

Introduced by Committee on Governance and Finance (Senators Wolk (Chair), DeSaulnier, Fuller, Hancock, Hernandez, Huff, Kehoe, La Malfa, and Liu)

February 15, 2012

An act to amend Section 40471 of the Government Code, and to amend Sections 36622, 36629, and 36671 of the Streets and Highways Code, relating to local government.

LEGISLATIVE COUNSEL'S DIGEST

SB 1090, as introduced, Committee on Governance and Finance. Local government: omnibus bill.

(1) Existing law authorizes the legislative body of a general law city to impose a sidewalk installation charge, as specified, upon an affirmative vote of a majority of all of the electors of the city voting on the proposition at an election called for that purpose. The California Constitution conditions the imposition of a special tax on a city, county, or special district upon the approval of $\frac{2}{3}$ of the voters of the city, county, or special district voting on that tax. Existing law implements this provision of the Constitution.

This bill would require the legislative body of a general law city to submit a sidewalk installation charge to the voters and receive a $\frac{2}{3}$ vote to approve the charge prior to imposing the charge, thereby conforming these provisions to existing law.

(2) The Property and Business Improvement District Law of 1994, requires a management district plan for a district to include, among other things, the improvements and activities proposed for each year of operation of the district and the maximum cost thereof.

This bill would specify that, if the improvements and activities proposed for each year of operation of the district are the same, this

requirement may be satisfied if the management plan includes a description of the first year's proposed improvements and activities and a statement that the same improvements and activities are proposed for subsequent years.

The Property and Business Improvement District Law of 1994 also requires a management district plan for a district to include, among other things, the total annual amount proposed to be expended for improvements, maintenance and operations, and debt service in each year of operation of the district.

The bill would provide that if the total annual amount proposed to be expended in each year of operation of the district is not significantly different, the amount proposed to be expended in the initial year and a statement that a similar amount applies to subsequent years may satisfy this requirement. This bill would also authorize this amount to be based upon the assessment rate if the assessment is levied on businesses.

This bill would also correct an erroneous reference within the Property and Business Improvement District Law of 1994.

(3) The Property and Business Improvement District Law of 1994 provides that a city council may adopt a resolution for the disestablishment of a district under specified circumstances. Existing law requires, upon the disestablishment of a district, any specified remaining revenues to be refunded to the owners of the property or businesses then located and operating within the district in which assessments were levied, as specified.

This bill would additionally provide, upon the expiration without renewal of the district for the refund of any specified remaining revenues to the owners of property or businesses then located and operating within the district in which assessments were levied, as specified.

Vote: majority. 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) This act shall be known, and may be cited,
2 as the Local Government Omnibus Act of 2012.

3 (b) The Legislature finds and declares that Californians want
4 their governments to run efficiently and economically and that
5 public officials should avoid waste and duplication whenever
6 possible. The Legislature further finds and declares that it desires
7 to control its own costs by reducing the number of separate bills.

1 Therefore, it is the intent of the Legislature in enacting this act to
2 combine into a single measure several minor, noncontroversial
3 statutory changes relating to the common theme, purpose, and
4 subject of local government.

5 SEC. 2. Section 40471 of the Government Code is amended
6 to read:

7 40471. The special charge described in Section 40470 shall
8 only be imposed ~~upon an affirmative vote of a majority of all of~~
9 ~~the electors of the city voting on the proposition at an election~~
10 ~~called for that purpose pursuant to Article 3.5 (commencing with~~
11 ~~Section 50075) of Chapter 1 of Part 1 of Division 1 of Title 5.~~ The
12 charge shall be in an amount and for a period not to exceed five
13 years which shall be stated on the ballot.

14 SEC. 3. Section 36622 of the Streets and Highways Code is
15 amended to read:

16 36622. The management district plan shall contain all of the
17 following:

18 (a) If the assessment will be levied on property, a map of the
19 district in sufficient detail to locate each parcel of property and, if
20 businesses are to be assessed, each business within the district. If
21 the assessment will be levied on businesses, a map that identifies
22 the district boundaries in sufficient detail to allow a business owner
23 to reasonably determine whether a business is located within the
24 district boundaries. If the assessment will be levied on property
25 and businesses, a map of the district in sufficient detail to locate
26 each parcel of property and to allow a business owner to reasonably
27 determine whether a business is located within the district
28 boundaries.

29 (b) The name of the proposed district.

30 (c) A description of the boundaries of the district, including the
31 boundaries of benefit zones, proposed for establishment or
32 extension in a manner sufficient to identify the affected lands and
33 businesses included. The boundaries of a proposed property
34 assessment district shall not overlap with the boundaries of another
35 existing property assessment district created pursuant to this part.
36 This part does not prohibit the boundaries of a district created
37 pursuant to this part to overlap with other assessment districts
38 established pursuant to other provisions of law, including, but not
39 limited to, the Parking and Business Improvement Area Law of
40 1989 (Part 6 (commencing with Section 36500)). This part does

1 not prohibit the boundaries of a business assessment district created
2 pursuant to this part to overlap with another business assessment
3 district created pursuant to this part. This part does not prohibit
4 the boundaries of a business assessment district created pursuant
5 to this part to overlap with a property assessment district created
6 pursuant to this part.

7 (d) The improvements and activities proposed for each year of
8 operation of the district and the maximum cost thereof. *If the*
9 *improvements and activities proposed for each year of operation*
10 *are the same, a description of the first year's proposed*
11 *improvements and activities and a statement that the same*
12 *improvements and activities are proposed for subsequent years*
13 *shall satisfy the requirements of this subdivision.*

14 (e) The total annual amount proposed to be expended for
15 improvements, maintenance and operations, and debt service in
16 each year of operation of the district. *If the assessment is levied*
17 *on businesses, this amount may be estimated based upon the*
18 *assessment rate. If the total annual amount proposed to be*
19 *expended in each year of operation of the district is not*
20 *significantly different, the amount proposed to be expended in the*
21 *initial year and a statement that a similar amount applies to*
22 *subsequent years shall satisfy the requirements of this subdivision.*

23 (f) The proposed source or sources of financing, including the
24 proposed method and basis of levying the assessment in sufficient
25 detail to allow each property or business owner to calculate the
26 amount of the assessment to be levied against his or her property
27 or business. The plan also shall state whether bonds will be issued
28 to finance improvements.

29 (g) The time and manner of collecting the assessments.

30 (h) The specific number of years in which assessments will be
31 levied. In a new district, the maximum number of years shall be
32 five. Upon renewal, a district shall have a term not to exceed 10
33 years. Notwithstanding these limitations, a district created pursuant
34 to this part to finance capital improvements with bonds may levy
35 assessments until the maximum maturity of the bonds. The
36 management district plan may set forth specific increases in
37 assessments for each year of operation of the district.

38 (i) The proposed time for implementation and completion of
39 the management district plan.

1 (j) Any proposed rules and regulations to be applicable to the
2 district.

3 (k) A list of the properties or businesses to be assessed, including
4 the assessor's parcel numbers for properties to be assessed, and a
5 statement of the method or methods by which the expenses of a
6 district will be imposed upon benefited real property or businesses,
7 in proportion to the benefit received by the property or business,
8 to defray the cost thereof, including operation and maintenance.
9 The plan may provide that all or any class or category of real
10 property which is exempt by law from real property taxation may
11 nevertheless be included within the boundaries of the district but
12 shall not be subject to assessment on real property.

13 (l) Any other item or matter required to be incorporated therein
14 by the city council.

15 SEC. 4. Section 36629 of the Streets and Highways Code is
16 amended to read:

17 36629. All provisions of this part applicable to the
18 establishment, modification, or disestablishment of a property and
19 business improvement district apply to the establishment,
20 modification, or disestablishment of benefit zones or categories
21 of business. The city council shall, to establish, modify, or
22 disestablish a benefit zone or category of business, follow the
23 procedure to establish, modify, or disestablish a ~~parking and~~
24 ~~business improvement area~~ *property and business improvement*
25 *district*.

26 SEC. 5. Section 36671 of the Streets and Highways Code is
27 amended to read:

28 36671. (a) Upon the disestablishment *or expiration without*
29 *renewal* of a district, any remaining revenues, after all outstanding
30 debts are paid, derived from the levy of assessments, or derived
31 from the sale of assets acquired with the revenues, or from bond
32 reserve or construction funds, shall be refunded to the owners of
33 the property or businesses then located and operating within the
34 district in which assessments were levied by applying the same
35 method and basis that was used to calculate the assessments levied
36 in the fiscal year in which the district is disestablished *or expires*.
37 All outstanding assessment revenue collected after disestablishment
38 shall be spent on improvements and activities specified in the
39 management district plan.

- 1 (b) If the disestablishment occurs before an assessment is levied
- 2 for the fiscal year, the method and basis that was used to calculate
- 3 the assessments levied in the immediate prior fiscal year shall be
- 4 used to calculate the amount of any refund.

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