

## Assembly Bill No. 184

### CHAPTER 28

An act to add Section 5899 to the Streets and Highways Code, relating to contractual assessment programs.

[Approved by Governor June 18, 2011. Filed with Secretary of State June 20, 2011.]

#### LEGISLATIVE COUNSEL'S DIGEST

AB 184, Swanson. Contractual assessment programs: seismic safety improvements.

Existing law, the Improvement Act of 1911, authorizes a public agency, as defined, to determine that it would be convenient, advantageous, and in the public interest to designate an area within which public agency officials and individual property owners may enter into voluntary contractual assessments to finance the installation of specified improvements that are permanently fixed to those owners' real property, as specified.

This bill would enact the Seismic Safety Finance Act, which would expand these provisions to also authorize contractual assessments to finance the installation of seismic strengthening improvements that are permanently fixed to real property, as specified. The bill would define "public agency," for purposes of financing the installation of seismic strengthening improvements, to mean a city, county, or city and county.

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

SECTION 1. The Legislature finds and declares that this act shall be known as the Seismic Safety Finance Act.

SEC. 2. Section 5899 is added to the Streets and Highways Code, to read:

5899. (a) The Legislature finds and declares all of the following:

(1) It is the intent of the Legislature to address seismic safety needs throughout this state by permitting voluntary individual efforts to improve the seismic safety of homes and buildings. The Legislature further intends that this chapter should be used to finance the installation of seismic strengthening improvements that are permanently fixed to residential, commercial, industrial, agricultural, or other real property, including, but not limited to, the seismic strengthening of cripple walls and sill plate anchorage of light, wood-framed buildings.

(2) The upfront cost of making residential, commercial, industrial, agricultural, or other real property more seismically safe prevents many property owners from making those improvements. To make those

improvements more affordable and to promote the installation of those strengthening improvements, it is necessary to authorize an alternative procedure for authorizing assessments to finance the cost of seismic strengthening improvements.

(3) A public purpose will be served by a voluntary contractual assessment program that provides the legislative body of any public agency with the authority to finance the installation of seismic strengthening improvements that are permanently fixed to residential, commercial, industrial, agricultural, or other real property.

(b) For purposes of this section, the following terms shall have the following meanings:

(1) For the purpose of financing the installation of seismic strengthening improvements, “public agency” means a city, county, or city and county. The definition of “city” in Section 5005 shall not apply to this paragraph.

(2) “Seismic strengthening improvements” means permanent seismic safety improvements fixed to residential, commercial, industrial, agricultural, or other real property.

(c) The legislative body of any public agency may designate an area, in the manner provided pursuant to Section 5898.20, within which authorized public agency officials and property owners may enter into voluntary contractual assessments to finance the installation of seismic strengthening improvements that are permanently fixed to real property pursuant to this chapter.

(d) For purposes of establishing a voluntary contractual assessment program relating to seismic strengthening improvements, the legislative body shall make the determinations required pursuant to Section 5898.20 by adopting a resolution indicating its intention to do so. The resolution of intention shall identify the kinds of seismic strengthening improvements that may be financed and shall include all of the information that is required pursuant to subdivision (b) of Section 5898.20, including, but not limited to, directing an appropriate public agency official to prepare a report pursuant to Section 5898.22.

(e) For purposes of the report required pursuant to Section 5898.22, relating to a voluntary contractual assessment program for seismic strengthening improvements, the designated public agency official shall satisfy the requirements of paragraph (1) of subdivision (c) of Section 5898.22 by identifying the types of seismic strengthening improvements that may be financed through the use of contractual assessments.

(f) Notwithstanding any other provision of this chapter, upon the written consent of an authorized public agency official, the proposed arrangements for financing the program pertaining to the installation of seismic strengthening improvements that are permanently fixed to real property may authorize the property owner to purchase directly the related equipment and materials for the installation of seismic strengthening improvements and to contract directly for the installation of seismic strengthening

improvements that are permanently fixed to the property owner's residential, commercial, industrial, agricultural, or other real property.

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