

Assembly Bill No. 1027

CHAPTER 1109

An act to develop the recreational potential of the natural resources of the state by creating the Mountain View Shoreline Regional Park Community and prescribing the boundaries, organization, purposes, powers, operation, management, and financing of the community.

[Approved by Governor August 28, 1969. Filed with Secretary of State August 29, 1969.]

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

Article 1. General Provisions

SECTION 1. The Mountain View Shoreline Regional Park Community is hereby created to consist of the territory in Santa Clara County bounded and described as follows, to wit: Beginning at a point on the centerline of that certain Santa Clara County Flood Control easement known as "Stevens Creek" and the intersection thereof with the northerly right of way line of Route 68, District IV, known as Bayshore Highway; thence northerly along said centerline of said Stevens Creek approximately 9,700 feet to the intersection thereof with the southerly line of the Leslie Salt Co. dike for Salt Pond No. 2; thence northwesterly and southwesterly along said southerly line of the Leslie Salt Co. dike approximately 5,000 feet to the Mountain View Slough and a point on the southerly line of Leslie Salt Co. dike for Salt Pond No. 1; thence northwesterly approximately 4,400 feet to the intersection thereof with the northerly prolongation of the westerly right of way line of San Antonio Road; thence southerly along said westerly right of way line and prolongation thereof approximately 1,100 feet to the intersection thereof with the northerly right of way line of Terminal Avenue; thence easterly along said northerly right of way line of Terminal Avenue approximately 1,100 feet to the intersection thereof with the easterly line of Fairview Ditch; thence southerly along said easterly line approximately 3,000 feet to the point of intersection thereof with said northerly right of way line of Bayshore Highway; thence southeasterly along said northerly right of way line approximately 10,500 feet to the point of beginning; containing an area of 1,350 acres more or less; excepting therefrom any part of that parcel of land described as Exception 2, Parcel SC-9, Exhibit "A" of Patent Number 5225 dated January 26, 1968, issued by the State of California to Leslie Salt Co., a Delaware Corporation, and recorded Feb-

ruary 1, 1968, in Book 8013, page 394, O.R., Serial No. 3362399, Official Records of Santa Clara County.

SEC. 2. This act shall be known and may be cited as "Mountain View Shoreline Regional Park Community Act."

SEC. 3. The community is a public body, corporate and politic, exercising public and essential governmental functions, has perpetual succession, and may exercise the powers enumerated in this act, those necessarily implied therefrom and such other powers as the law may provide.

SEC. 4. This act shall be liberally construed to effectuate its purposes.

SEC. 5. If any provision of this act, or the application thereof to any person or circumstance, is held invalid, the remainder of this act, or the application of such provision to other persons or circumstances, shall not be affected thereby.

SEC. 6. Whenever any reference is made to any portion of this act or of any other law or code, such reference shall apply to all amendments and additions thereto.

Article 2. Definitions

SEC. 10. As used herein, unless otherwise indicated by the context:

(a) "Community" means the Mountain View Shoreline Regional Park Community created herein.

(b) "Board" means the board of directors of the community.

(c) "Council" means the City Council of the City of Mountain View.

(d) "Board of supervisors" means the Board of Supervisors of the County of Santa Clara.

(e) "City" means the City of Mountain View.

(f) "County" means the County of Santa Clara.

(g) "President" means the president of the board of directors of the community.

(h) "Secretary" means the secretary of the community.

(i) "Park" means that portion of the community now owned or being acquired by the city and to be developed and improved as a shoreline regional park.

(j) "Bonds" means any bonds, notes, interim certificates, debentures, or other obligations issued by the community pursuant to Article 9 (commencing with Section 130) of this act.

(k) "Plan" means a plan for the development or redevelopment of all or any part of the area of the community which has been duly formulated and approved by the board of directors in the manner hereinafter provided.

(l) "Project" means any and all action taken by the community to implement an approved plan.

(m) "Person" includes any person, firm, association, organization, partnership, business trust, corporation, or company.

Article 3. General Administrative Provisions

Sec. 20. The community shall be governed by a board of directors who are the members of the council serving ex officio as the board of the community.

Sec. 21. A quorum for the transaction of business shall consist of a majority of the members of the board. No action shall be taken without the affirmative vote of at least a majority of said members.

Sec. 22. At its first meeting, and thereafter at the first meeting following each change of membership of the board, the board shall elect one of its members as president.

Sec. 23. At its first meeting, or as soon thereafter as may be practicable, the board shall appoint a secretary, who may be the city clerk. He shall serve at the pleasure of the board and his compensation shall be fixed by it.

Sec. 24. All contracts, deeds, warrants, releases, receipts, and documents shall be signed in the name of the community by the president and countersigned by the secretary.

Sec. 25. Each board member shall be reimbursed for actual expenses incurred on behalf of the community, including ten cents (\$0.10) for each mile of actual travel with his automobile.

Sec. 26. The manager, planning director, finance director, attorney, and public works director of the city are ex officio officers of the community.

Sec. 27. All city officers shall be liable upon their several official bonds for the faithful discharge of the duties imposed upon them by this act.

Article 4. Purposes

Sec. 30. The city, in cooperation with the parks and recreation department of the county, the Department of Parks and Recreation, and the Bureau of Outdoor Recreation of the United States Department of the Interior, has designated approximately 544 acres of bayfront lands within the community for acquisition and improvement as a shoreline regional park and recreational facility. This action was taken in recognition of the fact that there is a critical shortage of high-density, intensive recreation land in the San Francisco-Oakland and San Jose urban areas, and that there is a need for preserving wildlife and marinelife habitats and open space in the San Francisco Bay tide and marsh lands.

The land uses in the balance of the community are predominantly agricultural with some industrial uses and residential uses in varying degrees of deterioration.

SEC. 31. It is found and declared that the park and the other territory included in the community through which the public will gain access to the park is a single comprehensive land unit, comprised of public and private lands, requiring a special form of local government if the park is to achieve its full potential as a public recreational facility serving an area with an anticipated population of over four million persons by 1985.

SEC. 32. The purpose of this act is to provide such a form of local government, which will enable public authority and private interests to cooperate in the development of a community which will (in common with The New Communities Act of 1968 [Title IV of the Housing and Urban Development Act of 1968]): (a) contribute to better living conditions through improved overall community design; (b) make substantial contributions to the sound and economic growth of the area; (c) provide needed additions to the general housing supply; (d) provide opportunities for innovation in housing and community development technology and land use planning; (e) enlarge housing, employment, and investment opportunities; (f) encourage a diversified local homebuilding industry; and (g) provide a suitable environment to a significant public regional recreational facility, namely, the park. A further purpose is to provide a governmental agency to own, maintain, operate, and administer the park.

Since the community area is partially incorporated in the city and partially unincorporated in the county, special legislation is necessary in order to provide representative local government to achieve these purposes.

Article 5. Powers

SEC. 40. The community may adopt and use a seal, alterable at the pleasure of the board.

SEC. 41. The community may sue and be sued in its own name.

SEC. 42. The community may acquire, construct, reconstruct, alter, enlarge, lay, renew and replace facilities and works used or useful for the following purposes:

(a) The production, storage, treatment and distribution of water for domestic and fire protection purposes.

(b) The collection, treatment, and disposal of sewage, waste, storm, and flood waters.

(c) Street and highway lighting.

(d) Streets, alleys, curbs, gutters, culverts, sidewalks, and other public ways.

(e) Underground power and communication facilities.

(f) Off-street motor vehicle parking lots, structures, and facilities.

(g) Reclamation of public and private lands by levees, bulkheads, breakwaters, fills, embankments, basins, drains, canals, excavations, services, pipes, watergates, pumping plants, and all works or structures useful therefor.

Title to all facilities acquired or constructed by the community under subdivisions (a), (b), and (f) of this section and such portion of those acquired or constructed by the community under subdivision (d) of this section as are located within the boundaries of the city shall, upon their completion to the satisfaction of the city, be vested in the city and thereafter owned, maintained and operated as part of the respective city systems. Title to any other facilities acquired or constructed under subdivision (d) of this section shall, upon their completion to the satisfaction of the county, be vested in the county and thereafter owned, maintained, and operated as part of the county road system.

Facilities under subdivision (e) of this section shall, and under subdivision (c) of this section may, be acquired or constructed pursuant to agreement with the regulated public utility providing service to the community in the manner provided in Sections 10109 to 10111, inclusive, of the Streets and Highways Code. Title to facilities under subdivision (c) of this section may also be vested in the city in the same manner as facilities under subdivisions (a), (b), and (f) of this section.

None of the powers enumerated in this section shall be exercised in the unincorporated portions of the community without the prior consent of the board of supervisors, expressed by resolution.

SEC. 43. The community may acquire, develop, improve, enlarge, redevelop, renew, replace, maintain, operate, and administer the park.

SEC. 44. The community may prescribe, revise and collect charges for the services, facilities and products of the park, or for the use thereof.

SEC. 45. It is found and declared that the area of the community, exclusive of the park, is characterized and blighted by:

(a) The existence of buildings and structures in parts of the area used or intended to be used for living, commercial and industrial purposes which are unfit or unsafe to occupy for such purposes and are conducive to ill health and trans-

mission of disease because of the combination of the following factors:

- (1) Defective design and character of physical construction.
- (2) Faulty interior arrangement and exterior spacing.
- (3) Inadequate provision for ventilation, light, sanitation, open spaces and recreation facilities.

(4) Age, obsolescence, deterioration, and dilapidation.

(b) An economic imbalance between the ability of present tenants to pay rent commensurate with the value of the property rented which results in a perpetuation of the foregoing conditions.

(c) The existence of substantial areas which are subject to being submerged by water.

(d) Inadequate and inefficient vehicular traffic patterns.

(e) The existence of substantial areas presently or heretofore devoted to use for garbage disposal purposes.

(f) The existence of substantial areas devoted to use as automobile wrecking storage sites.

SEC. 46. It is further found and declared that the existence of these conditions presents difficulties and handicaps which are beyond remedy and control solely by private interests and the regulatory processes in the exercise of the police power under present laws.

SEC. 47. It is further found and declared that there is a great and pressing demand for more housing and for the correlation of the community and of the park with other areas of the city and county, by streets and public places, and without governmental help the community cannot be developed on a planned, coordinated and productive basis and such lack of governmental help will preclude the proper development of the park and inhibit its use to the detriment of the people of the city, county, and state, all of which results in a compelling community economic need for the community to function with the powers hereinafter enumerated.

SEC. 48. It is further found and declared that the private assembly of land in the community for development is so difficult and costly that it is uneconomic and as a practical matter impossible for private persons and owners to undertake because of lack of legal power and excessive costs. The community requires replanning and land assembly for reclamation and development in the interest of the general welfare because of scattered ownership and its proximity and relation to the park. The remedying of these conditions requires the public acquisition, at fair prices of adequate areas, the clearance of such areas through demolition of existing obsolete, inadequate, unsafe and insanitary buildings, and the development and redevelopment of the community under proper su-

pervision; with appropriate planning and continuing land use and construction policies.

Sec. 49. The community may, therefore, provide for the assembly, planning, development, replanning, redesign, clearance, reconstruction or rehabilitation, or any combination of these, of all or any part of the community, 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 to them. The community may also provide for the replanning or redesigning or original development of undeveloped areas.

Sec. 50. The community may take, acquire, hold, use, and dispose of property of every kind within the community necessary, expedient or advantageous to the full exercise and economic enjoyment of its purposes and powers.

Sec. 51. The community has and may exercise within its boundaries the right of eminent domain in the manner provided by law for the condemnation of private property for public use by the state or any political subdivision or district thereof. The provisions of Title 7 (commencing with Section 1237) of Part 3 of the Code of Civil Procedure shall apply. The board has the same rights and powers with respect to the taking of property for the public uses of the community within its boundaries as are now or may hereafter be conferred by general law on the legislative body of a city, including the right of eminent domain for the purposes and uses set forth in Section 48, which are hereby declared to be public uses. None of the powers enumerated in this section shall be exercised in the unincorporated portions of the community without the prior consent of the board of supervisors, expressed by resolution.

Sec. 52. The community may make and accept contracts, deeds, releases, and documents that, in the judgment of the board, are necessary or proper in the exercise of any of the powers of the community.

Sec. 53. The community may cooperate and contract with the city, the county, the federal government of the United States and with the State of California, or with any other city, county, district, agency, commission, or other public body, or with any person, for the joint acquisition, construction, maintenance, operation, management, or use or aid in connection with any of said activities regarding facilities or property which the community has the power to acquire or construct under this act. Such power of cooperation includes, without limiting the generality of the foregoing, the power to negotiate and enter into and to assist others in the negotiation and execution of land assembly agreements, with the land to

be administered in trust for the benefit of the participating landowners, for the purpose of facilitating the implementation of the community plan.

SEC. 54. The community is a public agency within the meaning of Section 6500 of the Government Code and may exercise any or all of its powers jointly with the city, county or any other public agency or agencies under Chapter 5 (commencing with Section 6500) of Division 7 of Title 1 of the Government Code. Any agency, commission or board provided by a joint powers agreement under this section may issue revenue bonds to pay the costs and expenses of acquiring or constructing a project for the purposes set forth in subdivision (d) of Section 6546 of the Government Code, without regard to the population limitations therein set forth.

SEC. 55. For the purpose of aiding and cooperating in the land assembly, planning, undertaking, construction or operation of community development or redevelopment projects located within the area in which it is authorized to act, any public body, including without limitation the city and county, upon the terms as it determines, may:

(a) Dedicate, sell, convey or lease any of its property to the community.

(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 within or adjacent to or in connection with community projects.

(c) Furnish, dedicate, close, vacate, 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 and make any legal exceptions from building regulations and ordinances.

(e) Enter into agreements with the federal government, the community, or any other public body or with any person respecting action to be taken pursuant to any of the powers granted by this act or any other law; such agreements may extend over any period, notwithstanding any law to the contrary.

(f) Purchase or legally invest in any of the bonds of the community and exercise all of the rights of any holder of such bonds.

(g) Purchase and buy or otherwise acquire land from the community for development or redevelopment in accordance with the plan.

SEC. 56. The community may guarantee the performance of any of its transactions, including the payment of local improvement bonds issued pursuant to any general law.

Sec. 57. The community may refund or retire any public indebtedness or lien that may exist or be created against the community or any property therein which shall have arisen out of the transaction of the affairs of the community.

Sec. 58. The community may incur indebtedness and issue bonds in the manner herein provided.

Sec. 59. The community may issue warrants in payment of community obligations. The warrants shall be registrable as provided for county warrants when not paid for want of funds. Claims for money or damages against the community are governed by Division 3.6 (commencing with Section 810) of Title 1 of the Government Code, except as provided herein.

Sec. 60. The community may cause special assessments to be levied and collected and may issue bonds to represent unpaid assessments on the basis of benefit to the properties assessed for the purpose of financing the acquisition and construction of local improvements. None of the powers enumerated in this section shall be exercised in the unincorporated portions of the community without the prior consent of the board of supervisors, expressed by resolution.

Sec. 61. The community may contract for the services of such engineers, attorneys and other consultants and appoint, employ and fix the compensation of such personnel and employees as it deems proper.

Sec. 62. For purposes of the community, it shall have access to all services and facilities of the city.

Sec. 63. The community may obtain insurance in such form and in such amounts as the board may deem necessary for the adequate protection of the community's property, officers, agents, employees, and interests.

Sec. 64. The community may make, amend, and repeal regulations not inconsistent with, and to carry into effect, the powers and purposes of this act.

Any person who violates any regulation of the community is guilty of a misdemeanor. A regulation of the board shall be adopted by ordinance and shall be posted for one week in three public places in the community and published in a newspaper of general circulation printed and published in the city, pursuant to Section 6061 of the Government Code, and shall take effect after said publication and upon expiration of the week of such posting. A subsequent finding of the board, entered in its minutes, that posting has been made is conclusive evidence that the posting has been properly made.

Sec. 65. The community may, from time to time, prepare and carry out plans for the improvement, rehabilitation, development and redevelopment of the community, and disseminate information with regard thereto.

Sec. 66. All contracts for the construction of any public improvements shall be let and entered into in the same manner as contracts are let and entered into by the city pursuant to its charter.

Article 6. Adoption of Plans

Sec. 70. The community shall prepare, or cause to be prepared and approved, a plan for the community and for that purpose may hold hearings and conduct examinations, investigations, and other negotiations. The community shall consult with the city planning commission and the county planning commission in preparing such a plan.

Sec. 71. The plan shall conform to the respective general plans of the city and county and the general development plan of the park.

Sec. 72. The plan shall show by diagram and in general terms the nature of the proposed development and redevelopment, shall generally describe the proposed method of financing, including estimates of total project costs, revenues, and bond issues and shall provide for the community to lease or sell all real property acquired by it, except property conveyed to it by the city or county or other public agency, and except any real property vested or conveyed under Section 42 of this act.

Sec. 73. The plan shall provide for the retention of controls and the establishment of any restrictions or covenants running with lands sold or leased for private use for such periods of time and under such conditions as the board deems necessary to effectuate the purposes of this act. The establishment of such controls is a public purpose under the provisions of this act.

Sec. 74. After the plan has been prepared, it shall be submitted to the city planning commission and to the county planning commission for their respective recommendations for or against the approval of the plan.

Sec. 75. Within 30 days after the plan has been submitted to it for consideration, each planning commission shall make and file its report and recommendation with the community. If either planning commission does not report upon the plan within 30 days after its submission by the community, said commission shall be deemed to have waived its report and recommendations concerning the plan and the community may thereafter approve the plan without the report and recommendation of the planning commission which has not so reported.

Sec. 76. Before the approval of the plan by the community, the board shall conduct a public hearing on it.

SEC. 77. Notice of said hearing shall be published in a newspaper of general circulation, printed and published in the city, pursuant to Section 6066 of the Government Code. The notice of hearing shall include a general statement of the scope and objectives of the plan. Copies of the notices shall be mailed, postage prepaid, to the last-known assessee of each parcel of land in the community, at his last-known address, as shown on the last equalized assessment roll of the county or as known to the secretary.

SEC. 78. The hearing shall be held at the time and place set forth in said notice, and the board shall hear and consider all competent and relevant testimony submitted by any person interested. Any person interested and objecting to the plan may file a written protest with the secretary at any time prior to the time fixed for the hearing, and the board shall hear and determine all protests filed.

SEC. 79. The board's decision on the protests shall be final and conclusive.

SEC. 80. Any protest filed may be abandoned and withdrawn by written notice of such abandonment or withdrawal signed by the person who signed the protest and filed with the secretary at any time prior to the conclusion of the hearing.

SEC. 81. The hearing may be continued from time to time at the discretion of the board.

SEC. 82. At the conclusion of the hearing, after ruling on all protests and objections, the board may approve the plan by resolution. Said resolution shall set forth the findings and determinations of the board which shall be conclusive in the absence of fraud.

SEC. 83. At any time, either concurrently with or after the approval of the plan, the board may make changes therein, after notice of intention to do so, given by publication in the same newspaper in which the original notice of hearing was published, pursuant to Section 6061 of the Government Code. Copies of said notice shall be mailed to the city planning commission and to the county planning commission. The notice shall specify a time and place for hearing objections to the proposed changes, which shall not be less than 10 days after the publication and mailing of the notice.

SEC. 84. Written objections to any proposed change may be filed with the secretary by any interested person, or by either planning commission, at any time prior to the hour set for hearing them.

SEC. 85. The board shall hear and pass upon objections to proposed changes at the time appointed or at any time to which the hearing may be adjourned. This decision shall be final. Any changes described in the notice may be ordered by

the board, by resolution, at the conclusion of the hearing after ruling on any protests and objections.

Sec. 86. After the adoption of a plan by the board, all applicants for building permits in the community for a period of two years thereafter shall be advised by the respective building departments of the city and the county that the site for which a building permit is sought for the construction of buildings or for other improvements is within a plan area.

Sec. 87. No action attacking or otherwise questioning the validity of the community and its organization or any plan or the adoption or approval of such plan or any of the findings or determinations of the community or the board in connection with such plan shall be brought prior to the adoption of the resolution approving the plan nor at any time after the elapse of 30 days from and after the date of adoption of the resolution approving the plan. No action attacking or otherwise questioning the validity of any changes in the plan shall be brought after the elapse of 60 days from and after the date of adoption of the resolution ordering such changes.

Sec. 88. At any time before the expiration of said 60-day period, an action may be brought pursuant to Chapter 9 (commencing with Section 860) of Title 10 of Part 2 of the Code of Civil Procedure to determine the validity of bonds and the plan to be financed or refinanced, in whole or in part, by the bonds or to determine the validity of any plan not financed by bonds, including without limiting the generality of the foregoing, the legality and validity of all proceedings theretofore taken for or in any way connected with the establishment of the community, its authority to transact business and exercise its powers, and the adoption of or making changes in the plan, also including the legality and validity of all proceedings theretofore taken and proposed to be taken for the authorization, issuance, sale, and delivery of the bonds and for the payment of the principal and interest thereof.

Article 7. Special Assessment Proceedings

Sec. 90. The Municipal Improvement Act of 1913, the Improvement Act of 1911, the Street Opening Act of 1903, the Improvement Bond Act of 1915, the Revenue Bond Law of 1941, and the Sewer Revenue Bond Act of 1933 (Chapter 5 (commencing with Section 4950) of Part 3 of Division 5 of the Health and Safety Code) are applicable to the community; provided, however, that the supplemental remedies which apply when community bonds have been issued under the Improvement Bond Act of 1915 shall become the obligations of the city and not the community; and provided, further, that Division 4 (commencing with Section 2800) of the Streets and

Highways Code shall not apply to any of said special assessment proceedings. No proceedings under any of said acts shall be undertaken in the unincorporated portions of the community without the prior consent of the board of supervisors, expressed by resolution.

Article 8. Financial Provisions

SEC. 100. The community may accept financial or other assistance from any public or private source, for the community's activities, powers, and duties and expend any funds so received for any of the purposes of this act.

SEC. 101. The community may borrow money or accept financial or other assistance from the city, county, state or the federal government for any project within its area of operation, and may comply with any conditions of such loan or grant.

SEC. 102. The community may borrow money (by issuance of bonds or otherwise) or accept financial or other assistance from any private lending institution or person for any project for any of the purposes of this act, and may execute trust deeds or mortgages on any real or personal property owned or acquired.

SEC. 103. The community may invest any money held in reserve or sinking funds, or any money not required for immediate disbursement, in property or securities in which savings banks may legally invest money subject to their control.

SEC. 104. The council may appropriate to the community such amounts as it deems necessary for the administrative expenses and overhead of the community. The money appropriated may be paid to the community as a grant to defray the expenses and overhead, or as a loan to be repaid upon such terms and conditions as the council may provide.

In addition to the common understanding and usual interpretation of the term, "administrative expense" includes, but is not limited to, community officers and employees compensation, expenses of development and redevelopment planning and dissemination of development and redevelopment information.

SEC. 105. The community shall annually submit to the council a proposed budget of its administrative expenses.

SEC. 106. The council may adopt an annual budget for the administrative expenses of the community in such amounts as it deems necessary and may provide such conditions and restrictions upon the expenditure or encumbrance of the money appropriated pursuant to the budget as it deems advisable.

SEC. 107. The money appropriated for administrative expenses shall be kept in the treasury of the community in a

special fund to be known as the community administrative fund. Any money shall be drawn from the fund to meet the administrative expenses of the community in substantially the same manner as money is drawn by other agencies and departments of the city subject to budgetary control.

SEC. 108. The money appropriated to the community administrative fund is money granted or loaned by the city to defray the administrative expenses of the community which is performing a public function.

SEC. 109. The community shall file periodic reports of all its financial transactions, pursuant to Article 9 (commencing with Section 53890) of Division 2 of Title 5 of the Government Code and shall cause to be prepared an annual audit of its transactions by a certified public accountant.

SEC. 110. The council may establish a community revolving fund to be kept in the treasury of the city.

SEC. 111. For the purpose of raising money to be deposited in the community revolving fund, the council may appropriate money or issue and sell its general obligation or other bonds.

SEC. 112. Any money in the community revolving fund may be expended from time to time for:

- (a) The acquisition of real property in any project area.
- (b) The clearance, aiding in relocation of site occupants, and preparation of any project area for development or redevelopment.

Such expenditure shall be authorized by resolution of the council.

SEC. 113. Any money in the community revolving fund may be paid to the community, upon such terms and conditions as may be prescribed in the authorizing resolution hereinafter referred to, for any of the following purposes:

- (a) Deposit in a trust fund to be expended for the acquisition of real property in any project area.
- (b) The clearance of any project area for development or redevelopment.
- (c) Any expenses necessary or incidental to the carrying out of a plan which has been adopted by the community.

Such payment to the community shall be authorized by resolution of the council.

SEC. 114. All money received by the community from the sale, lease, or encumbering of property acquired with money from the community revolving fund in excess of the money required to repay the loans and interest thereon authorized by this act shall be redeposited in the fund.

SEC. 115. The community revolving fund may be abolished by the council whenever it finds that the purposes for which it was established have been accomplished.

Sec. 116. The council may withdraw money which it has appropriated from the community revolving fund whenever and to the extent that it finds that the amount of money therein exceeds the amount necessary to finance existing or planned purposes for which its expenditure is authorized by the provisions of this article. All money withdrawn from the fund by reason of its being reduced in size, or its abolition, and all money which, after abolition would have been required to be deposited or redeposited in the fund, shall be transferred to the bond redemption fund or to the general fund of the city, as directed by the council.

Sec. 117. The city may issue and sell its general obligation or other bonds for any or all of the following purposes: raising money to be deposited in the community revolving fund or providing funds with which to redeem before maturity, retire at maturity or purchase community bonds issued under Article 9 (commencing with Section 180) of this act. Bonds issued pursuant to this section may be authorized and issued in a principal amount sufficient to provide funds for the payment of any or all of the following:

(a) The estimated amount of money to be raised to be deposited in the community revolving fund.

(b) The principal amount of community bonds proposed to be so redeemed, retired or purchased.

(c) The estimated amount of any premiums required to be paid in connection with the redemption or purchase of such community bonds.

(d) The estimated amount of any due and unpaid interest or accrued interest on such community bonds which must be paid at the time the same are redeemed, retired or purchased.

(e) The amount of interest on such city bonds estimated to accrue during the period from the date thereof until the portion of taxes allocated to and paid into the special fund of the community under the provisions of Section 154 of this act pledged or to be pledged to the repayment of an advance to the community for any purpose authorized by this act equals the annual amount of the interest upon such bonds due and payable thereon in the next succeeding year, such period not to exceed 10 years from the date of such city bonds or the first series thereof; provided, that such amount shall not include any interest estimated to accrue during any year for which interest on community bonds proposed to be so redeemed, retired or purchased has been provided from the proceeds of sale of such community bonds.

(f) The estimated amount of all expenses incidental to or connected with the redemption, retirement or purchase of such

community bonds and the authorization, issuance and sale of such city bonds.

All community bonds redeemed, retired or purchased with the proceeds of such city bonds shall be canceled and shall not be reissued.

The council may fix a date, not more than 10 years from the date of issuance of any such city bonds, for the earliest maturity of each issue or series of such bonds.

SEC. 118. If the plan adopted pursuant to Article 6 contains the provision authorized by Section 154 of this act, either initially or by virtue of change proceedings, the community and the council may, either before or after the authorization of city bonds for the purposes permitted by Section 117 of this act, enter into an agreement that the principal amount of any such city bonds sold for such purposes, together with all interest which may be paid thereon, shall constitute a loan by the city to the community for the purpose of refinancing the project, and that subject to any prior pledge of or claim upon the moneys in the special fund provided for in Section 154 of this act, the moneys accruing to such special fund are irrevocably pledged to the repayment of such loan until there has been repaid to the city from time to time from such special fund the principal amount of such city bonds plus all interest which said city may pay thereon, less such part, if any, of the proceeds of such city bonds which were not used for such purposes, and less any premiums and accrued interest received by the city upon the sale of such city bonds.

SEC. 119. Any surplus existing in the city bond redemption fund after payment of principal and interest shall be transferred to the general fund of the city.

SEC. 120. Except as otherwise provided in this article, any bonds issued by the city pursuant to this article shall be authorized and issued in the manner and within the limitations prescribed by law or the charter of the city for the issuance and authorization of such bonds for public purposes generally. Irrespective of any limitation as to the amount of general obligation bonds which may be issued, the city may issue such bonds for the purposes prescribed in this article, in excess of the limitation, in such amount as may be authorized by the voters of the city at any general or special election.

Article 9. Bonds

SEC. 130. From time to time the community may issue bonds for any of its corporate purposes. The community may also issue refunding bonds for the purpose of paying or retiring bonds previously issued by it. The board shall not au-

authorize either directly or indirectly any project or bonds authorized by this act until the bonds have been certified by the California Districts Securities Commission pursuant to Chapter 1 (commencing with Section 20000) of Division 10 of the Water Code.

Sec. 131. The community 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 development or redevelopment projects together with financial assistance from the state or federal government in aid of the projects.

(b) Exclusively from the income and revenues of certain designated projects whether or not they were financed in whole or in part with the proceeds of the bonds.

(c) In whole or in part from taxes allocated to, and paid into a special fund of, the community pursuant to the provisions of Sections 154 to 157, inclusive, of this act.

(d) From its revenues generally.

(e) From any contributions or other financial assistance from the city, county, the state or federal government or any person.

(f) Any combination of these methods.

If the bonds are issued under any of the acts specified in Article 7 (commencing with Section 90) of this act, the procedures and requirements of those acts shall apply. The community is not authorized to issue bonds under this article for any of the purposes set forth in subdivisions (c) and (e) of Section 42 of this act.

Sec. 132. Any of such bonds may be additionally secured by a pledge of any revenues or by an encumbrance by mortgage, deed of trust or otherwise of any project or other property of the community or by a pledge of the taxes referred to in subdivision (c) of Section 131 of this act or by any combination thereof.

Sec. 133. Neither the members of the community nor any persons executing the bonds are liable personally on the bonds by reason of their issuance.

Sec. 134. The community may authorize bonds by resolution. The resolution and trust indenture or mortgage issued pursuant thereto may provide for:

- (a) The issuance of the bonds in one or more series.
- (b) The date the bonds shall bear.
- (c) The maturity dates of the bonds.
- (d) The interest rate, not to exceed 8 percent per annum.
- (e) The denomination of the bonds.

- (f) Their form, either coupon or registered.
- (g) The conversion or registration privileges carried by the bonds.
- (h) The rank or priority of the bonds.
- (i) The manner of their execution.
- (j) The medium of payment.
- (k) The place of payment.
- (l) The terms of redemption with or without premium to which the bonds are subject.

SEC. 135. The bonds may be sold at less than par, at public or private sale.

SEC. 136. If any community member or officer whose signature appears on bonds or coupons ceases to be such member or officer before delivery of the bonds, his signature is as effective as if he had remained in office.

SEC. 137. Bonds issued pursuant to this act are fully negotiable.

SEC. 138. In any action or proceeding involving the validity or enforceability of any bonds or their security, any such bond reciting in substance that it has been issued by the community to aid in financing a project is conclusively deemed to have been issued for such a project and the project is conclusively deemed to have been planned, located, and constructed pursuant to this act.

SEC. 139. In connection with the issuance of bonds, and in addition to its other powers, the community has the powers prescribed in Sections 140 to 149 of this act, inclusive.

SEC. 140. The community may:

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

SEC. 141. The community may covenant:

(a) Against pledging all or any part of its rents, fees, and revenues.

(b) 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.

(c) Against permitting any lien on such revenues or property.

(d) With respect to limitations on its right to sell, lease or otherwise dispose of all or part of any project.

(e) As to what other or additional debts or obligations it may incur.

Sec. 142. The community may:

(a) Covenant as to the bonds to be issued, as to the issuance of such bonds in escrow or otherwise, and as to the use and disposition of the bonds proceeds.

(b) Provide for the replacement of lost, destroyed or mutilated bonds.

(c) Covenant against extending the time for the payment of its bonds or interest.

(d) Redeem the bonds, covenant for their redemption and provide the redemption terms and conditions.

Sec. 143. The community may:

(a) Covenant as to the consideration or rents and fees to be charged in the sale or lease of a project, the amount to be raised each year or other period of time by rents, fees, and other revenues, and as to their use and disposition.

(b) Create or authorize the creation of special funds for money held for development or redevelopment or other costs, debt service, reserves or other purposes, and covenant as to the use and disposition of such money.

Sec. 144. The community may prescribe the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of bonds whose holders are required to consent thereto, and the manner in which such consent may be given.

Sec. 145. The community may covenant:

(a) As to the use of any or all of its real or personal property.

(b) As to the maintenance of its real and personal property, its replacement, the insurance to be carried on it, and the use and disposition of insurance money.

Sec. 146. The community may:

(a) Covenant as to the rights, liabilities, powers and duties arising upon the breach by it of any covenant, condition or obligation.

(b) Covenant and prescribe as to events of default and terms and conditions upon which any or all of its bonds or obligations 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.

Sec. 147. The community may:

(a) Vest in a trustee or the holders of bonds or any portion of them the right to enforce the payment of the bonds or any covenants securing or relating to the bonds.

(b) Vest in a trustee the right, in the event of a default by the community, to take possession of all or part of any project, to collect the rents and revenues arising from it and to dispose of such money pursuant to the agreement of the community with the trustee.

(c) Provide for the powers and duties of a trustee and limit his liabilities.

(d) Provide the terms and conditions upon which the trustee or the holders of bonds or any proportion of them may enforce any covenant or rights securing or relating to the bonds.

Sec. 148. By its resolution, trust, indenture, mortgage, lease, or other contract, the community may confer upon any obligee holding or representing a specified amount in bonds, the following rights upon the happening of an event of default prescribed in such resolution or instrument, to be exercised by suit, action, or proceeding in any court of competent jurisdiction:

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

(b) To obtain the appointment of a receiver of all or part of any project of the community and of the rents and profits from it. If a receiver is appointed, he may enter and take possession of the project or any part of it, operate and maintain it, collect and receive all fees, rents, revenues, or other charges thereafter arising from it, and shall keep such money in separate accounts and apply it pursuant to the obligations of the community as the court shall direct.

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

Sec. 149. The community may:

(a) Exercise all or any part or combination of the powers granted in Sections 140 to 148 of this act, inclusive.

(b) Make covenants other than, and in addition to, the covenants expressly authorized in such sections of like or different character.

(c) Make such covenants and do any and all such acts and things as may be necessary, convenient or desirable to secure its bonds, or, 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 in this act.

Sec. 150. In addition to all other rights which may be conferred on him, and subject only to any contractual restrictions binding upon him, an obligee may:

(a) By mandamus, suit, action, or proceeding, compel the community and its members, officers, agents, or employees, or any trustee designated under Section 147 of this act or otherwise, to perform each and every term, provision, and covenant contained in any contract of the community with or for the benefit of the obligee, and require the carrying out of any or all such covenants and agreements of the community and the fulfillment of all duties imposed upon it by this act.

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

Sec. 151. The bonds are issued for an essential public and governmental purpose, and together with interest on them and income from them are exempt from all taxes.

Sec. 152. Notwithstanding any restrictions on investments contained in any laws, 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 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, money or other funds belonging to them or within their control in any bonds or other obligations issued by the community. Such bonds and other obligations are authorized security for all public deposits. It is one of the purposes of this act to authorize any persons, public agencies, political subdivisions, bodies and officers, public and 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. This act does not relieve any person, public agency, political subdivision, body or officer from any duty of exercising reasonable care in selecting securities.

Sec. 153. The community may purchase its bonds at prices offered. All bonds so purchased shall be canceled.

Sec. 154. Any plan may contain a provision that taxes, if any, levied upon taxable property in a project each year by or for the benefit of the State of California, any city, county, city and county, district, or other public corporation (hereinafter sometimes called "taxing agencies") after the effective date of the resolution approving the plan, adopted pursuant to Section 82 of this act shall be divided as follows:

(a) That portion of the taxes which would be produced by the rate upon which the tax is levied each year by or for each of the taxing agencies upon the total sum of the assessed value of the taxable property in the community as shown upon the assessment roll used in connection with the taxation of such property by such taxing agency, last equalized prior to the effective date of such resolution adopted pursuant to Section 82 of this act, shall be allocated to and when collected shall be paid into the funds of the respective taxing agencies as

taxes by or for said taxing agencies on all other property are paid (for the purpose of allocating taxes levied by or for any taxing agency or agencies which did not include the territory in the community on the effective date of such resolution adopted pursuant to Section 82 of this act but to which such territory has been annexed or otherwise included after such effective date, the assessment roll of the county last equalized prior to the effective date of said resolution shall be used in determining the assessed valuation of the taxable property in the community on the effective date); and

(b) That portion of the levied taxes each year in excess of such amount shall be allocated to and when collected shall be paid into a special fund of the community to pay the principal of and interest on loans, moneys advanced to, or indebtedness (whether funded, refunded, assumed, or otherwise) incurred by the community to finance or refinance, in whole or in part, such project. Unless and until the total assessed valuation of the taxable property in the community exceeds the total assessed value of the taxable property in the community as shown by the last equalized assessment roll referred to in subdivision (a) of this section, all of the taxes levied and collected upon the taxable property in the community shall be paid into the funds of the respective taxing agencies. When such loans, advances, and indebtedness, if any, and interest thereon, have been paid, all moneys thereafter received from taxes upon the taxable property in the community shall be paid into the funds of the respective taxing agencies as taxes on all other property are paid.

If the tax increment provision described in this section is added to the plan by change proceedings under Sections 83 to 85 of this act, inclusive, the references herein to the resolution adopted pursuant to Section 82 of this act shall be deemed to refer to the resolution ordering changes pursuant to Section 85 of this act.

SEC. 155. In any plan or in the proceedings for the advance of moneys, or making of loans, or the incurring of any indebtedness (whether funded, refunded, assumed, or otherwise) by the community to finance or refinance, in whole or in part, the project, the portion of taxes mentioned in subdivision (b) of Section 154 of this act may be irrevocably pledged for the payment of the principal of and interest on such loans, advances, or indebtedness.

Loans, advances, bonds or other obligations issued or incurred by the community shall not constitute a debt, liability or obligation of any of the taxing agencies, and every document evidencing such loans, advances, bonds or obligations shall substantially so recite.

SEC. 156. As used in this article the word "taxes" shall include, but without limitation, all levies on an ad valorem basis upon land or real property.

SEC. 157. Whenever property in the community is leased by the community to any person or persons or whenever the community leases real property to any person or persons for development or redevelopment, the property shall be assessed and taxed in the same manner as privately owned property, and the lease or contract shall provide that the lessee shall pay taxes upon the assessed value of the entire property and not merely the assessed value of his or its leasehold interest.

Article 10. Changes of Organization

SEC. 158. The District Reorganization Act of 1965 (Division 1 (commencing with Section 56000), Title 6, Government Code) shall apply to any changes of organization of the community.