

Introduced by Senator SteinbergFebruary 22, 2012

An act to add Part 1.86 (commencing with Section 34191.1) to Division 24 of the Health and Safety Code, relating to economic development.

LEGISLATIVE COUNSEL'S DIGEST

SB 1156, as introduced, Steinberg. Community Development and Housing Joint Powers Authority.

The Community Redevelopment Law authorizes the establishment of redevelopment agencies in communities to address the effects of blight, as defined. Existing law dissolved redevelopment agencies and community development agencies, as of February 1, 2012, and provides for the designation of successor agencies. Existing law requires that the successor agency, among other things, wind down the affairs of the former redevelopment agency and dispose of assets and properties of the former redevelopment agency, as directed by an oversight board.

Existing law provides for various economic development programs that foster community sustainability and community and economic development initiatives throughout the state.

This bill would declare the intent of the Legislature to establish and authorize the use of new joint powers authorities and a new financing option for cities and counties throughout the state to develop sustainable economic development and affordable housing. The bill would authorize the legislative body of the city and county representing the geographic territory covering the area served by a former redevelopment agency to elect to form a Community Development and Housing Joint Powers Authority (authority). The bill would require the authority to assume from a successor agency the responsibility for managing the assets and

property of the former redevelopment agency. The bill would authorize the authority to exercise specified powers enumerated in the Community Redevelopment Law, to enter into agreements to facilitate articulated career technical education pathways, and to exercise certain other powers relating to the financing of its activities.

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. Part 1.86 (commencing with Section 34191.1) is
2 added to Division 24 of the Health and Safety Code, to read:

3
4 PART 1.86. ECONOMIC DEVELOPMENT AND HOUSING
5 PROGRAM

6
7 CHAPTER 1. GENERAL PROVISIONS

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9 34191.1. (a) It is the intent of the Legislature to establish and
10 authorize the use of new joint powers authorities and a new
11 financing option for cities and counties throughout the state to
12 develop sustainable economic development and affordable housing.
13 It is further the intent of the Legislature that the economic
14 development activities undertaken pursuant to this part encourage
15 planning and development that reduce greenhouse gas emissions
16 and facilitate infill and transit-oriented development.

17 (b) The Legislature finds that a comprehensive strategy for the
18 long-term economic development of the state must encourage the
19 creation of workforce skills needed to attract and retain a high-wage
20 workforce, in addition to public infrastructure requirements. Public
21 investments in human capital are as vital to the long-term growth
22 of the state’s economy as investments in physical capital.

23 34191.2. For purposes of this part, “authority” or “Community
24 Development and Housing Joint Powers Authority” means the
25 joint exercise of powers agency formed under Chapter 5
26 (commencing with Section 6500) of Division 7 of Title 1 of the
27 Government Code.

28
29 CHAPTER 2. COMMUNITY DEVELOPMENT AND HOUSING JOINT
30 POWERS AUTHORITY

1 34191.10. (a) The legislative body of the city and county
2 representing the geographic territory covering the area served by
3 a former redevelopment agency may elect to form a Community
4 Development and Housing Joint Powers Authority pursuant to this
5 part.

6 (b) The authority may exercise the powers enumerated in the
7 Community Redevelopment Law (Part 1 (commencing with
8 Section 33000)) with respect to assembling, purchasing, and selling
9 property and remediating environmental damage to further housing,
10 commercial, and industrial development.

11 (c) The authority may enter into financial and other agreements
12 with community colleges, K-12 school districts, and private
13 businesses to facilitate the development and operation of articulated
14 career technical education pathways, as specified in Section 88532
15 of the Education Code.

16
17 CHAPTER 3. FINANCING
18

19 34191.15. An authority formed pursuant to this part shall
20 assume from a successor agency the operational and fiduciary
21 responsibility for managing the assets, properties, contracts, leases,
22 books and records, buildings, and equipment of former
23 redevelopment transferred to the successor agency pursuant to
24 Chapter 5 of the First Extraordinary Session of the Statutes of
25 2011. The authority shall maximize the economic value of the
26 assets in furtherance of the goals and objectives authorized in this
27 part. To the extent that any conflict occurs, this part shall supersede
28 the asset disposition procedures set forth in subdivision (e) of
29 Section 34177 and subdivision (a) of Section 34181.

30 34191.16. A state or local public pension fund system
31 authorized by state law or local charter, respectively, including,
32 but not limited to, the Public Employees' Retirement System, the
33 State Teachers' Retirement System, a system established under
34 the County Employees Retirement Law of 1937, Chapter 3
35 (commencing with Section 31450) of Part 3 of Division 4 of Title
36 3 of the Government Code, or an independent system, may invest
37 capital in the public infrastructure projects and private commercial
38 and residential developments undertaken by an authority.

39 34191.17. (a) An authority may exercise the full powers
40 granted under Chapter 2.8 (commencing with Section 53395) of

1 Part 1 of Division 2 of Title 5 of the Government Code and the
2 Marks-Roos Local Bond Pooling Act of 1985 (Article 4
3 (commencing with Section 6584) of Chapter 5 of Division 7 of
4 Title 1 of the Government Code).

5 (b) An authority may implement a local transactions and use
6 tax under Part 1.6 (commencing with Section 7251) of Division 2
7 of the Revenue and Taxation code, except that the resolution
8 authorizing the tax may designate the use of the proceed of the
9 tax.

10 (c) An authority may issue bonds paid for with authority
11 proceeds, which shall be deemed to be special funds to be expended
12 by the authority for the purposes of carrying out this part.