An act to amend Sections 53890, 53891, and 53892 of, and to repeal Sections 12463.3 and 53895.5 of, the Government Code, and to repeal Sections 33080, 33080.1, 33080.2, 33080.3, 33080.4, 33080.5, 33080.6, and 33080.7 of the Health and Safety Code, relating to redevelopment.

LEGISLATIVE COUNSEL'S DIGEST

AB 569, as introduced, Chau. Redevelopment: reports.

Existing law requires the Controller to compile and publish annually reports of the financial transactions of each community redevelopment agency, as provided.

This bill would eliminate that requirement.

Existing law requires the officer of each local agency, who has charge of the financial records of the agency, to furnish to the Controller a report of all the financial transactions of the local agency during the next preceding fiscal year within 90 days of the close of each fiscal year, as specified. Existing law defines local agency, for purposes of these financial reports, to mean any city, county, district, and specified community redevelopment agencies.

This bill would exclude community redevelopment agencies from the definition of local agency, thereby eliminating the requirement that a community redevelopment agency furnish the Controller with the financial report. This bill would make related, conforming changes.

Existing law requires each redevelopment agency to submit the final report of any audit undertaken by any other local, state, or federal government entity to its legislative body and to additionally present an
annual report to the legislative body containing specified information. Existing law requires the Department of Housing and Community Development to compile and publish reports of the activities of redevelopment agencies, as provided.

This bill would repeal those provisions, and would repeal related provisions.


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

SECTION 1. Section 12463.3 of the Government Code is repealed.

12463.3. On or before May 1 of each year, the Controller shall compile and publish annually reports of the financial transactions of each community redevelopment agency created pursuant to Division 24 (commencing with Section 33000) of the Health and Safety Code. The Controller shall make the data available to the Legislature and its agents upon request, on or before April 1 of each year. The Controller shall publish this information for each project area of each redevelopment agency. The reports shall be made in the time, form, and manner prescribed by the Controller, after consultation with the Department of Housing and Community Development and the advisory committee created pursuant to Section 12463.1.

SEC. 2. Section 53890 of the Government Code is amended to read:

53890. As used in this article, “local agency” means any city, county, and any district, and any community redevelopment agency district required to furnish financial reports pursuant to Section 12463.1 or 12463.3.

SEC. 3. Section 53891 of the Government Code is amended to read:

53891. The officer of each local agency who has charge of the financial records shall furnish to the Controller a report of all the financial transactions of the local agency during the next preceding fiscal year. The report shall be furnished within 90 days after the close of each fiscal year and shall be in the form required by the Controller. If the report is filed in electronic format as prescribed by the Controller, the report shall be furnished within 110 days.
after the close of each fiscal year. However, whenever a local agency files annual financial materials with the Office of Statewide Health Planning and Development or any successor thereto pursuant to Section 128735 of the Health and Safety Code, the audited report shall be furnished within 120 days after the close of each fiscal year. Further, whenever a community redevelopment agency files an annual report with the Controller pursuant to Section 33080 of the Health and Safety Code, the report shall be furnished within six months of the end of the agency’s fiscal year.

The Controller shall prescribe uniform accounting and reporting procedures that shall be applicable to all local agencies except cities, counties, and school districts, and except for local agencies that substantially follow a system of accounting prescribed by the Public Utilities Commission of the State of California or the Federal Energy Regulatory Commission. The procedures shall be adopted under the provisions of Chapter 3.5 (commencing with Section 11340) of Part 1 of Division 3 of Title 2. The Controller shall prescribe the procedures only after consultation with and approval of a local governmental advisory committee established pursuant to Section 12463.1. Approval of the procedures shall be by majority vote of the members present at a meeting of the committee called by the chairperson thereof.

SEC. 4. Section 53892 of the Government Code is amended to read:

53892. The report shall state all of the following:
(a) The aggregate amount of taxes levied and assessed against the taxable property in the local agency, which became due and payable during the next preceding fiscal year.
(b) The aggregate amount of taxes levied and assessed against this property collected by or for the local agency during the fiscal year.
(c) The aggregate income during the preceding fiscal year, a general statement of the sources of the income, and the amount received from each source.
(d) The total expenditures made by administrative departments during the preceding fiscal year, a general statement of the purposes of the expenditures, and the amounts expended by each department.
(e) The assessed valuation of all of the taxable property in the local agency as set forth on the assessment roll of the local agency equalized for the fiscal year, or, if the officers of the county in
which the city or district is situated have collected for the city or
district the general taxes levied by the city or district for the fiscal
year, the assessed valuation of all taxable property in the city or
district as set forth on the assessment rolls for the county equalized
for the fiscal year.
(f) The information required by Section 53892.2, as of the end
of the fiscal year.
(g) The approximate population at the close of the fiscal year
and the population as shown by the last regular federal census.
(h) Other information that the Controller requires.
(i) Any other matters necessary to complete and keep current
the statistical information on assessments, revenues and taxation,
collected and compiled by any Senate or Assembly committee on
revenue and taxation.
(j) In the case of cities, the information required by Section
53892.3.
(k) In the case of community redevelopment agencies, the
information required by subdivisions (a), (b), and (g) of Section
33080.1 of the Health and Safety Code. The Controller shall
forward the information required pursuant to subdivision (c) of
Section 33080.1 of the Health and Safety Code to the Department
of Housing and Community Development for publication pursuant
to Section 33080.6 of that code.
SEC. 5. Section 53895.5 of the Government Code is repealed.
53895.5. (a) An officer of a community redevelopment agency
who fails or refuses to make and file his or her report within 20
days after receipt of a written notice of the failure from the
Controller shall forfeit to the state:
(1) One thousand dollars ($1,000) in the case of a community
redevelopment agency with total revenue, in the prior year, of less
than one hundred thousand dollars ($100,000), as reported in the
Controller’s annual financial reports.
(2) Two thousand five hundred dollars ($2,500) in the case of
a community redevelopment agency with total revenue, in the prior
year, of at least one hundred thousand dollars ($100,000), but less
than two hundred fifty thousand dollars ($250,000), as reported
in the Controller’s annual financial reports.
(3) Five thousand dollars ($5,000) in the case of a community
redevelopment agency with total revenue, in the prior year, of at
least two hundred fifty thousand dollars ($250,000), as reported
in the Controller’s annual financial reports.

(b) An officer of a community redevelopment agency who fails
or refuses to make and file his or her report within 20 days after
receipt of a written notice of the failure from the Controller in the
second or more consecutive year shall forfeit to the state:

(1) Two thousand dollars ($2,000) in the case of a community
redevelopment agency with total revenue, in the prior year, of less
than one hundred thousand dollars ($100,000), as reported in the
Controller’s annual financial reports.

(2) Five thousand dollars ($5,000) in the case of a community
redevelopment agency with total revenue, in the prior year, of at
least one hundred thousand dollars ($100,000), but less than two
hundred fifty thousand dollars ($250,000), as reported in the
Controller’s annual financial reports.

(3) Ten thousand dollars ($10,000) in the case of a community
redevelopment agency with total revenue, in the prior year, of at
least two hundred fifty thousand dollars ($250,000), as reported
in the Controller’s annual financial reports.

(c) In the case of a community redevelopment agency that fails
or refuses to make and file its report within 20 days after receipt
of a written notice of the failure from the Controller in the third
or more consecutive year, the Controller shall conduct or cause to
be conducted an independent financial audit report consistent with
the requirements of Section 33080.1 of the Health and Safety Code.
The community redevelopment agency shall reimburse the
Controller for the cost of complying with this subdivision. The
community redevelopment agency shall not use any of the funds
in the Low-and-Moderate-Income Housing Fund to reimburse the
Controller.

(d) (1) Upon the request of the Controller, the Attorney General
shall prosecute an action for the forfeiture in the name of the people
of the State of California.

(2) Upon a satisfactory showing of good cause, the Controller
may waive the penalties for late filing provided in this section.

(e) A community redevelopment agency that makes a forfeiture
or payment pursuant to this section shall still file the report required
pursuant to Section 53891.

SEC. 6. Section 33080 of the Health and Safety Code is
repealed.
33080. (a) Every redevelopment agency shall file with the
controller within six months of the end of the agency’s fiscal year
a copy of the report required by Section 33080.1. In addition, each
redevelopment agency shall file with the department a copy of the
audit report required by subdivision (a) of Section 33080.1. The
reports shall be made in the time, format, and manner prescribed
by the controller after consultation with the department.
(b) The redevelopment agency shall provide a copy of the report
required by Section 33080.1, upon the written request of any person
or any taxing agency. If the report does not include detailed
information regarding administrative costs, professional services,
or other expenditures, the person or taxing agency may request,
and the redevelopment agency shall provide, that information. The
person or taxing agency shall reimburse the redevelopment agency
for all actual and reasonable costs incurred in connection with the
provision of the requested information.

SEC. 7. Section 33080.1 of the Health and Safety Code is
repealed.

33080.1. Every redevelopment agency shall submit the final
report of any audit undertaken by any other local, state, or federal
government entity to its legislative body within 30 days of receipt
of that audit report. In addition, every redevelopment agency shall
present an annual report to its legislative body within six months
of the end of the agency’s fiscal year. The annual report shall
contain all of the following:
(a) (1) An independent financial audit report for the previous
fiscal year. “Audit report” means an examination of, and opinion
on, the financial statements of the agency which present the results
of the operations and financial position of the agency, including
all financial activities with moneys required to be held in a separate
Low and Moderate Income Housing Fund pursuant to Section
33334.3. This audit shall be conducted by a certified public
accountant or public accountant, licensed by the State of California,
in accordance with Government Auditing Standards adopted by
the Comptroller General of the United States. The audit report
shall meet, at a minimum, the audit guidelines prescribed by the
Controller’s office pursuant to Section 33080.3 and also include
a report on the agency’s compliance with laws, regulations, and
administrative requirements governing activities of the agency;
and a calculation of the excess surplus in the Low and Moderate
Income Housing Fund as defined in subdivision (g) of Section 3334.12.

(2) However, the legislative body may elect to omit from inclusion in the audit report any distinct activity of the agency that is funded exclusively by the federal government and that is subject to audit by the federal government.

(b) A fiscal statement for the previous fiscal year that contains the information required pursuant to Section 33080.5.

c) A description of the agency’s activities in the previous fiscal year affecting housing and displacement that contains the information required by Sections 33080.4 and 33080.7.

d) A description of the agency’s progress, including specific actions and expenditures, in alleviating blight in the previous fiscal year.

e) A list of, and status report on, all loans made by the redevelopment agency that are fifty thousand dollars ($50,000) or more, that in the previous fiscal year were in default, or not in compliance with the terms of the loan approved by the redevelopment agency.

(f) A description of the total number and nature of the properties that the agency owns and those properties the agency has acquired in the previous fiscal year.

g) A list of the fiscal years that the agency expects each of the following time limits to expire:

1. The time limit for the commencement for eminent domain proceedings to acquire property within the project area.

2. The time limit for the establishment of loans, advances, and indebtedness to finance the redevelopment project.

3. The time limit for the effectiveness of the redevelopment plan.

4. The time limit to repay indebtedness with the proceeds of property taxes.

(h) Any other information that the agency believes useful to explain its programs, including, but not limited to, the number of jobs created and lost in the previous fiscal year as a result of its activities.

SEC. 8. Section 33080.2 of the Health and Safety Code is repealed.

33080.2. (a) When the agency presents the annual report to the legislative body pursuant to Section 33080.1, the agency shall
inform the legislative body of any major audit violations of this
part based on the independent financial audit report. The agency
shall inform the legislative body that the failure to correct a major
audit violation of this part may result in the filing of an action by
the Attorney General pursuant to Section 33080.8.
(b) The legislative body shall review any report submitted
pursuant to Section 33080.1 and take any action it deems
appropriate on that report no later than the first meeting of the
legislative body occurring more than 21 days from the receipt of
the report.

SEC. 9. Section 33080.3 of the Health and Safety Code is
repealed.
33080.3. The Controller shall develop and periodically revise
the guidelines for the content of the report required by Section
33080.1. The Controller shall appoint an advisory committee to
advise in the development of the guidelines. The advisory
committee shall include representatives from among those persons
nominated by the department, the Legislative Analyst, the
California Society of Certified Public Accountants, the California
Redevelopment Association, and any other authorities in the field
that the Controller deems necessary and appropriate.

SEC. 10. Section 33080.4 of the Health and Safety Code is
repealed.
33080.4. (a) For the purposes of compliance with subdivision
(c) of Section 33080.1, the description of the agency’s activities
shall contain the following information regardless of whether each
activity is funded exclusively by the state or federal government,
for each project area and for the agency overall:
(1) Pursuant to Section 33413, the total number of nonelderly
and elderly households, including separate subtotals of the numbers
of very low income households, other lower income households,
and persons and families of moderate income, that were displaced
or moved from their dwelling units as part of a redevelopment
project of the agency during the previous fiscal year.
(2) Pursuant to Section 33413.5, the total number of nonelderly
and elderly households, including separate subtotals of the numbers
of very low income households, other lower income households,
and persons and families of moderate income, that the agency
estimates will be displaced or will move from their dwellings as
part of a redevelopment project of the agency during the present
fiscal year and the date of adoption of a replacement housing plan
for each project area subject to Section 33413.5.

(3) The total number of dwelling units housing very low income
households, other lower income households, and persons and
families of moderate income, respectively, which have been
destroyed or removed from the low- or moderate-income housing
market during the previous fiscal year as part of a redevelopment
project of the agency, specifying the number of those units which
are not subject to Section 33413.

(4) The total numbers of agency-assisted dwelling units which
were constructed, rehabilitated, acquired, or subsidized during the
previous fiscal year for occupancy at an affordable housing cost
by elderly persons and families, but only if the units are restricted
by agreement or ordinance for occupancy by the elderly, and by
very low income households, other lower income households, and
persons and families of moderate income, respectively, specifying
those units which are not currently so occupied, those units which
have replaced units destroyed or removed pursuant to subdivision
(a) of Section 33413, and the length of time any agency-assisted
units are required to remain available at affordable costs.

(5) The total numbers of new or rehabilitated units subject to
paragraph (2) of subdivision (b) of Section 33413, including
separate subtotals of the number originally affordable to and
currently occupied by, elderly persons and families, but only if the
units are restricted by agreement or ordinance for occupancy by
the elderly, and by very low income households, other lower
income households, and persons and families of moderate income,
respectively, and the length of time these units are required to
remain available at affordable costs.

(6) The status and use of the Low and Moderate Income
Housing Fund created pursuant to Section 33334.3, including
information on the use of this fund for very low income households,
other lower income households, and persons and families of
moderate income, respectively. If the Low and Moderate Income
Housing Fund is used to subsidize the cost of onsite or offsite
improvements, then the description of the agency’s activities shall
include the number of housing units affordable to persons and
families of low or moderate income which have been directly
benefited by the onsite or offsite improvements.
(7) A compilation of the annual reports obtained by the agency under Section 33418 including identification of the number of units occupied by persons and families of moderate income, other lower-income households, and very low-income households, respectively, and identification of projects in violation of this part or any agreements in relation to affordable units.

(8) The total amount of funds expended for planning and general administrative costs as defined in subdivisions (d) and (e) of Section 33334.3.

(9) Any other information which the agency believes useful to explain its housing programs, including, but not limited to, housing for persons and families of other than low and moderate income.

(10) The total number of dwelling units for very low income households, other lower-income households, and persons and families of moderate income to be constructed under the terms of an executed agreement or contract and the name and execution date of the agreement or contract. These units may only be reported for a period of two years from the execution date of the agreement or contract.

(11) The date and amount of all deposits and withdrawals of moneys deposited to and withdrawn from the Low and Moderate Income Housing Fund.

(b) As used in this section:

(1) “Elderly,” has the same meaning as specified in Section 50067.

(2) “Persons and families of moderate income,” has the same meaning as specified in subdivision (b) of Section 50093.

(3) “Other lower income households,” has the same meaning as “lower income households” as specified in Section 50079.5, exclusive of very low income households.

(4) “Persons and families of low or moderate income,” has the same meaning as specified in Section 50093.

(5) “Very low income households,” has the same meaning as specified in Section 50105.

(e) Costs associated with preparing the report required by this section may be paid with moneys from the Low and Moderate Income Housing Fund.

SEC. 11. Section 33080.5 of the Health and Safety Code is repealed.
For the purposes of compliance with subdivision (b) of Section 33080.1, the fiscal statement shall contain the following information:

(a) The amount of outstanding indebtedness of the agency and each project area.

(b) The amount of tax increment property tax revenues generated in the agency and in each project area.

(c) The amount of tax increment revenues paid to, or spent on behalf of, a taxing agency, other than a school or community college district, pursuant to subdivision (b) of Section 33401 or Section 33676. Monies expended on behalf of a taxing agency shall be itemized per each individual capital improvement.

(d) The financial transactions report required pursuant to Section 53891 of the Government Code.

(e) The amount allocated to school or community college districts pursuant to each of the following provisions: (1) Section 33401; (2) Section 33445; (3) Section 33445.5; (4) paragraph (2) of subdivision (a) of Section 33676; and (5) Section 33681.

(f) The amount of existing indebtedness, as defined in Section 33682, and the total amount of payments required to be paid on existing indebtedness for that fiscal year.

(g) Any other fiscal information which the agency believes useful to describe its programs.

SEC. 12. Section 33080.6 of the Health and Safety Code is repealed.

33080.6. On or before May 1 of each year, the department shall compile and publish reports of the activities of redevelopment agencies for the previous fiscal year, based on the information reported pursuant to subdivision (c) of Section 33080.1 and reporting the types of findings made by agencies pursuant to paragraph (1), (2), or (3) of subdivision (a) of Section 33334.2; including the date of the findings. The department’s compilation shall also report on the project area mergers reported pursuant to Section 33488. The department shall publish this information for each project area of each redevelopment agency. These reports may also contain the biennial review of relocation assistance required by Section 50460. The first report published pursuant to this section shall be for the 1984–85 fiscal year. For fiscal year 1987–88 and succeeding fiscal years, the report shall contain a list.
of those project areas which are not subject to the requirements of 
Section 33413.

The department shall send a copy of the executive summary of 
its report to each redevelopment agency for which information 
was reported pursuant to Section 33080.1 for the fiscal year covered 
by the report. The department shall send a copy of its report to 
each redevelopment agency that requests a copy.

SEC. 13. Section 33080.7 of the Health and Safety Code is 
repealed.

33080.7. For purposes of compliance with subdivision (c) of 
Section 33080.1 and in addition to the requirements of Section 
33080.4, the description of the agency’s activities shall identify 
the amount of excess surplus, as defined in Section 33334.10, 
which has accumulated in the agency’s Low and Moderate Income 
Housing Fund. Of the total excess surplus, the description shall 
also identify the amount that has accrued to the Low and Moderate 
Income Housing Fund during each fiscal year. This component of 
the annual report shall also include any plan required to be reported 
by subdivision (c) of Section 33334.10.