

AMENDED IN SENATE AUGUST 6, 2012

AMENDED IN SENATE JUNE 21, 2012

AMENDED IN ASSEMBLY MARCH 29, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2551

Introduced by Assembly Member Hueso
(Coauthor: Senator Vargas)

February 24, 2012

An act to add Section ~~53395.26~~ 53395.27 to the Government Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

AB 2551, as amended, Hueso. Infrastructure financing districts: renewable energy zones.

Existing law authorizes counties and cities to form infrastructure financing districts, in accordance with a prescribed procedure, and requires that a district finance only public capital facilities of communitywide significance, as specified. Existing law authorizes a legislative body, by ordinance, to adopt an infrastructure financing plan and create the district with the full force and effect of law, if $\frac{2}{3}$ of the registered voters within the territory of the proposed district are in favor of creating the district.

This bill would authorize a legislative body to establish an infrastructure financing district in a renewable energy zone area, as defined, for the purpose of promoting renewable energy projects. ~~The bill would exempt the creation of the district from the voter-approval requirement.~~ *With respect to an infrastructure financing district created pursuant to these provisions, the bill would exempt the formation of the*

infrastructure financing district, the adoption of an infrastructure financing plan, or the issuance of bonds from the voter-approval requirement.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

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

- 1 SECTION 1. Section ~~53395.26~~ 53395.27 is added to the
2 Government Code, to read:
3 ~~53395.26.~~
4 53395.27. (a) This section shall apply only to a city that created
5 and approved a renewable energy infrastructure area.
6 (b) For purposes of this section, the following terms shall have
7 the following meanings:
8 (1) “Renewable energy infrastructure area” means an area that
9 contains a proposed development project or projects that would
10 generate in total more than ~~10~~ 50 megawatts of electricity using
11 an eligible renewable energy resource, as defined in Article 16
12 (commencing with Section 399.11) of Part 1 of Division 1 of the
13 Public Utilities Code, that is intended to be used for commercial
14 renewable energy production.
15 (2) “Commercial renewable energy production” means that the
16 project has an executed power purchase agreement for the sale of
17 the electricity from an eligible renewable energy resource to a
18 California retail seller, as defined by subdivision (j) of Section
19 399.12 of the Public Utilities Code, or a local publicly owned
20 electric utility, as defined by Section 224.3 of the Public Utilities
21 Code.
22 ~~(c) Property tax increment collected from a district created~~
23 ~~pursuant to this section shall be used only within the boundaries~~
24 ~~of that district.~~
25 (c) *A district created pursuant to this section shall only use tax*
26 *increment (1) within the boundaries of that district, and (2) on*
27 *renewable energy infrastructure or renewable energy upgrades.*
28 (d) In determining whether an area constitutes a renewable
29 energy infrastructure area, the legislative body may consider areas
30 that are not contiguous and may aggregate the total megawatts of
31 several areas.

(e) The legislative body of a city may use the provisions of this chapter to form an infrastructure financing district in renewable energy infrastructure areas for the purpose of promoting renewable energy projects.

~~(f) The creation of an infrastructure financing district pursuant to this section shall be exempt from the voter approval requirement in Section 53395.23. The legislative body shall comply with all other applicable requirements of this chapter relating to the financing of the infrastructure financing district.~~

(f) With respect to an infrastructure financing district created pursuant to this section, an election shall not be required to form an infrastructure financing district, adopt an infrastructure financing plan, or issue bonds pursuant to this chapter. All other provisions of this chapter shall apply to the formation of an infrastructure financing district and the adoption of an infrastructure financing plan.

(g) (1) Notwithstanding any other law, ~~This~~ *this* section is not intended to interfere with, or prevent the exercise of, the existing authority of an agency or department to carry out its programs, projects, or responsibilities to identify, review, approve, deny, or implement any mitigation requirements, and this section shall not be construed as a limitation on mitigation requirements for the project, or a limitation on compliance with requirements under the California Environmental Quality Act (Division 13 (commencing with Section 21000) of the Public Resources Code) or any other provision of law.

(2) An infrastructure financing district created pursuant to this section shall not use property tax increment to pay for, in whole or in part, subsidize, or make affordable, conditions of project approval or mitigation requirements imposed on a private developer of a renewable energy development project.