



ENGROSSMENT*



Spring-2012

By *LEGISLATIVE INTENT SERVICE, INC.* www.legintent.com 1-800-666-1917

SPRINGTIME AT THE CAPITOL

In addition to cherry blossoms and roses, springtime is when new bills are reviewed by the Legislature in Sacramento. One particular topic, **redevelopment law**, has been a very popular subject for us to research at LEGISLATIVE INTENT SERVICE, INC. Below, we discuss a few of the new bills seeking to address the Governor's 2011 action.

COPING WITHOUT REDEVELOPMENT AGENCIES IN 2012

After Gov. Jerry Brown eliminated about 400 redevelopment agencies run by cities and counties in 2011, new legislation has been introduced in 2012 by members of both Chambers to address the apparent problems created by his action. Assembly Speaker John Perez, as lead author, is carrying a bill to allow agencies to make good on some previous obligations and allow local governments to use redevelopment monies to build affordable housing. **AB 1585** amends H&S 34171, 34173, 34176, 34177, 34179, 34180, 34181, 34182, 34183, 34187, and 34189. The bill seeks to make changes to the process of dissolving redevelopment agencies, including requiring the funds on deposit in the Low-and Moderate-Income Housing Fund of the former redevelopment agencies to remain with the entity that assumes the housing functions rather than being distributed as property tax revenue. During the month of March, this bill was reviewed by the Assembly Committees on Local Government and on Appropriations, and amended three times so far. It is currently waiting for assignment to the Senate policy committee.

Assembly member Bob Wieckowski of Fremont introduced **AB 1692** to amend Gov't § 53760.1 to authorize a successor agency to file for bankruptcy under applicable federal bankruptcy law.

Sen. Darrell Steinberg has introduced two bills also proposing to affect the dissolution of redevelopment

agencies and community development agencies. **SB 1151** would provide that the asset disposition and transfer provisions do not apply to a jurisdiction in which a community development and housing authority has been formed by August 1, 2012. This measure would establish a "Sustainable Economic Development and Housing Trust Fund," to be administered by an authority, to serve as a repository of the unencumbered balances and assets of the former redevelopment agency. SB 1151 would also authorize monies from the fund to be expended for specified purposes relating to economic development and affordable housing and would require an authority to prepare a long-range asset management plan that governs the disposition and ongoing use of the fund.

Another Sen. Steinberg bill, **SB 1156**, would authorize the legislative body of the city and county representing the geographic territory covering an area served by a former redevelopment agency to elect to form a "Community Development and Housing Joint Powers Authority" after July 1, 2012 and to carry out the provisions of the community redevelopment law. In addition, SB 1156 would authorize the authority to adopt a redevelopment plan for a project area covering specified areas and sites and to include a provision in the plan to provide for tax increment financing, provided that certain mitigation and land use plans have been adopted. This bill is being heard in the Senate Committee on Governance and Finance.

Sen. Bob Dutton, vice-chair of the Sen. Committee on Governance and Finance, has introduced **SB 986** to amend H&S 34177 and 34180 to provide that all bond proceeds that were generated by a former redevelopment agency shall be deemed to be encumbered and would prohibit a successor agency from remitting these proceedings to the county auditor-controller. The proceeds of bonds must be used by the successor agency for the purposes for which the bonds were sold pursuant to an enforceable obligation entered into either by the former redevelopment agency prior to its dissolution or by the successor agency by 12/14/2014.

HISTORICAL SUMMARY OF THE 1945 COMMUNITY REDEVELOPMENT ACT

In January of 1945, Gov. Earl Warren's "Message" to the Legislature printed in the *Senate Journal* addressed a post-World War II California and burgeoning population of returning veterans. Looking to what homecoming vets wanted, Gov. Warren stated:

As I visualize their return to the homeland, these service men and women of ours will want to have the opposite of what they have experienced in foreign lands. First they will want peace—peace that comes from the elimination of racial prejudices, religious bigotry, and political intolerance. They will want an opportunity to work and to help develop the vast natural resources of our State. They will want industrial peace. They will want to be protected against the ravages of mass unemployment. They will want to see new evidence that we realize the importance of strong and vigorous health programs for they will have seen signs which give urge to a search for perfection in this field.

(*Sen. Journal*, 01/08/1945, page 25)

Promoting "urban redevelopment," the Governor urged the legislature as follows:

In the course of developing new programs for low cost housing, we should seize upon the opportunity to clean up and eliminate areas of blight and slums in our communities. There is to be presented to this Legislature a proposal to provide for urban redevelopment. It will propose the exercise of the power of eminent domain to acquire the title to blighted areas and to permit their sound redevelopment by private enterprise. I urge that you give this proposal your serious consideration, not alone from the standpoint that our people must be afforded decent housing, but also from the standpoint that slum clearance will lead to the lessening of social friction, crime, and delinquency.

(*Sen. Journal*, 01/08/1945, page 29)

On January 26, 1945, Assembly member Albert Stewart introduced **AB 1531**, which was signed by Gov. Warren six months later in July, enacting the "Community Redevelopment Act." In its quick travel

through both Chambers, AB 1531 was amended six times to conform to suggestions by a committee of seven appointed by the director of the State Reconstruction and Re-employment Commission. The League of California Cities supported this measure, calling it "the most important single piece of legislation adopted by the Legislature at the 1945 regular session." It was challenged by some municipalities who feared large portions of their cities would be designated "blighted."

In response to the new law, also known as the "Urban Redevelopment Act," Gov. Warren's 1946 published "Message" to the Legislature stated:

Nationally and in California, we may expect gigantic activity in home building for the next five or ten years. It is in the public interest to see that the program is beneficial in every way. The cooperation of the State with the local communities and with private industry can accomplish this by making the Urban Redevelopment Act accomplish its intended purpose. I recommend to you that an adequate appropriation be made available to the cities and counties for implementing this act, and that you take such other steps as may be necessary to insure its functioning.

(*Sen. Journal*, 01/08/1946)

If you would like to see what the 1945 Act looked like, attached is a copy of the 1945 chaptered law.

RECOVERABLE COSTS OF LEGISLATIVE RESEARCH

The **fees** paid by your firm that were incurred to have us research legislative intent **can be recovered** if your position prevails in court. Van de Kamp v. Gumbiner, 221 CA3rd 1260 (1990)

QUESTIONS? QUOTES? EMAIL US AT:

Tom Stallard, Esq., owner,
tstallard@legintent.com

Maria Sanders, Esq.,
msanders@legintent.com

Jenny Lillge, Esq.,
jlillge@legintent.com

Karen Harrison, Esq.,
kharrison@legintent.com

hold field trials therefor between July 1st and March 31st, provided native game birds are not killed, captured or injured. Whenever legally acquired domesticated game birds are used for the training of hunting dogs or in the holding of field trials, such domesticated game birds may be lawfully taken, providing the person so taking such birds shall have a valid hunting license.

All domesticated game birds used in a field trial shall be inspected and leg-banded by a representative of the commission before such birds be released. The releasing of any domesticated game birds shall be under the supervision of a representative of the commission.

CHAPTER 1325

An act to add Section 1171.1 to the Fish and Game Code, relating to the training of hunting dogs on native game birds.

In effect
September
15, 1945

[Approved by Governor July 11, 1945. Filed with Secretary of State July 11, 1945.]

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

SECTION 1. Section 1171.1 is added to the Fish and Game Code, to read:

Training
hunting
dogs Native
game birds

1171.1. It shall be unlawful for any person to break, train, or practice any dog upon any native game birds during their respective closed season; except that it shall be lawful, between the hours of sunrise and sunset to train or practice dogs on native game birds between July 1st and March 31st. The term "native game birds" includes all game birds for which a State hunting license is required.

CHAPTER 1326

"Community
Redevelop-
ment Act"

An act relating to land use and development, including particularly the rehabilitation and redevelopment of blighted areas in urban and suburban communities in this State, and providing ways and means therefor, and for assisting public and private enterprise in the attainment of the objectives and carrying out the purposes of this act.

In effect
September
15, 1945

[Approved by Governor July 11, 1945. Filed with Secretary of State July 11, 1945.]

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

Article 1. Short Title

Short title

SECTION 1. This act shall be known and may be cited as the "Community Redevelopment Act."

Article 2. Legislative Finding, Policy of State and Purpose of Act

Legislative
declaration

SEC. 2. It is hereby found and declared that there exist in many communities in this State blighted areas which constitute

either social or economic liabilities, or both, requiring redevelopment in the interest of the health, safety and general welfare of the people of the communities in which they exist and of the people of this State generally. These blighted areas are characterized by one or more of the following conditions:

(a) The existence of buildings and structures, either used or intended to be used for living, commercial, industrial or other purposes, or any combination of such uses, which by reason of defective design and character of physical construction, faulty interior arrangement and exterior spacing, high density of population and overcrowding, inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities, age, obsolescence, deterioration, dilapidation, mixed character or shifting of uses to which they are put, or any combination of such factors and characteristics, are unfit or unsafe to occupy for residential, commercial, industrial or other purposes and are conducive to ill health, transmission of disease, infant mortality, juvenile delinquency and crime.

(b) An economic dislocation, deterioration or disuse, as a result of faulty planning, the subdividing and the sale of lots of irregular form and shape and inadequate size for proper usefulness and development, the laying out of lots in disregard of the contours and other physical characteristics of the ground and surrounding conditions, or the existence of inadequate streets, open spaces and utilities, or of lots or other areas which are subject to being submerged by water.

(c) A prevalence of depreciated values, impaired investments and social and economic maladjustment to such an extent that there exists a reduced capacity to pay taxes and consequent inadequacy of tax receipts in relation to the cost of public services rendered.

(d) A growing and in some instances a total lack of proper utilization of areas, resulting in a stagnant and unproductive condition of land potentially useful and valuable for contributing to and serving the public health, safety and welfare; and in other areas a loss of population and reduction of useful utilization of the area, resulting in the further deterioration thereof and in added costs to the taxpayer supporting governmental entities for the creation of new public facilities and services elsewhere.

It is further found and declared that the existence of blighted areas characterized by any or all of such conditions, separately or collectively, constitutes a serious and growing menace which is hereby condemned as injurious and inimical to the public health, safety and welfare of the people of the communities in which they exist and of the people of the State generally; that such areas present difficulties and handicaps which are beyond remedy and control solely by regulatory processes in the exercise of the police power; that they contribute substantially and increasingly to the problems of, and necessitate excessive and disproportionate expenditures for, crime prevention, correction, prosecution and punishment, the treatment of juvenile

Further
declarations

delinquency, the preservation of the public health and safety and the maintaining of adequate police, fire and accident protection and other public services and facilities; that this menace is becoming increasingly direct and substantial in its significance and effect; that the benefits which will result from the remedying of these conditions and the redevelopment of these areas of blight will accrue to all the inhabitants and property owners of the communities in which they exist.

It is further found and declared that such conditions of blight tend to further obsolescence, deterioration and disuse because of the lack of incentive to the individual landowner and his inability to improve, modernize or rehabilitate his own particular property while the condition of the neighboring properties remains unchanged; that as a consequence the process of deterioration of a blighted area frequently can not be halted or corrected except by redeveloping the entire area, or substantial portions thereof; that such conditions of blight are chiefly found in areas which have been subdivided into small parcels, that in most instances the lands are held in divided and widely scattered ownerships, frequently under defective titles, that in many such instances the private assembly of the lands in blighted areas for purposes of redevelopment is so difficult and costly that it is uneconomic and as a practical matter impossible for individual owners independently or collectively to undertake to remedy such conditions because of lack of the legal power necessary for, and the excessive costs involved in, the private acquisition of the real property of the area; that the remedying of such conditions may require the public acquisition at fair prices of adequate areas, the clearance of the areas through demolition of existing obsolete, inadequate, unsafe and insanitary buildings and the redevelopment of the areas suffering from such conditions under proper supervision, with appropriate planning, and continuing land use and construction policies.

Policy of
State

For these reasons it is hereby declared to be the policy of this State to protect and promote the sound development and redevelopment of blighted areas within this State and the general welfare of the inhabitants of the communities in which they exist by remedying such injurious conditions through the employment of all means appropriate for that purpose; that whenever the redevelopment of blighted areas can not be accomplished by private enterprise alone, without public participation and assistance in the acquisition of land, in planning and in the financing of land assembly, in the work of clearance and in the making of improvements necessary therefor, it is in the public interest to employ the power of eminent domain, to advance or expend public funds for these purposes and to provide a means whereby the blighted areas within this State may be redeveloped or rehabilitated; that the redevelopment of such blighted areas and the provision for appropriate continuing land use and construction policies therein, constitute public uses and purposes for which public money may be advanced or

expended and private property acquired, and are governmental functions of State concern in the interest of the health, safety and welfare of the people of the State generally and particularly of the people of the communities of the State in which such areas exist; that it is in the public interest that work on such projects be commenced as soon as possible in order to create postwar employment; and that the necessity in the public interest for the provisions hereinafter enacted is hereby declared to be a matter of legislative determination.

Article 3. General Provisions and Definitions

SEC. 3. The following definitions and general provisions Definitions govern the construction of this act.

SEC. 4. "Agency" means a redevelopment agency created "Agency" by this act.

SEC. 5. "Redevelopment area" means an area of a com- "Redevelop- ment area" munity which the legislative body thereof finds is a blighted area whose redevelopment is necessary to effectuate the public purposes declared in this act. A redevelopment area need not be restricted to, or consist entirely of, buildings, improvements, or lands which of themselves are detrimental or inimical to the public health, safety or welfare, but may consist of an area in which such conditions predominate and injuriously affect the entire area. A redevelopment area may therefore include lands, buildings or improvements which of themselves are not detrimental to the public health, safety or welfare, but whose inclusion is found necessary for the effective redevelopment of the area of which they are a part.

SEC. 6. "Bonds of the agency" means any bonds, notes, "Bonds of the agency" interim certificates, debentures or other obligations issued by an agency pursuant to Article 13 of this act.

SEC. 7. "Community" means a city, county, or city and "Commu- nity" county.

SEC. 8. "Federal Government" means the United States "Federal Government" of America, or any agency or instrumentality, corporate or otherwise, of the United States of America.

SEC. 9. "Legislative body" means the city council, board "Legislative body" of supervisors or other legislative body of a community.

SEC. 10. "Obligee of the agency" or "obligee" shall "Obligee of the agency" or "obligee" include any bondholder, trustee or trustees for any bondholder, or lessor demising to the agency property used in connection with a project area, or any assignee or assignees of such lessor's interest or any part thereof, and the Federal Government when it is party to any contract with the agency.

SEC. 11. "Planning commission" means a planning com- "Planning commission" mission established under any State law or created by or pursuant to the charter of the community.

SEC. 12. "Project area" means all or a portion of a "Project area" redevelopment area comprising either (1) at least one block bounded on all sides by public highways as shown on the official map of the community, or (2) where no official map

exists, an area of not less than 90,000 square feet, including any highways, streets, or alleys.

"Real property"

SEC. 13. "Real property" means lands, including lands under water and waterfront property, buildings, structures, fixtures, and improvements thereon, any and all property of any nature appurtenant thereto or used in connection therewith, and every estate, interest, privilege, easement, franchise and right, legal or equitable, therein, including rights of way, terms for years and liens, charges or incumbrances by way of judgment, mortgage or otherwise and the indebtedness secured by such liens.

"Redevelopment"

SEC. 14. "Redevelopment" means the planning, development, replanning, redesign, clearance, reconstruction or rehabilitation, or any combination of these, of a redevelopment area or part thereof, and the provision of such residential, commercial, industrial, public or other structures or spaces as may be appropriate or necessary in the interest of the general welfare, including recreational and other facilities incidental or appurtenant thereto. The term does not exclude the continuance of existing buildings or uses whose demolition and rebuilding or change of use are not deemed essential to the redevelopment and rehabilitation of the area. The term includes provision for open space types of use, such as streets and other public grounds and space around buildings, as well as buildings, structures and improvements, public or private, and improvements of recreation areas, public or private, and other public grounds. The term also includes the replanning or redesign or original development of undeveloped areas which by reason of defective or inadequate street layout, faulty lot layout in relation to size, shape, accessibility, or usefulness, or for other causes are stagnant or not properly utilized or which, because of widely scattered ownership, or tax delinquency, or other reasons, require replanning and land assembly for reclamation or development in the interest of the general welfare.

"Redevelopment project"

SEC. 15. "Redevelopment project" means any work or undertaking of an agency pursuant to this act.

"State Government"

SEC. 16. "State Government" means the State of California, or any agency or instrumentality, corporate or otherwise, thereof.

"State public body"

SEC. 17. "State public body" means the State, or any city, city and county, county, district, authority, or any other subdivision or public body of the State.

Article 4. Prerequisites

Mandatory requirements

SEC. 18. A community must comply with the requirements of this article before proceeding further under this act.

Planning commission

SEC. 19. The community must have a planning commission.

Master community plan

SEC. 20. The community must have a master or general community plan adopted by the planning commission or the

legislative body, and in either case the plan must include at least the following:

(a) The general location and extent of existing and proposed future major thoroughfares, transportation routes, terminals, and other major public utilities and facilities.

(b) A land-use plan which designates the proposed general distribution and general location and extent of the uses of the land for housing, business, industry, recreation, education, public buildings and grounds, and other categories of public and private uses of land.

(c) A statement of the standards of population density and building intensity recommended in and for the various districts and other territorial units, together with estimates of future population growth, in the territory covered by the plan, all correlated with the land-use plan.

(d) Maps, plans, charts or other descriptive matter showing the area or areas in which conditions are found indicating the existence of blighted areas.

SEC. 21. The legislative body of the community must, by ordinance, adopted by a two-thirds vote, have designated one or more areas within the community as a redevelopment area or areas. Each such ordinance shall include a legal description of the boundaries of the area or areas designated as a redevelopment area. Before passing such an ordinance the legislative body shall give notice of the time and place of a public hearing or hearings with reference thereto. Such notice shall be published not less than once a week for four successive weeks prior to the hearing in a newspaper of general circulation, printed and published in the community, or if no such newspaper is printed and published in the community, then in a newspaper selected by the legislative body. Copies of such notice shall be mailed to the last known assessee of each parcel of land in such area, at the last known address of such assessee as shown by the records of the assessor of or for the community. At the time set for a hearing the legislative body shall provide an opportunity for all persons or agencies interested to be heard and shall receive and consider communications in writing, with reference thereto. The legislative body may hold the hearing required by this section jointly with the hearing upon a tentative plan for a project area as provided in Section 25.

Any person, group, association or corporation may in writing petition the legislative body to designate one or more areas within the community as redevelopment areas, and may submit with their petition plans showing the proposed redevelopment of such areas or any part or parts thereof.

Article 5. Tentative Plans in Project Areas

SEC. 22. The planning commission may of its own motion, or at the request of the agency, or shall at the direction of the legislative body, or upon the written petition of the owners in fee of a majority in area of any redevelopment area, excluding

that portion thereof in public ownership or dedicated to a public use, select one or more project areas comprising all or a portion of such redevelopment area, and formulate a tentative plan for the redevelopment of each such project area. If the members of the agency have been appointed, the agency shall cooperate with the planning commission in the selection of the project areas and in the formulation of the tentative plan.

Contents

SEC. 23. A tentative redevelopment plan need not be detailed, but shall be sufficient if it

- (a) Describes the boundaries of the project area,
- (b) Contains a general statement of the land uses, layout of principal streets, population densities, and building intensities and standards proposed as the basis for the redevelopment of the project area,
- (c) Shows how the purposes of this act would be attained by such redevelopment, and
- (d) Shows that the proposed redevelopment conforms to the master or general community plan.

Presentation
to legislative
body with
report

SEC. 24. The tentative plan shall be presented by the commission to the legislative body of the community and shall be accompanied by a report

- (a) Setting forth the reasons for its selection as a project area,
- (b) Describing the conditions existing in the area, physical, social and economic, and
- (c) Including a preliminary financial analysis of the proposed redevelopment together with proposed rent ranges on properties for residential use, for the purpose of indicating the general character of the proposed residential development.

Article 6. Establishment of Project Area and Adoption of Tentative Plan

Action on
tentative
plan

SEC. 25. Upon presentation to it of a tentative plan for a project area, the legislative body may reject the tentative plan, may refer it back to the planning commission for further study or revision, or may hold a public hearing upon the adoption thereof.

Notice of
hearing

SEC. 26. Notice of such hearing shall be given by publication in a newspaper in the same manner and to the same extent as provided for publication of notice in Section 21. Notice of such hearing may be consolidated with the notice required by Section 21 when the legislative body orders a joint hearing as provided therein.

Hearing

SEC. 27. At the hearing the legislative body shall consider the report of the planning commission and any recommendations the agency may make, and shall take such other evidence and testimony as may be presented concerning the matters under consideration.

Subsequent
action

SEC. 28. The legislative body thereafter shall:

- (a) Determine whether or not the redevelopment of the project area pursuant to this act is in the public interest and would tend to effectuate the purposes and policy of this act;

(b) Approve or reject the tentative plan, or modify the plan and approve or reject it as modified. No such approval shall be effective unless two-thirds of the membership of the legislative body concur therein.

SEC. 29. If the legislative body approves a tentative plan for a project area, it shall adopt the plan by ordinance adopted by a two-thirds vote, whereupon such area shall be established and given a name and number and thereafter referred to as an approved redevelopment project area, and all records, or certified copies thereof, in relation to said area shall be consolidated into one file, designated by such name and number, and shall be preserved by the clerk of the legislative body as public records. Such ordinance shall include the following:

- (a) A legal description of the boundaries of the project area;
- (b) A statement of findings, based upon surveys, investigations and reports of public agencies, and any other information showing the extent and character of blight, obsolescence and substandard conditions in the area and the injurious and detrimental effects thereof upon the public health, safety and general welfare;

(c) The tentative plan for the redevelopment of the project area, showing the principal features of the master plan or general community plan as they apply to the project area.

SEC. 30. The legislative body shall transmit to the redevelopment agency and to the building department of the community a copy of any ordinance adopted pursuant to Section 29.

SEC. 31. The legislative body shall file with the county recorder of the county in which the project area is situated a description of the land within the project area and a statement that proceedings for the redevelopment of said project area have been instituted under this act.

SEC. 32. Upon adoption of a tentative plan for a project area, all subsequent applications for building permits in such area shall be subject to review by the legislative body, and permits for the construction of buildings or for other improvements which may interfere with, retard, or materially increase the cost of the redevelopment of such project area may be withheld by the legislative body.

Article 7. Redevelopment Agencies

SEC. 33. There is hereby created in each community a redevelopment agency to be known as the redevelopment agency of the community.

SEC. 34. The agency of any community shall not transact any business or exercise any powers under this act unless and until the legislative body of the community shall by resolution adopted by a two-thirds vote declare at any time hereafter that there is need for a redevelopment agency to function in such community.

SEC. 35. If any suit, action or proceeding involving the validity or enforcement of, or relating to, any contract by or on

Adoption of
tentative
plan

Transmission
of ordinance

Filing
description
of land and
statement

Applications
for building
permits

Redevelop-
ment agency
of the com-
munity

Declaration
of need

Exercise of
powers

behalf of an agency, the agency shall be conclusively deemed to have become established and authorized to transact business and exercise its powers upon proof of the adoption of a resolution by the legislative body declaring the need for the redevelopment agency to function.

Members of
agency

SEC. 36. When the legislative body of a community first adopts a resolution as provided for in Section 34 of this act, the mayor of a city or of a city and county or the chairman of the board of supervisors of a county, with the approval of the legislative body, shall appoint five resident electors of the community as members of the agency. No member of the agency may be an elective officer or an employee of the community, but he may be a member, commissioner or employee of any other agency or authority of, or created for, the community notwithstanding any other provision of law. The powers of each agency shall be vested in the members thereof then in office. Members shall receive their actual and necessary expenses, including traveling expenses and may receive such other compensation as the legislative body may prescribe.

Terms of
office

SEC. 37. Three of the members who are first appointed shall be designated to serve for terms of one, two, and three years respectively, from the date of their appointments, and two shall be designated to serve for terms of four years from the date of their appointments. Thereafter, members shall be appointed as aforesaid for a term of office of four years, except that all vacancies occurring during a term shall be filled for the unexpired term. A member shall hold office until his successor has been appointed and has qualified.

Chairman

The appointing officer shall designate which of the members of the agency appointed shall be the first chairman, but when the office of the chairman of the agency becomes vacant thereafter, the agency shall elect a chairman from among its members. The term of office as chairman of the agency, unless otherwise prescribed by the legislative body of the community, shall be for the calendar year, or for that portion thereof remaining after each such chairman is designated or elected.

Removal of
member

SEC. 38. For inefficiency or neglect of duty or misconduct in office, a member of an agency may be removed by the legislative body of the community, but the member may be removed only after he shall have been given a copy of the charges at least 10 days prior to a public hearing thereon and has had an opportunity to be heard in person or by counsel.

Interest in
property by
officer or em-
ployee, etc

SEC. 39. No officer or employee of the community or of the agency who in the course of his duties is required to participate in the formulation of plans or policies for the redevelopment of a project area, or to approve such plans or policies, shall acquire any interest in any property included within a project area within the community. If any such officer or employee owns or has any financial interest, direct or indirect, in any property included within such a project area he shall immediately disclose, in writing, such interest to the legislative body of the community and such disclosure shall be entered in the minutes

of the agency and of the legislative body. Failure to so disclose such interest shall constitute misconduct in office. No agency shall acquire from any of its members or officers any property, or interest therein, except through eminent domain proceedings.

SEC. 40. When the agency created for any community becomes authorized to transact business and exercise its powers, the legislative body of the community may at that time, and from time to time thereafter, make an estimate of the amount of money required for the administrative purposes of the agency and may, by a two-thirds vote, appropriate such amounts to the agency as it deems necessary. Administrative expenses of agency

SEC. 41. Each agency transacting any business and exercising any powers shall annually submit to the legislative body of the community a proposed budget of its administrative expenses. Such budget shall be subject to such changes as the legislative body may prescribe, and its preparation and adoption, and the adoption of any changes therein, shall be subject to the same rules which are applicable to other agencies and departments of the community which are subject to budgetary control. No such adoption is effective unless it is concurred in by two-thirds of the membership of the legislative body. Budget of expenses

SEC. 42. Each such agency shall file with the legislative body a detailed report of all its transactions, including a statement of all revenues and expenditures, at monthly, quarter y, or annual intervals as the legislative body may prescribe. Reports

SEC. 43. At any time after two years after adopting a resolution declaring that there is need for an agency to function in a community, the legislative body thereof, if such agency shall not theretofore have redeveloped or acquired land for, or commenced the redevelopment of, a project, or entered into any contracts for redevelopment, may by resolution declare that there is no further need for such agency in the community. Thereupon the offices of the members of the agency shall be vacated and the capacity of the agency to transact business or exercise any powers shall be suspended and shall remain suspended until the legislative body thereafter adopts a resolution declaring the need for the agency to function. Dissolution of agency
Suspension of powers

Article 8. Powers of Redevelopment Agency

SEC. 44. Each redevelopment agency shall constitute a public body, corporate and politic, exercising public and essential governmental functions, and, subject to the limitations imposed by this act, shall have the following powers in addition to the others herein granted: Powers of redevelopment agency

(a) To sue and be sued; to have a seal; to make and execute contracts and other instruments necessary or convenient to the exercise of its powers.

(b) To make, and from time to time amend and repeal by-laws, rules and regulations not inconsistent with this act to carry into effect the powers and purposes hereof.

(c) To select and appoint such officers, agents, counsel and employees, permanent and temporary, as it may require, and

determine their qualifications, duties and compensation, subject, nevertheless, to the provisions of Section 41.

(d) Within the redevelopment area or for purposes of redevelopment: to purchase, lease, obtain option upon, acquire by gift, grant, bequest, devise or otherwise, any real or personal property, or any interest therein, together with any improvements thereon; to acquire by the exercise of the power of eminent domain any real property; to clear any and all buildings, structures or other improvements from any real property so acquired; to sell, lease, exchange, subdivide, transfer, assign, pledge, encumber (by mortgage, deed of trust or otherwise), or otherwise dispose of any real or personal property or any interest therein; to insure or provide for the insurance of any real or personal property or operations of the agency against risks or hazards; and to rent, maintain, manage, operate, repair, and clear, such real property. Any such lease or sale may be made without public bidding but only after a public hearing by the agency upon the proposed lease or sale and the provisions thereof.

(e) To develop as a building site or sites any real property owned or acquired by it, and in this connection to cause streets and highways to be laid out and graded, and pavements or other road surfacing, sidewalks and curbs, and public utilities of every kind to be constructed and installed.

(f) To prepare from time to time plans for the improvement and rehabilitation of blighted areas.

(g) To invest any funds held in reserves or sinking funds or any funds not required for immediate disbursement, in property or securities in which savings banks may legally invest funds subject to their control; to purchase its bonds at a price not more than the principal amount thereof and accrued interest, all bonds so purchased to be canceled.

(h) To obligate lessees or purchasers of land acquired in a redevelopment project: (1) to use such land for the purpose designated in the redevelopment plans; (2) to begin the building of specified improvements within a period of time which the agency fixes as reasonable; and (3) to comply with such other conditions as in the opinion of the redevelopment agency are necessary to carry out the purposes of this act. The agency, by provision in the contract, may make any of the purchaser's obligations covenants or conditions running with the land, whose breach shall cause the fee to revert to the agency.

(i) To exercise all or any part or combination of the powers herein granted.

Restriction

(j) Nothing herein contained shall authorize such redevelopment agency to construct any of the buildings for residential, commercial, industrial, or other use contemplated by the redevelopment plan, or to acquire, without the consent of the owner, any real property on which buildings are located, where such buildings are to be continued in their present form and use under the redevelopment plan.

Article 9. Cooperation in Undertaking Community Redevelopment Projects

SEC. 45. For the purpose of aiding and cooperating in the planning, undertaking, construction or operation of redevelopment projects located within the area in which it is authorized to act, any State public body may upon such terms, with or without consideration, as it may determine:

Cooperation
by State
public body

(a) Dedicate, sell, convey or lease any of its property to a redevelopment agency;

(b) Cause parks, playgrounds, recreational, community, educational, water, sewer or drainage facilities, or any other works which it is otherwise empowered to undertake, to be furnished adjacent to or in connection with redevelopment projects;

(c) Furnish, dedicate, close, pave, install, grade, regrade, plan or replan streets, roads, roadways, alleys, sidewalks or other places which it is otherwise empowered to undertake;

(d) Plan or replan, zone or rezone any part of such area; make any lawfully authorized exceptions from building regulations and ordinances;

(e) Enter into agreements (which may extend over any period, notwithstanding any provision or rule of law to the contrary) with the Federal Government respecting action to be taken by such State public body pursuant to any of the powers granted by this act;

(f) Purchase or legally invest in any of the bonds of an agency and exercise all of the rights of any holder of such bonds; and

Article 9.5. Redevelopment Revolving Fund

SEC. 45.5. The legislative body of any community, at any time after it has adopted a resolution declaring that there is need for an agency to function in the community, may establish a redevelopment revolving fund. For the purpose of raising moneys to be deposited in such fund, the community may issue and sell its general obligation bonds. Any general obligation bonds to be issued by any community pursuant to the provisions of this section shall be authorized and issued in the manner and within the limitations, except as herein otherwise provided, prescribed by the laws of this State or the charter of the community for the issuance and authorization of such bonds thereof for public purposes generally. Irrespective of any limitation, by general or special law, as to the amount of such bonds which may be issued, a community may issue such bonds, for the purposes defined by this section, in excess of such limitation, in such amount as may be authorized by an ordinance submitted to and approved by the voters of such community at any general or special election.

Redevelop-
ment Revolv-
ing Fund

Sale of
general obli-
gation bonds

SEC. 45.6. Any money in the redevelopment revolving fund may be expended from time to time, upon resolution of the legislative body, adopted by a two-thirds vote, for the acquisition of real property in any project area or for the clearance and preparation of any project area for redevelopment.

Expenditure
of money

Sale, etc.,
of property

SEC. 45.7. No property acquired in whole or in part with moneys from the redevelopment revolving fund shall be sold at a price or encumbered (whether by mortgage, deed of trust or otherwise) for an amount which will return to the redevelopment revolving fund less than ninety per cent (90%) of that part of the cost of such property paid from such fund, except by permission of the voters of the community, as indicated by a majority of the votes cast on the proposition at any general or special election. All moneys received by the agency from the sale, lease or encumbering of property acquired with moneys from the redevelopment revolving fund shall be redeposited in the fund. All other provisions of this act that relate to financing shall be subject to the provisions of this section.

Abolishing
of fund

SEC. 45.8. The legislative body of any community may abolish the redevelopment revolving fund whenever it shall find that the purposes for which such fund was established have been accomplished. At the time of abolishing such fund, the legislative body shall transfer all moneys therein to the general obligation bond redemption fund and shall provide that all moneys thereafter to be deposited or redeposited in the redevelopment revolving fund shall be deposited in such general obligation bond redemption fund. Any surplus existing in such general obligation bond redemption fund after payment of principal and interest shall be transferred to the general fund of the community.

Article 10. Redevelopment Plans

Redevelop-
ment plans
by agency

SEC. 46. Each agency shall prepare or cause to be prepared, or adopt, a redevelopment plan or plans for each project area referred to it pursuant to this act and for that purpose may hold hearings and conduct examinations, investigations, and other preliminary negotiations.

Participation
by property
owners

SEC. 47. Every redevelopment plan shall provide for participation in the redevelopment of property in the project area by the owners of any or all of such property if the owners shall agree to participate in such redevelopment in conformity with the redevelopment plan adopted by the legislative body for the area. This provision does not prohibit such owners from submitting an alternative plan as provided in this act.

Alternative
provisions

SEC. 48. Every redevelopment plan which contemplates participation in the proposed redevelopment by an owner or owners of property in the area, shall contain alternative provisions for redevelopment of such property if the owner or owners shall fail to participate in such redevelopment as agreed.

Conformity
with master
plan

SEC. 49. A redevelopment plan for a project area shall be based upon the approved tentative plan and shall conform to the master or general community plan insofar as the latter applies to the project area. The agency shall consult with the planning commission of the community in formulating redevelopment plans and whenever a redevelopment plan is submitted to a legislative body the planning commission shall report to

the legislative body within 30 days on the redevelopment plan and its conformity to the master or general plan of the community.

SEC. 50. Every redevelopment plan shall describe the proposed method of financing the redevelopment of the project area in sufficient detail that the legislative body may determine the economic feasibility of the plan. Method of financing

SEC. 51. Every redevelopment plan shall contain provisions showing the amount of open space to be provided, street layout, limitations on type, size, height, number and proposed use of buildings, number of dwelling units, the property to be devoted to public purposes, and the nature of such purposes, and such other covenants, conditions and restrictions as the legislative body may prescribe. Required provisions

SEC. 52. A redevelopment plan may provide for the acquisition by gift, purchase, lease, or condemnation of all or any portion of the real property in the project area by the agency. Permissive provisions

SEC. 53. A redevelopment plan shall provide for the lease or sale by the agency of all real property acquired by it in any project area, except such property as may be conveyed by such agency to the community. Any such lease or sale shall be conditioned on the redevelopment and use of the property in conformity with the redevelopment plan. Lease or sale of property

SEC. 54. A redevelopment plan may provide for the issuance of bonds by the agency and the expenditure of the proceeds from the sale thereof in carrying out the redevelopment plan. Issuance of bonds and expenditure of proceeds

SEC. 55. Upon the formulation or adoption of a redevelopment plan the agency shall submit it to the legislative body. Submission to legislative body

Article 11. Adoption of Redevelopment Plan

SEC. 56. Upon submission to it of a redevelopment plan or plans the legislative body shall set a time and fix a place for a public hearing on the adoption of such a plan. The time of hearing shall be not more than 30 days after receiving the plan from the agency. Notice of said hearing shall be given by publication in at least one issue of a newspaper of general circulation, printed and published in the community, or if no such newspaper is printed and published in the community, then in a newspaper selected by the legislative body, which notice shall be published not less than 10 days prior to the hearing. Hearing
Notice

SEC. 57. At any time prior to the time set for hearing on the adoption of a redevelopment plan by the legislative body, any person, firm, association or corporation or any public or private agency qualified so to do may present to the legislative body an alternative redevelopment plan for the project area. Presentation of alternative redevelopment plan

SEC. 58. Any alternative redevelopment plan shall be referred to the planning commission of the community which shall report within 30 days on such plan and its conformity to the master or general plan of the community. The Reference to planning commission

hearing on a redevelopment plan submitted by the agency may be postponed or continued from time to time in order to allow time for the planning commission to report on any alternative plan presented to the legislative body, but no such postponement or continuation shall aggregate more than 30 days.

Consideration of plan

SEC. 59. At the hearing the legislative body shall consider the redevelopment plan or plans submitted by the agency and any alternative plan submitted in accordance with this act and all evidence and testimony for or against the adoption of said plan or plans.

Factors for consideration

SEC. 60. On the question of the adoption of any redevelopment plan the legislative body shall determine whether or not the plan if carried out would redevelop the area in conformity with this act and in the interests of the public peace, health, safety, and welfare.

Economic soundness and feasibility

SEC. 61. The legislative body shall also consider whether or not the adoption and carrying out of the redevelopment plan is economically sound and feasible.

Preference where alternative plan submitted

SEC. 62. If alternative plans are submitted, the legislative body shall give preference to that plan which it deems will best redevelop the project area in conformity with the purposes and policy of this act and the master or general plan for the community and which requires the least interference with the continued enjoyment of existing property rights consistent with the purposes of this act.

Adoption of plan

SEC. 63. If the legislative body determines that the redevelopment plan conforms to the master or general plan of the community, that such plan is economically sound and feasible, and that the carrying out of the plan would promote the public peace, health, safety and welfare of the community and would effectuate the purposes and policy of this act, the legislative body may adopt by ordinance adopted by a two-thirds vote the plan as the official redevelopment plan for the project area.

Duties of legislative body Provide for expenditure

SEC. 64. If the plan provides for the expenditure of any money by the community the legislative body shall by a two-thirds vote provide for such expenditure at the time of or in connection with the approval of the plan.

Opening, closing, etc., of streets

SEC. 65. If the plan provides for the opening, closing, widening, or changing the grade of any streets or alleys or any other modification of the street layout in the project area, the legislative body shall declare its intention to institute proceedings therefor at the time of or in connection with the adoption of the plan.

Condemnation of real property

SEC. 66. If the plan provides for the condemnation of any real property, the legislative body shall not adopt the plan unless it contains adequate provisions for payment for property so acquired as provided by law.

Issuance of bonds

SEC. 67. If the plan provides for the issuance of bonds or other obligations of the agency, the legislative body shall not approve the plan unless it contains adequate provision for the payment of the principal and interest on such bonds as the same may become due and payable.

SEC. 68. If the plan provides for the displacement, whether temporary or permanent, of any occupants of housing facilities in the project area, the legislative body shall not approve the plan, except upon the finding that adequate permanent housing facilities are or will be made available in the community for such displaced occupants at rents comparable to those obtaining at the time of their displacement.

Provision for
displaced
inhabitants

The legislative body shall further be satisfied that such permanent housing facilities shall, in any event, be made available within three years from the time such occupants will be displaced; and that pending the development of such permanent housing facilities, there will be available to such displaced occupants adequate temporary housing facilities at rents comparable to those obtaining at the time of their displacement.

If persons of low income (as defined in the Housing Authorities Law) are to be displaced, the legislative body shall, prior to its approval of the redevelopment plan, obtain and consider the recommendations of the Housing Authority, if any, authorized to transact business in the community, with respect to the availability and provision of adequate housing for such persons of low income.

Stats Ex
Sess 1938,
p 9

SEC. 69. No plan shall be approved unless it contains adequate safeguards that the work of redevelopment will be carried out in accordance with the plan and provides for the retention of controls and the establishment of any restrictions or covenants for such periods of time and under such conditions as in the judgment of the legislative body are necessary to effectuate the purposes of this act, which shall run with land sold or leased for private use. The establishment of such controls is hereby declared to constitute a public purpose under the provisions of this act.

Controls to
effectuate
purposes
of act

SEC. 70. The adoption of a redevelopment plan by a legislative body shall be by ordinance adopted by a two-thirds vote. Such ordinance shall:

Ordinance
of adoption

(a) Contain a legal description of the boundaries of the project area covered by the redevelopment plan,

(b) Set forth the purposes and intent of the legislative body with respect to the project area,

(c) Refer specifically to the determinations required in other sections of this article,

(d) Contain by reference to maps, reports, and other information the full details of the approved plan, and

(e) Designate the approved plan as the official redevelopment plan of the project area.

Upon the filing of such ordinance with the clerk or other appropriate officer of the legislative body the responsibility for the carrying out of the plan shall be vested in the agency.

SEC. 71. The legislative body may, in its discretion, require that the agency, before entering into any contracts for the execution of the redevelopment plan or any portion thereof, shall have such contracts approved by the legislative body.

Approval of
contracts

Failure of
owners to
participate

SEC. 72. If the redevelopment plan adopted provides for participation in the redevelopment of property in the area by an owner or owners of such property, and if for a period of 30 days after the adoption of such plan, such owner or owners fail or refuse to enter into a binding agreement to carry out such participation in the redevelopment in accordance with such plan, the applicable alternative provisions of the redevelopment plan provided for in Section 48 of this act shall become effective as the official redevelopment plan of the project area. The legislative body may, at its discretion, extend said 30-day period by not more than 60 days.

Contest of
validity

SEC. 73. After the adoption of the redevelopment plan and after the expiration of the period provided for in Section 72 of this act, further proceeding with reference to redevelopment of the project area shall be stayed for a period of 30 days. The time for the commencement of actions to contest the validity of the proceedings prescribed by the foregoing provisions of this act shall be barred upon the expiration of said period of 30 days, and no action thereafter commenced shall raise any question concerning the validity of the proceedings provided for in the foregoing provisions of this act, and in all actions commenced after the expiration of said period of 30 days, except as to matters affecting jurisdiction, the validity of the proceedings prescribed by the foregoing provisions of this act shall be conclusively presumed.

Upon the expiration of said 30-day stay, the agency shall have the authority to execute such plan.

Article 12. Eminent Domain Proceedings

Eminent
domain

SEC. 74. The agency shall have the right to acquire all or any part of the real property within the project area by the exercise of the power of eminent domain in accordance with the provisions of the Code of Civil Procedure and other applicable provisions of law.

Property
already
devoted to
public use

SEC. 75. Property already devoted to a public use may be acquired by the agency by the exercise of the power of eminent domain, except that no property of a State public body may be acquired without its consent.

Article 13. Bonds of the Agency

Issuance
of bonds

SEC. 78. An agency shall have power to issue bonds from time to time in its discretion, for any of its corporate purposes. An agency shall also have power to issue refunding bonds for the purpose of paying or retiring bonds previously issued by it. An agency may issue such types of bonds as it may determine, including bonds on which the principal and interest are payable: (a) exclusively from the income and revenues of the redevelopment projects financed with the proceeds of such bonds, or with such proceeds together with financial assistance from the State or Federal governments in aid of such projects; (b) exclusively from the income and revenues of certain designated

redevelopment projects whether or not they were financed in whole or in part with the proceeds of such bonds; (c) from its revenues generally; (d) from any contributions or other financial assistance from the State or Federal governments; or (e) by any combination of these methods. Any of such bonds may be additionally secured by a pledge of any revenues or by an encumbrance (whether by mortgage, deed of trust or otherwise) of any redevelopment project, projects or other property of the agency.

Pledge of
revenues,
etc

Neither the members of an agency nor any person executing the bonds shall be liable personally on the bonds by reason of the issuance thereof. The bonds and other obligations of any agency (and such bonds and obligations shall so state on their face) shall not be a debt of the community, the State or any political subdivision thereof and neither the community, nor the State or any political subdivision thereof shall be liable thereon, nor in any event shall such bonds or obligations be payable out of any funds or properties other than those of said agency. The bonds shall not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation or restriction.

Nonliability
of members
of agency
Nonliability
of com-
munity or
State

SEC. 78.5. For the purposes of this act, no agency shall sell, offer for sale, negotiate for the sale of, or take subscriptions for any bonds of its own issue, to, with or from the public, until it has first applied for and secured from the Commissioner of Corporations a permit authorizing it so to do.

Permit
authorizing
issuance
of bonds

The application shall be made and the permit issued in accordance with reasonable regulations therefor which the commissioner is hereby authorized to adopt and amend from time to time. The commissioner shall issue the permit if he finds that the project is financially sound and that the sale of the bonds would not be unfair, unjust or inequitable to the purchasers thereof. The provisions of the Corporate Securities Act, to the extent not inconsistent herewith, are incorporated herein, insofar as they relate to applications for permits and the issuance of permits as required by the provisions of this section.

Stats 1917,
p 673

SEC. 79. Bonds of an agency shall be authorized by its resolution and may be issued in one or more series and shall bear such date or dates, mature at such time or times, bear interest at such rate or rates, not exceeding four and one-half per cent ($4\frac{1}{2}\%$) per annum, be in such denomination or denominations, be in such form, either coupon or registered, carry such conversion or registration privileges, have such rank or priority, be executed in such manner, be payable in such medium of payment, at such place or places, and be subject to such terms of redemption (with or without premium) as such resolution, its trust indenture or mortgage may provide.

Bonds

The bonds may be sold at not less than par, at public sale held after notice published once at least five days prior to such sale in a newspaper of general circulation published in the community, or, if no such newspaper be published in the community, then in a newspaper of general circulation published in the

Sale

county; provided, however, that such bonds may be sold at not less than par to the Federal Government at private sale without any advertisement.

Signatures In case any of the members or officers of the agency whose signatures appear on any bonds or coupons shall cease to be such members or officers before the delivery of such bonds, such signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if they had remained in office until such delivery. Any provision of any law to the contrary notwithstanding, any bonds issued pursuant to this act shall be fully negotiable.

Negotiability

Presumption of validity In any suit, action or proceedings involving the validity or enforceability of any bonds of an agency or the security thereof, any such bond reciting in substance that it has been issued by the agency to aid in financing a redevelopment project shall be conclusively deemed to have been issued for a redevelopment project of such character and said project shall be conclusively deemed to have been planned, located and constructed in accordance with the purposes and provisions of this act.

Additional powers of agency **Sec. 80.** In connection with the issuance of bonds, an agency, in addition to its other powers, shall have power:

(a) To pledge all or any part of its gross or net rents, fees, or revenues to which its right then exists or may thereafter come into existence.

(b) To encumber (by mortgage, deed of trust or otherwise) all or any part of its real or personal property, then owned or thereafter acquired.

(c) To covenant against pledging all or any part of its rents, fees and revenues, or against encumbering all or any part of its real or personal property, to which its right or title then exists or may thereafter come into existence or against permitting or suffering any lien on such revenues or property; to covenant with respect to limitations on its right to sell, lease or otherwise dispose of any redevelopment project or any part thereof; and to covenant as to what other, or additional debts or obligations may be incurred by it.

(d) To covenant as to the bonds to be issued and as to the issuance of such bonds in escrow or otherwise, and as to the use and disposition of the proceeds thereof; to provide for the replacement of lost, destroyed or mutilated bonds, to covenant against extending the time for the payment of its bonds or interest thereon; and to redeem the bonds, and to covenant for their redemption and to provide the terms and conditions thereof.

(e) To covenant as to the consideration or rents and fees to be charged in the sale or lease of a redevelopment project or projects, the amount to be raised each year or other period of time by rents, fees and other revenues, and as to the use and disposition to be made thereof; to create or to authorize the creation of special funds for moneys held for redevelopment or other costs, debt service, reserves, or other purposes, and to

covenant as to the use and disposition of the moneys held in such funds.

(f) To prescribe the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds the holders of which must consent thereto and the manner in which such consent may be given.

(g) To covenant as to the use of any or all of its real or personal property; and to covenant as to the maintenance of its real and personal property, the replacement thereof, the insurance to be carried thereon and the use and disposition of insurance moneys.

(h) To covenant as to the rights, liabilities, powers and duties arising upon the breach by it of any covenant, condition, or obligation; and to covenant and prescribe as to events of default and terms and conditions upon which any or all of its bonds or obligations shall become or may be declared due before maturity, and as to the terms and conditions upon which such declaration and its consequences may be waived.

(i) To vest in a trustee or trustees or the holders of bonds or any proportion of them the right to enforce the payment of the bonds or any covenants securing or relating to the bonds; to vest in a trustee or trustees the right, in the event of a default by said agency, to take possession of any redevelopment project or part thereof, and to collect the rents and revenues arising therefrom and to dispose of such moneys in accordance with the agreement of the agency with said trustee; to provide for the powers and duties of a trustee or trustees and to limit the liabilities thereof; and to provide the terms and conditions upon which the trustee or trustees or the holders of bonds or any proportion of them may enforce any covenant or rights securing or relating to the bonds.

(j) To exercise all or any part or combination of the powers herein granted; to make covenants other than and in addition to the covenants herein expressly authorized, of like or different character; to make such covenants and to do any and all such acts and things as may be necessary or convenient or desirable in order to secure its bonds, or, in the discretion of said agency, except as otherwise provided in this act as will tend to make the bonds more marketable notwithstanding that such covenants, acts, or things may not be enumerated herein.

SEC. 81. An obligee of an agency shall have the right in addition to all other rights which may be conferred on such obligee, subject only to any contractual restrictions binding upon such obligee:

Rights of
obligee

(a) By mandamus, suit, action or proceeding at law or in equity to compel said agency and the members, officers, agents or employees thereof to perform each and every term, provision, and covenant contained in any contract of said agency with or for the benefit of such obligee, and to require the carrying out of any or all such covenants and agreements of said agency and the fulfillment of all duties imposed upon said agency by this act.

(b) By suit, action or proceeding in equity, to enjoin any acts or things which may be unlawful, or the violation of any of the rights of such obligee of said agency.

Power to
confer
rights upon
obligee

SEC. 82. An agency shall have power by its resolution, trust indenture, mortgage, lease or other contract to confer upon any obligee holding or representing a specified amount in bonds, the right (in addition to all rights that may otherwise be conferred), upon the happening of an event or default as defined in such resolution or instrument, by suit, action or proceeding in any court of competent jurisdiction:

(a) To cause possession of any redevelopment project or any part thereof to be surrendered to any such obligee.

(b) To obtain the appointment of a receiver of any redevelopment project of said agency or any part thereof and of the rents and profits therefrom. If such receiver be appointed, he may enter and take possession of such redevelopment project or any part thereof and operate and maintain same, and collect and receive all fees, rents, revenues, or other charges thereafter arising therefrom, and shall keep such moneys in separate account or accounts and apply the same in accordance with the obligations of said agency as the court shall direct.

(c) To require said agency and the members and employees thereof to account as if it and they were the trustees of an express trust.

Tax
exemption

SEC. 83. The bonds of an agency are declared to be issued for an essential public and governmental purpose, and together with interest thereon and income therefrom shall be exempt from all taxes.

Legal
investment

SEC. 84. Notwithstanding any restrictions on investments contained in any laws of this State, the State and all public officers, municipal corporations, political subdivisions and public bodies, all banks, bankers, trust companies, savings banks and institutions, building and loan associations, savings and loan associations, investment companies, and other persons carrying on a banking business, all insurance companies, insurance associations and other persons carrying on an insurance business and all executors, administrators, guardians, trustees and other fiduciaries may legally invest any sinking funds, moneys or other funds belonging to them or within their control in any bonds or other obligations issued by an agency, as herein defined, and such bonds and other obligations shall be authorized security for all public deposits; it being one of the purposes of this act to authorize any persons, firms, corporations, associations, political subdivisions, bodies and officers, public or private, to use any funds owned or controlled by them, including (but not limited to) sinking, insurance, investment, retirement, compensation, pension and trust funds, and funds held on deposit, for the purchase of any such bonds or other obligations; provided, however, that nothing contained in this act shall be construed as relieving any person, firm, or corporation from any duty of exercising reasonable care in selecting securities.

SEC. 84.5. All of the provisions of this article shall be subject to the limitations of Article 9.5 of this act. Limitations

Article 14. Exemption from Execution

SEC. 85. All real property of an agency shall be exempt from levy and sale by virtue of an execution, and no execution or other judicial process shall issue against the same nor shall any judgment against an agency be a charge or lien upon its real property; provided, however, that the provisions of this section shall not apply to or limit the right of obligees to foreclose or otherwise enforce any mortgage, deed of trust or other encumbrance of an agency or the right of obligees to pursue any remedies for the enforcement of any pledge or lien given by an agency on its rents, fees, or revenues. Exemption from execution or judgment lien

Article 15. Aid from Federal or State Government

SEC. 86. In addition to the powers conferred upon an agency by other provisions of this act, an agency is empowered to borrow money or accept financial or other assistance from the Federal or State Governments for or in aid of any redevelopment project within its area of operation, and to such ends comply with any conditions attached thereto. Aid from Federal or State Government

Article 16. Contracts for Work

SEC. 87. Any work of grading, clearing, demolition or construction, of a value of more than one thousand five hundred dollars (\$1,500) undertaken by the agency shall be done by contract, subject to the same provisions of law relating thereto and to the letting thereof, which are applicable to similar contracts of the community. Before awarding any contract for such work to be done in a project, the agency shall ascertain the general prevailing rate of per diem wages in the locality in which the work is to be performed, for each craft or type of workman needed to execute the contract or work, and shall specify in the call for bids for the contract and in the contract itself the general prevailing rate of per diem wages and the general prevailing rate for regular holiday and overtime work in the locality, for each craft or type of workman needed to execute the contract. The contractor to whom the contract is awarded and any subcontractor under him shall pay not less than the specified prevailing rate of wages to all workmen employed in the execution of the contract. The contractor shall as a penalty to the agency who awarded the contract forfeit ten dollars (\$10) for each calendar day or portion thereof for each workman paid less than the stipulated prevailing rates for any public work done under the contract by him or by any subcontractor under him and the agency awarding the contract shall cause to be inserted in the contract a stipulation to this effect. Each contractor and subcontractor shall keep an accurate record showing the name, occupation and the actual per diem wages paid to each workman employed by him in connection with the Contracts for work
Prevailing rate of wages
Penalty for noncompliance
Records

work. The record shall be kept open at all reasonable hours to the inspection of the agency awarding the contract.

Indemnity
bonds

The said agency shall require the successful bidder or bidders to file with the agency good and sufficient bonds, to be approved by the agency, conditioned upon the faithful performance of the contract and upon the payment of all claims for labor and material in connection therewith, such bonds to contain the terms and conditions set forth in Chapter 3 of Division 5 of Title 1 of the Government Code and to be subject to the provisions of that chapter.

Article 17. Cooperation Between Communities

Territorial
jurisdiction
of agency

SEC. 88. The territorial jurisdiction of the agency of a county is the unincorporated territory in the county, and that of a city or city and county is the territory within its limits.

Cooperation
between
communities

SEC. 89. Two or more communities may jointly exercise the powers granted under this act and in such case the planning commissions, legislative bodies, and agencies may hold joint hearings and meetings, or the legislative bodies of the communities acting separately may each designate the agency of one of the communities to act as the agency of all of the communities interested. In this event the agency designated shall cooperate with the planning commission of each community in formulating redevelopment plans, and whenever a redevelopment plan is submitted to the legislative body each planning commission shall report to the legislative body of its community within 30 days on the redevelopment plan and its conformity to the master or general plan of the community.

The legislative body of any community may by resolution consent to the inclusion of a part of the area under its jurisdiction in a contiguous project area to be developed by another community.

Article 18. Severability of Provisions

Constitutionality

SEC. 90. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of the act, or the application of such provision to other persons or circumstances, shall not be affected thereby.

CHAPTER 1327

An act to amend Section 3341 of the Civil Code, relating to animals.

In effect
September
15, 1945

[Approved by Governor July 11, 1945. Filed with Secretary of State July 11, 1945.]

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

SECTION 1. Section 3341 of the Civil Code is amended to read:

Liability
of owner
of animal
inuring
animals or
poultry

3341. The owner, possessor, or harbinger of any dog or other animal, that shall, on the premises of any person other than the owner, possessor, or harbinger of such dog or other animal, kill,