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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 3. Bonds [53400 - 53595.55] (Chapter 3 added by Stats. 1949, Ch. 81.)

ARTICLE 8. Issuance, Sale and Cancellation of Bonds [53540 - 53542] (Article 8 added by Stats. 1969, Ch. 600.)

53540. As used in this article:

(a) "Local agency" means county, city, city and county, public district, public entity or authority or other public or municipal corporation.

(b) "Legislative body" means the legislative body, as defined in Section 53000, of the local agency.

(c) The term "bonds" includes bonds, warrants, notes, or other evidences of indebtedness of a local agency, zone or improvement district except those which under Section 18 of Article XI or other provision of the Constitution of the State of California are required to be authorized at an election.

(Added by Stats. 1969, Ch. 600.)

53541. Any provision of law requiring an election to the contrary notwithstanding, the legislative body without a vote of the electors may issue bonds of the local agency, zone or improvement district if all the following occur:

(a) The principal amount of such bonds does not exceed the then unissued balance of the principal amount of bonds of the same type authorized at an election heretofore held in the local agency, or in such zone or improvement district.

(b) The bonds are issued for the same purpose as that for which the unissued bonds were authorized.

(c) The bonds are issued in accordance with the laws governing the issuance of bonds of the local agency, except for the requirement of a bond election.

Bonds issued pursuant to this section may bear interest at a rate or rates not to exceed 12 percent per year. When bonds are issued pursuant to this section, unissued bonds as referred to in subdivisions (a) and (b) in a principal amount at least equal to the principal amount of bonds issued pursuant to this section, shall be canceled by order of the legislative body and shall not be issued.

(Amended (as amended by Stats. 1985, Ch. 579, Sec. 6) by Stats. 1987, Ch. 943, Sec. 8.)

53542. (a) The Housing Bond Credit Committee shall, after consultation with appropriate agencies including, but not limited to, the Department of Business and Economic Development, the Department of Housing and Community Development, the Governor's Office of Planning and Research, the California Housing Finance Agency, the Senate Office of Research, the Assembly Office of Research, and the Department of Finance, designate areas of chronic economic distress in conformity with paragraph (3) of subdivision (k) of Section 103 (A) of the Internal Revenue Code. Criteria to be used in designating areas of chronic economic distress include:

(1) The condition of the housing stock, including the age of the housing and the number of abandoned and substandard residential units.

(2) The need of area residents for owner-financing under this section, as indicated by low per capita income, a high percentage of families in poverty, a high number of welfare recipients, and high unemployment rates.

(3) The potential for use of owner-financing under this section to improve housing conditions in the area.

(4) The existence of a housing assistance plan which provides a displacement program and a public improvements and services program.

(b) The committee may evaluate and include other criteria it considers appropriate in determining areas of chronic economic distress, including, but not limited to:

(1) Low vacancy rates in residential units.

(2) Low volume of mortgage loan activity.

(3) The percentage of households paying more than 35 percent of income for rent.

(4) The existence of adequate transportation facilities between such designated areas and areas of employment concentration.

(c) State agencies and local agencies, including, but not limited to, redevelopment agencies, housing authorities or other local entities authorized by the laws of this state to issue qualified mortgage bonds, may recommend on or before February 15 of each calendar year, the designation of an area of chronic economic distress to the committee.

The committee shall review all such proposals in making designations in accordance with paragraph (3) of subdivision (K) of Section 103 (A) of the Internal Revenue Code or any appropriate regulations. The State Treasurer or his or her designee, shall be responsible for seeking approval of that designation by the Secretary of the Treasury and the Secretary of Housing and Urban Development of the United States and providing certification of these designations and is hereby designated as the official to make certifications for purposes of federal law.

(Added by Stats. 1982, Ch. 153, Sec. 1. Effective April 9, 1982.)