

AMENDED IN ASSEMBLY JULY 17, 2025

AMENDED IN ASSEMBLY JULY 2, 2025

AMENDED IN SENATE MAY 20, 2025

AMENDED IN SENATE MAY 8, 2025

AMENDED IN SENATE MARCH 26, 2025

SENATE BILL

No. 782

Introduced by Senator Pérez

February 21, 2025

An act to add Section 62313 to the Government Code, relating to local government, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 782, as amended, Pérez. Enhanced infrastructure financing district: climate resilience districts.

Existing law authorizes the legislative body of a city or a county to designate a proposed enhanced infrastructure financing district to finance public capital facilities or other specified projects, with a governing body referred to as the public financing authority, by adopting a resolution of intention to establish the proposed district.

Existing law authorizes a city, county, city and county, special district, or a combination of any of those entities to form a climate resilience district, as described, for the purposes of raising and allocating funding for eligible projects and the operating expenses of eligible projects. Existing law deems each district to be an enhanced infrastructure financing district and requires each district to comply with existing law concerning enhanced infrastructure financing districts, except as

specified. Existing law requires a district to finance only specified projects that meet the definition of an eligible project, including projects that address sea level rise, extreme heat, extreme cold, the risk of wildfire, drought, and the risk of flooding, as specified.

This bill would authorize a city or county to adopt a resolution providing for the division of taxes of any participating entity without following specified procedures for the preparation and adoption of an infrastructure financing plan, if certain conditions are met. The bill would require the *city or county* entity proposing formation of the district to hold a public meeting to consider the resolution of intention to establish the district and ~~a second public~~ *the governing board of the district to hold a public* meeting to consider the adoption of the infrastructure financing ~~plan, and plan.~~ *The bill* would require the ~~entity proposing formation of the district~~ *city and county entity and the governing board of the district* to post specified notices prior to the ~~meetings.~~ *respective meetings, as specified.* The bill would require the resolution to include specified information, including that incremental property tax revenue from the city or county and all affected taxing entities within the district may be used to finance the district's activities. The bill would require ~~the district to make~~ the infrastructure financing plan *to be made* available for public inspection at least 30 days before the ~~second public governing board of the district's~~ meeting, and would require the designated official of the district to consult with each affected taxing entity prior to development of the infrastructure financing plan.

This bill would limit the use of the district's revenue to repairing or replacing buildings, low- and moderate-income housing, facilities, structures, or other improvements within the district, that have been damaged or destroyed by a disaster, as defined, mitigating the risk of a future disaster, or supporting economic recovery from a disaster, as specified. The bill would define disaster for these purposes to mean a disaster for which the Governor has declared a state of emergency, as specified.

This bill would declare that it is to take effect immediately as an urgency statute.

Vote: $\frac{2}{3}$. Appropriation: no. Fiscal committee: no.
State-mandated local program: no.

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

1 SECTION 1. Section 62313 is added to the Government Code,
2 *immediately following Section 62312*, to read:

3 62313. (a) Notwithstanding subdivision (b) of Section 62304,
4 a city or county may adopt a resolution providing for the division
5 of taxes of any participating entity without following the
6 procedures for the preparation and adoption of an infrastructure
7 financing plan described in Sections 53398.59 to 53398.66,
8 inclusive, if all of the following are met:

9 (1) (A) The boundaries of the proposed district are limited to
10 an area in which the disaster damage has caused conditions that
11 are so prevalent and so substantial that they have caused a
12 reduction, or a lack, of the normal predisaster usage of the area to
13 an extent that causes a serious physical and economic burden that
14 cannot reasonably be expected to be reversed or alleviated during
15 the term of the infrastructure financing plan by private enterprise
16 or governmental action, or both, without redevelopment.

17 (B) Areas adjacent to the disaster area may be included within
18 the boundaries of the proposed district, but those adjacent areas
19 shall be no more than 20 percent of the total district area.

20 (C) The city or county adopts the resolution no more than two
21 years after the proclamation of the disaster.

22 (2) The resolution does all of the following:

23 (A) State that a district is proposed to be established under the
24 terms of this ~~chapter~~ *division* and describe the boundaries of the
25 proposed district, which may be accomplished by reference to a
26 map on file in the office of the clerk of the city or in the office of
27 the recorder of the county, as applicable. The map may identify,
28 within a district, certain areas which shall be referred to as “project
29 areas.”

30 (B) State the type of public facilities and development proposed
31 to be financed or assisted by the district in accordance with
32 subdivision (f).

33 (C) State the need for the district and the goals the district
34 proposes to achieve.

35 (D) State that incremental property tax revenue from the city
36 or county and all affected taxing entities within the district, if
37 approved by resolution pursuant to Section 53398.68, may be used
38 to finance these activities.

(E) (i) State that a city, county, or city and county may allocate tax revenues derived from local sales and use taxes imposed pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law (Part 1.5 (commencing with Section 7200) of Division 2 of the Revenue and Taxation Code) or transactions and use taxes imposed in accordance with the Transactions and Use Tax Law (Part 1.6 (commencing with Section 7251) of Division 2 of the Revenue and Taxation Code) to a district pursuant to Section 53398.75.5, if applicable.

(ii) The legislative body of the city or county that elects to make an allocation pursuant to clause (i) shall enact an ordinance to establish the following:

(I) The procedure by which the city or county will calculate the revenues derived from sales and use taxes and transactions and use taxes to be allocated to the ~~enhanced infrastructure financing~~ district.

(II) The decision process by which the city or county will determine the amount that will be dedicated to the proposed district.

(F) Fix a time and place for ~~the public meetings~~ *meeting* on the proposal.

(b) (1) The *city or county* entity proposing formation of the district shall hold ~~two public meetings on the proposal. The first public meeting shall be a public meeting to consider the resolution of intention to establish the district. The second public meeting shall be~~

(2) *The governing board of the district shall hold a public meeting* to consider the adoption of the infrastructure financing plan.

(c) (1) The *city or county* entity proposing formation of the district shall post notice of ~~each meeting required by this section~~ *the meeting described in paragraph (1) of subdivision (b)* in an easily identifiable and accessible location on the ~~district's local agency's~~ internet website at least 10 days before the meeting. The notice shall do all of the following:

~~(1)~~

(A) Describe specifically the boundaries of the proposed area.

~~(2)~~

(B) Describe the purpose of the infrastructure financing plan.

~~(3)~~

1 (C) State the day, hour, and place when and where the public
2 can inspect documents related to the district.

3 (2) *The governing board of the district shall post notice of the*
4 *meeting described in paragraph (2) of subdivision (b) in an easily*
5 *identifiable and accessible location on the district's internet*
6 *website at least 10 days before the meeting. The notice shall do*
7 *all of the following:*

8 (A) *Describe specifically the boundaries of the proposed area.*

9 (B) *Describe the purpose of the infrastructure financing plan.*

10 (C) *State the day, hour, and place when and where the public*
11 *can inspect documents related to the district.*

12 (d) After adopting the resolution of intention to establish a
13 district, the city or county shall designate an official to prepare a
14 proposed infrastructure financing plan. This plan shall include all
15 of the information required in Section 53398.63. The infrastructure
16 financing plan shall be made available for public inspection at
17 least 30 days before the ~~second~~ governing board of the district's
18 public meeting. The designated official shall consult with each
19 affected taxing entity, and, at the request of any affected taxing
20 entity, shall meet with representatives of an affected taxing entity.
21 Any affected taxing entity may suggest revisions to the plan.

22 (e) The district shall follow the procedures for amending the
23 infrastructure financing plan and providing an annual report
24 described in subdivision (j) of Section 53398.66, except that it
25 shall not be required to mail any written notices.

26 (f) A district established pursuant to this section shall limit the
27 use of its revenue to only the following:

28 (1) The purpose of acquiring, demolishing, removing, relocating,
29 repairing, restoring, rehabilitating, or replacing buildings, low-
30 and moderate-income housing, facilities, structures, or other
31 improvements, in accordance with applicable laws, which are
32 within the district, and which have been damaged or destroyed by
33 the disaster, which are unsafe to occupy, or which are required to
34 be acquired, demolished, altered, or removed because of the
35 disaster.

36 (2) The purpose of mitigating the risk of a future disaster,
37 including, but not limited to, both of the following:

38 (A) Water and energy resource access and availability during
39 emergencies and natural ~~disasters~~ disasters.

1 (B) Undergrounding and hardening of electrical lines and other
2 utilities.

3 (3) The purpose of supporting economic recovery from a
4 disaster, including, but not limited to, all of the following:

5 (A) Residential and commercial reconstruction.

6 (B) Affordable housing development pursuant to the provisions
7 of Section 53398.52.

8 (C) Prevention of displacement.

9 (D) Low-interest construction loans.

10 (E) Capital access programs for small businesses.

11 (F) Workforce development and job training programs.

12 (g) Except as specifically provided in this section, a district
13 established pursuant to this section shall comply with the provisions
14 of ~~Chapter 2.99 (commencing with Section 53398.50) of Part 1 of~~
15 ~~Division 2 of Title 5; this division.~~

16 (h) Notwithstanding Section 53398.63, a district established
17 pursuant to this section may plan, adopt, and implement an
18 infrastructure financing plan, and the legislative body of the city
19 or county that created it may approve projects in the disaster area
20 even if it is inconsistent with the general plan, and specific plan,
21 if applicable, of the city or county within which the district is
22 located.

23 (i) For a district established pursuant to this section, both of the
24 following shall apply:

25 (1) Bond proceeds shall not be used for costs of operations,
26 programs, or providing services of any kind.

27 (2) Notwithstanding Section 54902, the statement required by
28 Section 54900 may be filed with the auditor of each levying county,
29 and the statement and the map or plat shall be filed with each
30 assessor whose roll is used for the levy and with the State Board
31 of Equalization in Sacramento, no later than January 31 of the year
32 in which the assessments or taxes are to be levied.

33 (j) Prior to the termination of the district, a city or county may
34 include all or a portion of the district within a separate district.
35 However, any portion of the district included within the separate
36 district shall meet all the requirements of this division.

37 (k) For the purposes of this section, “disaster” means a disaster
38 for which the Governor has declared a state of emergency pursuant
39 to Section 8625 of the California Emergency Services Act (Chapter
40 7 (commencing with Section 8550) of Division 1 of Title 2).

1 SEC. 2. This act is an urgency statute necessary for the
2 immediate preservation of the public peace, health, or safety within
3 the meaning of Article IV of the California Constitution and shall
4 go into immediate effect. The facts constituting the necessity are:
5 In order to ensure the timely restoration of critical infrastructure,
6 uninterrupted delivery of public services, and economic stability,
7 including communities devastated by the January 2025 wildfires
8 in the County of Los Angeles, and to prevent unnecessary delays
9 in rebuilding critical infrastructure, roads, and essential facilities,
10 it is necessary that this act take effect immediately.

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