

AMENDED IN ASSEMBLY APRIL 11, 2016

AMENDED IN ASSEMBLY MARCH 17, 2016

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 2693**

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**Introduced by Assembly Member Dababneh**

February 19, 2016

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An act to amend Section 53313.5 of the Government Code, to amend Section 26054 of the Public Resources Code, and to amend Sections 5898.15, 5898.28, and 5898.30 of the Streets and Highways Code, relating to contractual assessments.

LEGISLATIVE COUNSEL'S DIGEST

AB 2693, as amended, Dababneh. Contractual assessments: financing requirements: property improvements.

Existing law defines “property assessed clean energy bond,” commonly known as a PACE bond, to mean a bond that is secured by a voluntary contractual assessment or by certain special taxes on property, as specified.

This bill would delete the reference to bonds secured by special taxes.

Existing law authorizes the legislative body of a public agency, as defined, to determine that it would be convenient, advantageous, and in the public interest to designate an area within which authorized public agency officials and property owners may enter into voluntary contractual assessments to finance certain improvements, including the installation of distributed generation renewable energy sources or energy or water efficiency improvements that are permanently fixed to real property, as specified. Existing law authorizes the public agency to issue bonds to be repaid by voluntary contractual assessments, and to

enter into a relationship with an underwriter or financial institution that allows the sequential issuance of a series of bonds as the need arises. Existing law requires the interest rate on bonds to be fixed at the time each bond is issued, unless the bond is issued to finance improvements to nonresidential private property or residential private property with 4 or more units. Existing law also provides that certain provisions relating to redemption of bonds prior to their scheduled maturity date or refinance of outstanding bonds only apply to nonresidential private property or residential private property with 4 or more units.

This bill, with respect to residential private property, would instead require the interest rate on the bonds, when issued, to be fixed unless the property consists of 5 or more units. The bill would provide that the provisions relating to redemption of bonds prior to their scheduled maturity date, or refinance of outstanding bonds, with respect to residential private property, would apply to property that consists of 5 or more units.

Existing law provides that an assessment under these provisions, and any interest and penalties, until paid, constitute a lien against the property on which the assessment was made. Existing law provides that certain other provisions, including provisions relating to lien priority, apply to liens imposed relative to these assessments.

This bill ~~would~~ *would, except for nonresidential private property or residential private property with 5 or more units,* delete the reference to the other provisions relating to lien priority, and instead provide that an assessment under these provisions shall have the force, effect, and priority of a judgment lien as established by its date of recordation.

~~Existing law, if bonds have not been issued by a public agency, authorizes the public agency to transfer its right, title, and interest to voluntary contractual assessments to another party, as specified. Existing law, however, provides that initiation and prosecution of a foreclosure action from a delinquency in the payment of voluntary contractual assessments remains the responsibility of the public agency, which shall retain the sole right to enforce its senior lien status.~~

~~This bill would delete the provision that the public agency shall retain the sole right to enforce its senior lien status, and would instead provide that a foreclosure action by the public agency shall have the force, effect, and priority of a judgment lien as established by the date of its recordation.~~

Existing law prohibits a public agency from permitting a property owner to participate in any program established pursuant to these

provisions if the owner’s participation would result in the total amount of any annual property taxes and assessments exceeding 5% of the property’s market value, as determined at the time of approval of the owner’s contractual assessment.

This bill would ~~also~~ *also, except for situations involving bonds issued to improve nonresidential private property or residential private property with 5 or more units*, prohibit a public agency from permitting a property owner to participate in a program pursuant to these provisions unless the property owner has been provided with a Truth in Lending Act—~~Real Act-Real~~ Estate Settlement Procedures Act Integrated Mortgage Disclosure for the obligation being incurred or if the total mortgage-related debt and contractual assessment-related debt on the underlying property exceeds the fair market value of the property at the time of the agreement.

~~The~~

*This bill would provide that the failure of a public agency to comply with either of these 2 prohibitions voids the contractual obligations of the property owner for the contractual assessment.*

*The Mello-Roos Community Facilities Act of 1982 specifies the requirements for the establishment of a community facilities district, including, among other things, a petition, a hearing, the establishment of the boundaries of the community facilities district, and an election on the question. A community facilities district formed pursuant to that law is authorized to, among other things, finance and refinance the acquisition, installation, and improvement of energy efficiency, water conservation, and renewable energy improvements to or on real property and in buildings, as specified.*

*This bill would require that an assessment levied or a delinquency collected in connection with those improvements be collected using the procedures described above.*

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. Section 53313.5 of the Government Code is
- 2     amended to read:
- 3     53313.5. A community facilities district may also finance the
- 4     purchase, construction, expansion, improvement, or rehabilitation
- 5     of any real or other tangible property with an estimated useful life

1 of five years or longer or may finance planning and design work  
2 that is directly related to the purchase, construction, expansion, or  
3 rehabilitation of any real or tangible property. The facilities need  
4 not be physically located within the district. A district may not  
5 lease out facilities that it has financed except pursuant to a lease  
6 agreement or annexation agreement entered into prior to January  
7 1, 1988. A district may only finance the purchase of facilities  
8 whose construction has been completed, as determined by the  
9 legislative body, before the resolution of formation to establish  
10 the district is adopted pursuant to Section 53325.1, except that a  
11 district may finance the purchase of facilities completed after the  
12 adoption of the resolution of formation if the facility was  
13 constructed as if it had been constructed under the direction and  
14 supervision, or under the authority of, the local agency that will  
15 own or operate the facility. For example, a community facilities  
16 district may finance facilities, including, but not limited to, the  
17 following:

18 (a) Local park, recreation, parkway, and open-space facilities.

19 (b) Elementary and secondary schoolsites and structures  
20 provided that the facilities meet the building area and cost standards  
21 established by the State Allocation Board.

22 (c) Libraries.

23 (d) Child care facilities, including costs of insuring the facilities  
24 against loss, liability insurance in connection with the operation  
25 of the facility, and other insurance costs relating to the operation  
26 of the facilities, but excluding all other operational costs. However,  
27 the proceeds of bonds issued pursuant to this chapter shall not be  
28 used to pay these insurance costs.

29 (e) The district may also finance the construction or  
30 undergrounding of water transmission and distribution facilities,  
31 natural gas pipeline facilities, telephone lines, facilities for the  
32 transmission or distribution of electrical energy, and cable  
33 television lines to provide access to those services to customers  
34 who do not have access to those services or to mitigate existing  
35 visual blight. The district may enter into an agreement with a public  
36 utility to utilize those facilities to provide a particular service and  
37 for the conveyance of those facilities to the public utility. "Public  
38 utility" shall include all utilities, whether public and regulated by  
39 the Public Utilities Commission, or municipal. If the facilities are  
40 conveyed to the public utility, the agreement shall provide that the

1 cost or a portion of the cost of the facilities that are the  
2 responsibility of the utility shall be refunded by the public utility  
3 to the district or improvement area thereof, to the extent that  
4 refunds are applicable pursuant to (1) the Public Utilities Code or  
5 rules of the Public Utilities Commission, as to utilities regulated  
6 by the commission, or (2) other laws regulating public utilities.  
7 Any reimbursement made to the district shall be utilized to reduce  
8 or minimize the special tax levied within the district or  
9 improvement area, or to construct or acquire additional facilities  
10 within the district or improvement area, as specified in the  
11 resolution of formation.

12 (f) The district may also finance the acquisition, improvement,  
13 rehabilitation, or maintenance of any real or other tangible property,  
14 whether privately or publicly owned, for flood and storm protection  
15 services, including, but not limited to, storm drainage and treatment  
16 systems and sandstorm protection systems.

17 (g) The district may also pay in full all amounts necessary to  
18 eliminate any fixed special assessment liens or to pay, repay, or  
19 defease any obligation to pay or any indebtedness secured by any  
20 tax, fee, charge, or assessment levied within the area of a  
21 community facilities district or may pay debt service on that  
22 indebtedness. When the amount financed by the district is to pay  
23 a tax, fee, charge, or assessment imposed by a public agency other  
24 than the one conducting the proceedings, and if the amount  
25 provided to the other public agency will not be entirely used to  
26 pay off or prepay an assessment lien or special tax obligation  
27 pursuant to the property owner's legal right to do so, the written  
28 consent of the other public agency is required. In addition, tax  
29 revenues of a district may be used to make lease or debt service  
30 payments on any lease, lease-purchase contract, or certificate of  
31 participation used to finance facilities authorized to be financed  
32 by the district.

33 (h) Any other governmental facilities that the legislative body  
34 creating the community facilities district is authorized by law to  
35 contribute revenue to, or construct, own, or operate. However, the  
36 district shall not operate or maintain or, except as otherwise  
37 provided in subdivisions (e) and (k), have any ownership interest  
38 in any facilities for the transmission or distribution of natural gas,  
39 telephone service, or electrical energy.

40 (i) (1) A district may also pay for the following:

1 (A) Work deemed necessary to bring buildings or real property,  
2 including privately owned buildings or real property, into  
3 compliance with seismic safety standards or regulations. Only  
4 work certified as necessary to comply with seismic safety standards  
5 or regulations by local building officials may be financed. No  
6 project involving the dismantling of an existing building and its  
7 replacement by a new building, nor the construction of a new or  
8 substantially new building may be financed pursuant to this  
9 subparagraph. Work on qualified historical buildings or structures  
10 shall be done in accordance with the State Historical Building  
11 Code (Part 2.7 (commencing with Section 18950) of Division 13  
12 of the Health and Safety Code).

13 (B) In addition, within any county or area designated by the  
14 President of the United States or by the Governor as a disaster area  
15 or for which the Governor has proclaimed the existence of a state  
16 of emergency because of earthquake damage, a district may also  
17 pay for any work deemed necessary to repair any damage to real  
18 property directly or indirectly caused by the occurrence of an  
19 earthquake cited in the President's or the Governor's designation  
20 or proclamation, or by aftershocks associated with that earthquake,  
21 including work to reconstruct, repair, shore up, or replace any  
22 building damaged or destroyed by the earthquake, and specifically  
23 including, but not limited to, work on any building damaged or  
24 destroyed in the Loma Prieta earthquake that occurred on October  
25 17, 1989, or by its aftershocks. Work may be financed pursuant  
26 to this subparagraph only on property or buildings identified in a  
27 resolution of intention to establish a community facilities district  
28 adopted within seven years of the date on which the county or area  
29 is designated as a disaster area by the President or by the Governor  
30 or on which the Governor proclaims for the area the existence of  
31 a state of emergency.

32 (2) Work on privately owned property, including reconstruction  
33 or replacement of privately owned buildings pursuant to  
34 subparagraph (B) of paragraph (1), may only be financed by a tax  
35 levy if all of the votes cast on the question of levying the tax, vote  
36 in favor of levying the tax, or with the prior written consent to the  
37 tax of the owners of all property that may be subject to the tax, in  
38 that case the prior written consent shall be deemed to constitute a  
39 vote in favor of the tax and any associated bond issue. Any district  
40 created to finance seismic safety work on privately owned

1 buildings, including repair, reconstruction, or replacement of  
2 privately owned buildings pursuant to this subdivision, shall consist  
3 only of lots or parcels that the legislative body finds have buildings  
4 that were damaged or destroyed by the earthquake cited pursuant  
5 to subparagraph (B) of paragraph (1) or by the aftershocks of that  
6 earthquake.

7 (j) A district may also pay for the following:

8 (1) Work deemed necessary to repair and abate damage caused  
9 to privately owned buildings and structures by soil deterioration.  
10 “Soil deterioration” means a chemical reaction by soils that causes  
11 structural damage or defects in construction materials including  
12 concrete, steel, and ductile or cast iron. Only work certified as  
13 necessary by local building officials may be financed. No project  
14 involving the dismantling of an existing building or structure and  
15 its replacement by a new building or structure, nor the construction  
16 of a new or substantially new building or structure may be financed  
17 pursuant to this paragraph.

18 (2) Work on privately owned buildings and structures pursuant  
19 to this subdivision, including reconstruction, repair, and abatement  
20 of damage caused by soil deterioration, may only be financed by  
21 a tax levy if all of the votes cast on the question of levying the tax  
22 vote in favor of levying the tax. Any district created to finance the  
23 work on privately owned buildings or structures, including  
24 reconstruction, repair, and abatement of damage caused by soil  
25 deterioration, shall consist only of lots or parcels on which the  
26 legislative body finds that the buildings or structures to be worked  
27 on pursuant to this subdivision suffer from soil deterioration.

28 (k) A district may also finance the acquisition, improvement,  
29 rehabilitation, or maintenance of any real or other tangible property,  
30 whether privately or publicly owned, for the purposes of removal  
31 or remedial action for the cleanup of any hazardous substance  
32 released or threatened to be released into the environment. As used  
33 in this subdivision, “remedial action” and “removal” shall have  
34 the meaning set forth in Sections 25322 and 25323, respectively,  
35 of the Health and Safety Code, and “hazardous substance” shall  
36 have the meaning set forth in Section 25281 of the Health and  
37 Safety Code.

38 (l) A district may also finance and refinance the acquisition,  
39 installation, and improvement of energy efficiency, water  
40 conservation, and renewable energy improvements that are affixed,

1 as specified in Section 660 of the Civil Code, to or on real property  
2 and in buildings, whether the real property or buildings are  
3 privately or publicly owned. Energy efficiency, water conservation,  
4 and renewable energy improvements financed by a district may  
5 only be installed on a privately owned building and on privately  
6 owned real property with the prior written consent of the owner  
7 or owners of the building or real property. This chapter shall not  
8 be used to finance installation of energy efficiency, water  
9 conservation, and renewable energy improvements on a privately  
10 owned building or on privately owned real property in connection  
11 with the initial construction of a residential building unless the  
12 initial construction is undertaken by the intended owner or  
13 occupant. *An assessment levied or a delinquency collected pursuant*  
14 *to this subdivision shall be collected using the procedures set out*  
15 *in Section 26054 of the Public Resource Code and in Sections*  
16 *5898.15 and 5898.30 of the Streets and Highways Code.*

17 (m) Any improvement on private property authorized to be  
18 financed by this section shall constitute a “public facility” for  
19 purposes of this chapter and a “public improvement” for purposes  
20 of Part 1 (commencing with Section 3100) and Part 2 (commencing  
21 with Section 3110) of Division 4.5 of the Streets and Highways  
22 Code, whether the improvement is owned by a private entity, if  
23 the legislative body has determined that the improvement provides  
24 a public benefit, or the improvement is owned by a public agency.

25 ~~SECTION 1.~~

26 *SEC. 2.* Section 26054 of the Public Resources Code is  
27 amended to read:

28 26054. “Property Assessed Clean Energy bond” or “PACE  
29 bond” means a bond that is secured by either of the following:

30 (a) A voluntary contractual assessment on property authorized  
31 pursuant to paragraph (2) of subdivision (a) of Section 5898.20 of  
32 the Streets and Highways Code.

33 (b) A voluntary contractual assessment on property to finance  
34 the installation of distributed generation renewable energy sources,  
35 electric vehicle charging infrastructure, or energy or water  
36 efficiency improvements.

37 ~~SEC. 2.~~

38 *SEC. 3.* Section 5898.15 of the Streets and Highways Code is  
39 amended to read:

1 5898.15. (a) A public agency shall not permit a property owner  
2 to participate in any program established pursuant to this chapter  
3 if the owner’s participation would result in the total amount of any  
4 annual property taxes and assessments exceeding 5 percent of the  
5 property’s market value, as determined at the time of approval of  
6 the owner’s contractual assessment.

7 (b) (1) ~~A~~ Except as otherwise provided in subdivision (c), a  
8 public agency shall not permit a property owner to participate in  
9 a program pursuant to this chapter unless the property owner has  
10 been provided with a federal Truth in Lending Act–Real Estate  
11 Settlement Procedures Act Integrated Mortgage Disclosure for the  
12 obligation being incurred that is required for mortgages by the  
13 federal Consumer Financial Protection Bureau.

14 (2) ~~A~~ Except as otherwise provided in subdivision (c), a public  
15 agency shall not permit the total mortgage-related debt and  
16 contractual assessment-related debt on the underlying property to  
17 exceed the fair market value of the property at the time of the  
18 agreement.

19 (3) Failure to comply with the requirements of either paragraph  
20 (1) or (2) voids the contractual obligations of a property owner for  
21 a contractual assessment entered into pursuant to this chapter.

22 (c) *Subdivision (b) does not apply to bonds issued to improve  
23 nonresidential private property or residential private property  
24 with five or more units pursuant to Section 5898.28.*

25 (e)

26 (d) Except as provided in subdivision (b), nothing in this chapter  
27 shall be construed to void or otherwise release a property owner  
28 from the contractual obligations incurred by a contractual  
29 assessment on a ~~property~~ property.

30 ~~SEC. 3.~~

31 *SEC. 4.* Section 5898.28 of the Streets and Highways Code is  
32 amended to read:

33 5898.28. (a) A public agency may issue bonds pursuant to this  
34 chapter, the principal and interest for which would be repaid by  
35 voluntary contractual assessments. A public agency may advance  
36 its own funds to finance work to be repaid through voluntary  
37 contractual assessments, and may from time to time sell bonds to  
38 reimburse itself for those advances. A public agency may enter  
39 into a relationship with an underwriter or financial institution that  
40 would allow the sequential issuance of a series of bonds, each bond

1 being issued as the need arose to finance work to be repaid through  
2 voluntary contractual assessments. The interest rate of each bond  
3 may be determined by an appropriate index, but shall be fixed at  
4 the time each bond is issued unless the bond is issued to finance  
5 improvements to nonresidential private property or residential  
6 private property with five or more units. Bond proceeds may be  
7 used to establish a reserve fund for debt service or paying the costs  
8 of foreclosure on properties participating in the program, to fund  
9 capitalized interest for a period up to two years from the date of  
10 issuance of the bonds, to fund the administrative fee required for  
11 participation in the PACE Reserve Program established pursuant  
12 to Chapter 4 (commencing with Section 26050) of Division 16 of  
13 the Public Resources Code, and to pay for expenses incidental to  
14 the issuance and sale of the bonds. Division 10 (commencing with  
15 Section 8500) shall apply to any bonds issued pursuant to this  
16 section, insofar as that division is not in conflict with this chapter.

17 (b) (1) Notwithstanding any provision of this division or the  
18 Improvement Act of 1915 (Division 10 (commencing with Section  
19 8500)), a public agency may transfer its right, title, and interest in  
20 and to any voluntary contractual assessments, if bonds have not  
21 been issued pursuant to subdivision (a). The public agency and  
22 the transferee shall enter into an agreement that, among other  
23 things, identifies the specific period of time during which the  
24 transfer of voluntary contractual assessments will be operative,  
25 not to exceed three years. Except as provided in paragraph (2), a  
26 transfer of any voluntary contractual assessments under this  
27 subdivision shall be treated as a true and absolute transfer of the  
28 asset so transferred for the period of the transfer and not as a pledge  
29 or grant of a security interest by the public agency for any  
30 borrowing. The characterization of the transfer of any of those  
31 assets as an absolute transfer by the public agency shall not be  
32 negated or adversely affected by the fact that only a portion of any  
33 voluntary contractual assessment is transferred, nor by any  
34 characterization of the transferee for purposes of accounting,  
35 taxation, or securities regulation, nor by any other factor  
36 whatsoever. As used in this section, “transfer” means sale,  
37 assignment, or other transfer.

38 (2) Nothing in this subdivision shall be construed to authorize  
39 the transferee to initiate and prosecute a foreclosure action resulting  
40 from a delinquency in the payment of the voluntary contractual

1 assessment. Initiation and prosecution of a foreclosure action shall  
2 remain the responsibility of the public agency, which shall ~~have~~  
3 ~~the force, effect, and priority of a judgment lien as established by~~  
4 ~~the date of its recordation.~~ *retain the sole right to enforce its senior*  
5 *lien status.*

6 (c) Division 10 (commencing with Section 8500) shall apply to  
7 any bonds issued pursuant to this section, insofar as that division  
8 is not in conflict with this chapter. Notwithstanding Part 16  
9 (commencing with Section 8880) of Division 10, if any reserve  
10 fund is established in whole or in part with legally available  
11 moneys of one or more public agencies other than bond proceeds,  
12 the public agency or agencies may provide that a property owner  
13 who prepays all or a portion of the assessment shall not be credited  
14 with the public agency moneys in the reserve fund and there shall  
15 be no reduction in the assessment pursuant to Sections ~~8884 or~~  
16 ~~8884, 8881 or 8884,~~ and the public agency moneys in the reserve  
17 account shall not be used to redeem bonds pursuant to Section  
18 8885 and any public agency moneys remaining in the reserve fund  
19 at the maturity of the bonds shall be disbursed to the public agency  
20 free and clear of the lien of the issuing instrument. Any excess  
21 bond proceeds may be used to pay principal of and interest on the  
22 bonds in addition to any other use permitted by Division 10  
23 (commencing with Section 8500).

24 (d) Notwithstanding any other law, the public agency may  
25 conclude that it is in the public interest for bonds issued by the  
26 public agency pursuant to this chapter to not be subject to  
27 redemption prior to their scheduled maturity date except as a result  
28 of the prepayment in whole or in part of contractual assessments.  
29 Notwithstanding any other limitations set forth in law, and with  
30 respect to bonds issued to finance improvements to nonresidential  
31 property or residential property with five or more units, the  
32 redemption premium associated with a redemption of bonds as a  
33 result of a contractual assessment prepayment shall be determined  
34 by agreement of the public agency issuing the bonds, the property  
35 owner, and the initial purchaser of the bonds.

36 (e) (1) Without the prior written approval of the property owner,  
37 and notwithstanding any other law, a public agency may issue  
38 bonds pursuant to this chapter to refinance outstanding bonds  
39 payable from contractual assessments levied pursuant to this  
40 chapter if all of the following are true:

1 (A) The total interest cost to maturity on the refunding bonds  
 2 is less than the total interest cost to maturity on the bonds to be  
 3 refunded.

4 (B) The final maturity date of the refunding bonds is not later  
 5 than the final maturity date of the refunded bonds, except that if  
 6 the bonds to be refunded are variable rate bonds, the final maturity  
 7 date of the refunding bonds may extend to, but not beyond, the  
 8 useful life of the financed improvements.

9 (C) The total interest component of the scheduled contractual  
 10 assessment installments to maturity, after issuance of the refunding  
 11 bonds, is less than the total interest component of the scheduled  
 12 contractual assessment installments to maturity prior to issuance  
 13 of the refunding bonds.

14 (2) For purposes of this section, in connection with the issuance  
 15 of fixed rate bonds to refinance variable rate bonds, the interest  
 16 rate on the refunded bonds for purpose of demonstrating  
 17 compliance with this section may be assumed to be the maximum  
 18 possible interest rate on the bonds to be refunded as long as the  
 19 legislative body concludes that the public interest will be served  
 20 by issuing fixed rate bonds to refinance the outstanding variable  
 21 rate bonds. In connection with an issuance of refunding bonds  
 22 under this chapter, the legislative body may direct that an  
 23 amendment to the document required by subdivision (d) of Section  
 24 5898.24 be recorded to reflect the revised contractual assessment  
 25 installment schedule.

26 (f) With the prior written approval of the owner of nonresidential  
 27 property or residential property with five or more units, and  
 28 notwithstanding any other law, a public agency may issue bonds  
 29 pursuant to this chapter to refinance outstanding bonds payable  
 30 from contractual assessments levied pursuant to this chapter  
 31 without complying with subdivision (e). The final maturity date  
 32 of the refunding bonds issued pursuant to this subdivision may be  
 33 later than the final maturity date of the bonds being refunded as  
 34 long as the final maturity date of the refunding bonds does not  
 35 extend beyond the useful life of the financed improvements.

36 ~~SEC. 4.~~

37 *SEC. 5.* Section 5898.30 of the Streets and Highways Code is  
 38 amended to read:

39 5898.30. ~~Assessments~~ *(a) Notwithstanding Section 5898.28*  
 40 *and except as otherwise provided in subdivision (b), assessments*

1 levied pursuant to this chapter, and the interest and any penalties  
2 thereon shall constitute a lien against the lots and parcels of land  
3 on which they are made, until they are paid. Division 10  
4 (commencing with Section 8500), insofar as those provisions are  
5 not in conflict with this chapter, Article 13 (commencing with  
6 Section 53930) of, and Article 13.5 (commencing with Section  
7 53938) of, Chapter 4 of Part 1 of Division 2 of Title 5 of the  
8 Government Code shall only apply to the collection of assessments  
9 contracted for pursuant to this chapter, which may be collected in  
10 the same manner and at the same time as the general taxes of the  
11 city or county on real property. Any assessment levied pursuant  
12 to this chapter shall have the force, effect, and priority of a  
13 judgment lien as established by the date of its recordation.

14 *(b) Assessments levied pursuant to Section 5898.28 against*  
15 *nonresidential private property or residential private property*  
16 *with five or more units and the interest and any penalties thereon*  
17 *shall constitute a lien against the lots and parcels of land on which*  
18 *they are made, until they are paid. Division 10 (commencing with*  
19 *Section 8500), insofar as those provisions are not in conflict with*  
20 *this chapter, Article 13 (commencing with Section 53930) of, and*  
21 *Article 13.5 (commencing with Section 53938) of, Chapter 4 of*  
22 *Part 1 of Division 2 of Title 5 of the Government Code apply to*  
23 *the imposition and collection of assessments contracted for*  
24 *pursuant to this chapter, including, but not limited to, provisions*  
25 *related to lien priority, the collection of assessments in the same*  
26 *manner and at the same time as the general taxes of the city or*  
27 *county on real property, unless another procedure has been*  
28 *authorized by the legislative body or by statute, and any penalties*  
29 *and remedies in the event of delinquency and default.*

O