonds, which shall be consistent~~
19 ~~with the amount specified in subdivision (b) of Section 53399.62.~~

20 ~~(3) The date the bonds will bear.~~

21 ~~(4) The date of maturity of the bonds.~~

22 ~~(5) The denomination of the bonds.~~

23 ~~(6) The form of the bonds.~~

24 ~~(7) The manner of execution of the bonds.~~

25 ~~(8) The medium of payment in which the bonds are payable.~~

26 ~~(9) The place or manner of payment and any requirements for~~
27 ~~registration of the bonds.~~

28 ~~(10) The terms of call or redemption, with or without premium.~~

29 ~~53399.70.— If any proposition submitted to the voters pursuant~~
30 ~~to this chapter is defeated by the voters, the legislative body shall~~
31 ~~not submit, or cause to be submitted, a similar proposition to the~~
32 ~~voters for at least one year after the first election.~~

33 ~~53399.72.— The legislative body may, by majority vote, provide~~
34 ~~for refunding of bonds issued pursuant to this chapter. However,~~
35 ~~refundng bonds shall not be issued if the total net interest cost to~~
36 ~~maturity on the refundng bonds plus the principal amount of the~~
37 ~~refundng bonds exceeds the total net interest cost to maturity on~~
38 ~~the bonds to be refunded. The legislative body may not extend the~~
39 ~~time to maturity of the bonds.~~

1 ~~53399.74.— The legislative body or any person executing the~~
2 ~~bonds shall not be personally liable on the bonds by reason of their~~
3 ~~issuance. The bonds and other obligations of a district issued~~
4 ~~pursuant to this chapter are not a debt of the city, county, or state~~
5 ~~or of any of its political subdivisions, other than the district, and~~
6 ~~none of those entities, other than the district, shall be liable on the~~
7 ~~bonds and the bonds or obligations shall be payable exclusively~~
8 ~~from funds or properties of the district. The bonds shall contain a~~
9 ~~statement to this effect on their face. The bonds do not constitute~~
10 ~~an indebtedness within the meaning of any constitutional or~~
11 ~~statutory debt limitation.~~

12 ~~53399.76.— The bonds may be sold at discount not to exceed 5~~
13 ~~percent of par at public sale. At least five days prior to the sale,~~
14 ~~notice shall be published, pursuant to Section 6061, in a newspaper~~
15 ~~of general circulation and in a financial newspaper published in~~
16 ~~the City and County of San Francisco and in the City of Los~~
17 ~~Angeles. The bonds may be sold at not less than par to the federal~~
18 ~~government at private sale without any public advertisement.~~

19 ~~53399.78.— If any member of the legislative body whose~~
20 ~~signature appears on bonds ceases to be a member of the legislative~~
21 ~~body before delivery of the bonds, his or her signature is as~~
22 ~~effective as if he or she had remained in office. Bonds issued~~
23 ~~pursuant to this chapter are fully negotiable.~~