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

DIVISION 2. CITIES, COUNTIES, AND OTHER AGENCIES [53000 - 55821] (Division 2 added by Stats. 1949, Ch. 81.)

PART 1. POWERS AND DUTIES COMMON TO CITIES, COUNTIES, AND OTHER AGENCIES [53000 - 54999.7] (Part 1 added by Stats. 1949, Ch. 81.)

CHAPTER 2.8. Infrastructure Financing Districts [53395 - 53397.11] (Chapter 2.8 added by Stats. 1990, Ch. 1575, Sec. 1.)

ARTICLE 4. Tax Increment Bonds [53397.1 - 53397.11] (Article 4 added by Stats. 1990, Ch. 1575, Sec. 1.)

53397.1. The legislative body may, by majority vote, initiate proceedings to issue bonds pursuant to this chapter by adopting a resolution stating its intent to issue the bonds.

(Added by Stats. 1990, Ch. 1575, Sec. 1.)

53397.2. The resolution adopted pursuant to Section 53397.1 shall contain all of the following information:

- (a) A description of the facilities to be financed with the proceeds of the proposed bond issue.
- (b) The estimated cost of the facilities, the estimated cost of preparing and issuing the bonds, and the principal amount of the proposed bond issuance.
- (c) The maximum interest rate and discount on the proposed bond issuance.
- (d) The date of the election on the proposed bond issuance and the manner of holding the election.
- (e) A determination of the amount of tax revenue available or estimated to be available, for the payment of the principal of, and interest on, the bonds.
- (f) A finding that the amount necessary to pay the principal of, and interest on, the proposed bond issuance will be less than, or equal to, the amount determined pursuant to subdivision (e).

(Added by Stats. 1990, Ch. 1575, Sec. 1.)

53397.4. The clerk of the legislative body shall publish the resolution adopted pursuant to Section 53397.1 once a day for at least seven successive days in a newspaper published in the city or county at least six days a week, or at least once a week for two successive weeks in a newspaper published in the city or county less than six days a week.

If there are no newspapers meeting these criteria, the resolution shall be posted in three public places within the territory of the district for two succeeding weeks.

(Added by Stats. 1990, Ch. 1575, Sec. 1.)

53397.5. The legislative body shall submit the proposal to issue the bonds to the voters who reside within the district. The election shall be conducted in the same manner as the election to create the district pursuant to Section 53395. 20 and the two elections may be consolidated.

(Added by Stats. 1990, Ch. 1575, Sec. 1.)

53397.6. (a) The bonds may be issued if two-thirds of the voters voting on the proposition vote in favor of issuing the bonds.

(b) If the voters approve the issuance of the bonds as provided by subdivision (a), the legislative body shall proceed with the issuance of the bonds by adopting a resolution which shall provide for all of the following:

- (1) The issuance of the bonds in one or more series.

- (2) The principal amount of the bonds, which shall be consistent with the amount specified in subdivision (b) of Section 53397.2.
- (3) The date the bonds will bear.
- (4) The date of maturity of the bonds.
- (5) The denomination of the bonds.
- (6) The form of the bonds.
- (7) The manner of execution of the bonds.
- (8) The medium of payment in which the bonds are payable.
- (9) The place or manner of payment and any requirements for registration of the bonds.
- (10) The terms of call or redemption, with or without premium.

(Added by Stats. 1990, Ch. 1575, Sec. 1.)

53397.7. If any proposition submitted to the voters pursuant to this chapter is defeated by the voters, the legislative body shall not submit, or cause to be submitted, a similar proposition to the voters for at least one year after the first election.

(Added by Stats. 1990, Ch. 1575, Sec. 1.)

53397.71. Notwithstanding the provisions of this article, all of the following shall apply to the issuance of bonds by a waterfront district established pursuant to Section 53395.8:

- (a) The legislative body may, by resolution, authorize the issuance of bonds without holding an election of the voters residing in the waterfront district.
- (b) The legislative body may undertake the proceedings and actions described in this article with respect to the district as a whole, or separately with respect to one or more project areas. If the legislative body undertakes the proceedings for the district as a whole, it may thereafter, by resolution, allocate the principal amount of the authorized bond issuance to one or more project areas within the district.
- (c) The legislative body may increase the principal amount of bonds that may be issued for a district or a project area within a district by undertaking the proceedings in this article, with respect to that increased amount.
- (d) The bonds of a waterfront district may be sold at a negotiated sale subject to the notice requirements of Section 53397.10.

(Amended by Stats. 2012, Ch. 785, Sec. 3. (AB 2259) Effective January 1, 2013.)

53397.8. The legislative body may, by majority vote, provide for refunding of bonds issued pursuant to this chapter. However, refunding bonds shall not be issued if the total net interest cost to maturity on the refunding bonds plus the principal amount of the refunding bonds exceeds the total net interest cost to maturity on the bonds to be refunded. The legislative body may not extend the time to maturity of the bonds.

(Added by Stats. 1990, Ch. 1575, Sec. 1.)

53397.9. The legislative body or any person executing the bonds shall not be personally liable on the bonds by reason of their issuance. The bonds and other obligations of a district issued pursuant to this chapter are not a debt of the city, county, or state or of any of its political subdivisions, other than the district, and none of those entities, other than the district, shall be liable on the bonds and the bonds or obligations shall be payable exclusively from funds or properties of the district. The bonds shall contain a statement to this effect on their face. The bonds do not constitute an indebtedness within the meaning of any constitutional or statutory debt limitation.

(Added by Stats. 1990, Ch. 1575, Sec. 1.)

53397.10. The bonds may be sold at discount not to exceed 5 percent of par at public sale. At least five days prior to the sale, notice shall be published, pursuant to Section 6061, in a newspaper of general circulation and in a financial newspaper published in the City and County of San Francisco and in the City of Los Angeles. The bonds may be sold at not less than par to the federal government at private sale without any public advertisement.

(Added by Stats. 1990, Ch. 1575, Sec. 1.)

53397.11. If any member of the legislative body whose signature appears on bonds ceases to be a member of the legislative body before delivery of the bonds, his or her signature is as effective as if he or she had remained in office. Bonds issued pursuant to this

chapter are fully negotiable.

(Added by Stats. 1990, Ch. 1575, Sec. 1.)