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GOVERNMENT CODE - GOV

TITLE 5. LOCAL AGENCIES [50001 - 57607] (Title 5 added by Stats. 1949, Ch. 81.)

DIVISION 1. CITIES AND COUNTIES [50001 - 52203] (Division 1 added by Stats. 1949, Ch. 81.)

PART 4. Economic Opportunity [52200 - 52203] (Part 4 added by Stats. 2013, Ch. 659, Sec. 1.)

CHAPTER 2. Sales and Leases [52201 - 52203] (Chapter 2 added by Stats. 2013, Ch. 659, Sec. 1.)

52201. (a) (1) A city, county, or city and county may acquire property in furtherance of the creation of an economic opportunity. A city, county, or city and county may sell or lease property to create an economic opportunity. The acquisition, sale, or lease shall first be approved by the legislative body by resolution after a public hearing. Notice of the time and place of the hearing shall be published in a newspaper of general circulation in the community at least once per week for at least two successive weeks, as specified in Section 6066, prior to the hearing.

(2) The city, county, or city and county shall make available, for public inspection and copying at a cost not to exceed the cost of duplication, a report no later than the time of publication of the first notice of the hearing mandated by this section. This report shall contain both of the following:

(A) A copy of the proposed acquisition, sale, or lease.

(B) A summary that describes and specifies all of the following:

(i) The cost of the agreement to the city, county, or city and county, including land acquisition costs, clearance costs, relocation costs, the costs of any improvements to be provided by the city, county, or city and county, plus the expected interest on any loans or bonds to finance the agreements.

(ii) For the sale or lease of property, the estimated value of the interest to be conveyed or leased, determined at the highest and best uses permitted under the general plan or zoning.

(iii) For the sale or lease of property, the estimated value of the interest to be conveyed or leased, determined at the use and with the conditions, covenants, and development costs required by the sale or lease. The purchase price or present value of the lease payments which the lessor will be required to make during the term of the lease. If the sale price or total rental amount is less than the fair market value of the interest to be conveyed or leased, determined at the highest and best use, then the city, county, or city and county shall provide as part of the summary an explanation of the reasons for the difference.

(iv) An explanation of why the acquisition, sale, or lease of the property will assist in the creation of economic opportunity, with reference to all supporting facts and materials relied upon in making this explanation.

(b) The resolution approving the acquisition, sale, or lease shall be adopted by a majority vote unless the legislative body has provided by ordinance for a two-thirds vote for that purpose and shall contain a finding that the acquisition, sale, or lease of the property will assist in the creation of economic opportunity. For the sale or lease of property, the resolution shall also contain one of the following findings:

(1) The consideration is not less than the fair market value at its highest and best use.

(2) The consideration is not less than the fair reuse value at the use and with the covenants and conditions and development costs authorized by the sale or lease.

(c) The provisions of this section are an alternative to any other authority granted by law to cities to dispose of city-owned property.

(Amended by Stats. 2016, Ch. 503, Sec. 3. (AB 806) Effective January 1, 2017.)

52202. (a) A city, county, or city and county may loan funds to owners or tenants for the purpose of rehabilitating commercial buildings or structures. The loan shall be in the form of a written loan agreement that includes a payment schedule, the terms for interest calculation, the rights and remedies of the parties in case of default, and any other material terms of the loan.

(b) Prior to entering into a loan agreement pursuant to this section, the city, county, or city and county shall find, after a public hearing, that the assistance is necessary for the economic feasibility of the development and that the assistance cannot be obtained on economically feasible terms in the private market.

(Amended by Stats. 2016, Ch. 503, Sec. 4. (AB 806) Effective January 1, 2017.)

52203. (a) As part of an agreement that provides for the development or rehabilitation of property that will be used for industrial or manufacturing purposes, a city, county, or city and county may assist with the financing of facilities or capital equipment, including, but not necessarily limited to, pollution control devices.

(b) Prior to entering into an agreement for a development that will be assisted pursuant to this section, a city, county, or city and county shall find, after a public hearing, that the assistance is necessary for the economic feasibility of the development and that the assistance cannot be obtained on economically feasible terms in the private market.

(Added by Stats. 2013, Ch. 659, Sec. 1. (SB 470) Effective January 1, 2014.)