

AMENDED IN ASSEMBLY JUNE 30, 2025

AMENDED IN SENATE APRIL 30, 2025

AMENDED IN SENATE APRIL 9, 2025

AMENDED IN SENATE MARCH 17, 2025

SENATE BILL

No. 227

Introduced by Senators Grayson and Cabaldon
(Principal coauthor: Senator Arreguín)
(Principal coauthor: Assembly Member Wilson)
(Coauthor: Senator Stern)

January 28, 2025

An act to amend Sections 7599.100, 7599.101, and 7599.103 of, and to amend, renumber, and add Section 7599.104 of, the Government Code, relating to local government, and declaring the urgency thereof, to take effect immediately.

LEGISLATIVE COUNSEL'S DIGEST

SB 227, as amended, Grayson. Green Empowerment Zone for the Northern Waterfront area of the County of Contra Costa.

Existing law, until January 1, 2028, authorizes the establishment of a Green Empowerment Zone for the Northern Waterfront area of the County of Contra Costa for the purpose of building upon the comparative advantage provided by the regional concentration of highly skilled energy industry workers by prioritizing access to tax incentives, grants, and loan programs, among other incentives. Existing law authorizes the Green Empowerment Zone to be composed of 9 specified cities and the County of Contra Costa, upon adoption of a resolution by the city or county, and provides for the Green Empowerment Zone to be governed by a board of directors comprised of representatives

from 7 stakeholder groups, as specified. Existing law requires the board to appoint a steering committee, and required the steering committee, on or before January 1, 2023, to develop metrics to be reported to the Legislature and state departments and agencies to gauge the progress of the Green Empowerment Zone, as specified. Existing law requires the Green Empowerment Zone to annually post information on those metrics on its internet website, as specified.

This bill would extend the authorization for the Green Empowerment Zone to January 1, 2040, and would authorize the expansion of the Green Empowerment Zone to include 4 additional cities, including the Cities of El Cerrito, Pinole, Richmond, and San Pablo, upon adoption of a resolution by each city. The bill would make changes to the stakeholder groups who serve on the board of directors, including increasing the number of stakeholder groups to 8 by adding a category for 7 directors who live or work in the Green Empowerment Zone and who represent environmental or environmental justice organizations or interests.

~~This~~ The bill would also provide a process for a legislative body of a city or county included within the Green Empowerment Zone to remove the land within its jurisdiction from the empowerment zone. The

Existing law requires a board chair and 2 deputy chairs to be selected by majority vote of the board of directors to serve 2-year terms. Existing law authorizes an individual to serve as chair or deputy chair more than once, but prohibits an individual from serving consecutive terms.

This bill, instead, would authorize an individual selected to serve a 2-year term to be re-selected by a majority vote of the board of directors for up to three additional terms.

Existing law requires the board to appoint a steering committee, and required the steering committee, on or before January 1, 2023, to develop metrics to be reported to the Legislature and state departments and agencies to gauge the progress of the Green Empowerment Zone, as specified. Existing law requires the Green Empowerment Zone to annually post information on those metrics on its internet website, as specified.

~~This bill would also~~ change the name of the steering committee to the executive committee and would prescribe the membership of the executive committee. The bill would eliminate the deadline for the executive committee to develop and report the metrics described above, but would require the Green Empowerment Zone, commencing July 1,

2026, and annually thereafter, to post information on those metrics on its internet website, as specified.

This bill would make legislative findings and declarations as to the necessity of a special statute for the County of Contra Costa.

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 7599.100 of the Government Code is
- 2 amended to read:
- 3 7599.100. (a) A Green Empowerment Zone for the Northern
- 4 Waterfront area of the County of Contra Costa may be established.
- 5 The geography of the zone shall extend to the territories of the
- 6 cities listed in subdivision (c) and the unincorporated areas of the
- 7 County of Contra Costa north of State Highway 4. The board of
- 8 directors may, by majority vote, change the geography of the Green
- 9 Empowerment Zone.
- 10 (b) The purpose of the Green Empowerment Zone is to build
- 11 upon the comparative advantage provided by the regional
- 12 concentration of highly skilled energy industry workers by
- 13 prioritizing access to tax incentives, grants, loan programs,
- 14 workforce training programs, and private sector investment in the
- 15 renewable energy sector.
- 16 (c) The Green Empowerment Zone may include all of the
- 17 following cities and the county upon the adoption of a resolution
- 18 by the legislative body of each city and county that states the intent
- 19 of the city or county to participate in the Green Empowerment
- 20 Zone:
- 21 (1) The City of Antioch.
- 22 (2) The City of Benicia.
- 23 (3) The City of Brentwood.
- 24 (4) The City of Concord.
- 25 (5) The City of El Cerrito.
- 26 (6) The City of Hercules.
- 27 (7) The City of Martinez.
- 28 (8) The City of Oakley.
- 29 (9) The City of Pinole.

1 (10) The City of Pittsburg.

2 (11) The City of Richmond.

3 (12) The City of San Pablo.

4 (13) The City of Vallejo.

5 (14) The County of Contra Costa.

6 (d) The board of directors may vote to include additional
7 jurisdictions in the membership of the Green Empowerment Zone.

8 (e) (1) The legislative body of a city or county listed in
9 subdivision (c) may remove the land within its jurisdiction from
10 the empowerment zone by adopting a resolution stating that it no
11 longer wishes to participate.

12 (2) The resolution ending participation in the empowerment
13 zone shall identify a final date for inclusion in the empowerment
14 zone, which shall be no later than 60 days from the adoption of
15 the resolution.

16 (3) Any benefits or incentives awarded before the adoption of
17 a resolution removing the jurisdiction from the empowerment zone
18 shall continue under the same terms and conditions as would have
19 been applied if the jurisdiction were still in the empowerment zone
20 for not fewer than two years.

21 SEC. 2. Section 7599.101 of the Government Code is amended
22 to read:

23 7599.101. (a) The Green Empowerment Zone shall be
24 governed by a board of directors composed of representatives from
25 eight stakeholder groups who shall serve as voting directors and
26 who shall participate in meetings and serve as liaisons with their
27 appointing entities and related organizations, as follows:

28 (1) Fourteen local government directors, one from each of the
29 cities and the county set forth in subdivision (c) of Section
30 7599.100 that have adopted a resolution expressing its intent to
31 participate in the Green Empowerment Zone. Each city and county
32 shall select one representative.

33 (2) (A) Five employer directors that represent large private
34 employers in the fields of energy or manufacturing within the area
35 of the Green Empowerment Zone or vested in the success of the
36 Green Empowerment Zone, who are selected by the board.

37 (B) Employer size shall be based on data from the local
38 workforce board and the boundaries of the empowerment zone at
39 the time the director is selected.

1 (3) (A) ~~Four~~ *Three* state and regional directors, one from each
2 of the following state or regional boards, commissions, or entities:

3 (i) ~~The State Air Resources Board.~~

4 (ii)

5 (i) The California Transportation Commission.

6 (iii)

7 (ii) The California Workforce Development Board or a regional
8 workforce development entity, as selected by the board of directors
9 of the Green Empowerment Zone, that serves the Green
10 Empowerment Zone.

11 (iv)

12 (iii) The California Energy Commission.

13 (B) Each board, commission, or entity shall select a
14 representative to the Green Empowerment Zone.

15 (4) Five small business and economic development directors
16 who shall represent existing economic and business development
17 organizations that serve the cities or the county listed in subdivision
18 (c) of Section 7599.100. These small business and economic
19 development representatives shall be nominated by the Association
20 of Bay Area Governments and confirmed by the board.

21 (5) Three directors from universities, laboratories, foundations,
22 or nonprofit entities with specialized expertise and knowledge of
23 green energy. These university, laboratory, foundation, and
24 nonprofit representatives shall be selected by the board.

25 (6) Five directors representing the largest private sector
26 organized labor organizations whose membership works in the
27 cities and the county listed in subdivision (c) of Section 7599.100.
28 Each union shall select its own representative to the Green
29 Empowerment Zone board.

30 (7) Five directors representing workforce development and
31 public and private educational entities that serve cities or the county
32 listed in subdivision (c) of Section 7599.100, at least one of whom
33 shall be a representative from the California State University and
34 at least one of whom shall be a representative from the California
35 Community Colleges. These workforce development and education
36 representatives shall be nominated by the Association of Bay Area
37 Governments and confirmed by the board.

38 (8) Seven directors who live or work in the Green Empowerment
39 Zone representing environmental or environmental justice
40 organizations or interests, who shall be selected by the board.

(b) Confirmation of a nominee for membership on the board of directors shall be by majority vote of the sitting members of the board.

(c) Each member of the board shall have an alternate appointed by their appointing entity.

(d) All stakeholder group representatives on the board of directors shall serve a two-year term and may be reappointed by their appointing body for up to three additional terms.

(e) (1) No representative for a public stakeholder entity shall retain their seat on the board of directors after ceasing to hold the position that qualifies them to be an eligible representative for the board.

(2) (A) The board member's eligibility from a private entity shall be determined by the board in consultation with the appointing entity if there is one.

(B) The board shall have an approved policy for making the determination before taking any action to determine the eligibility of a board member pursuant to this subparagraph.

(f) A vacancy on the board shall be filled for the unexpired term by the selection and appointment process used to appoint the director whose position has become vacant.

(g) (1) A director who fails to attend at least 50 percent of the board meetings in any 12-month period is subject to removal from the board.

(2) The board shall have an approved policy for making the determination before taking any action to determine the eligibility of a board member pursuant to this paragraph.

(h) Every Member of the Legislature and of the United States Congress that represents a city listed in subdivision (c) of Section 7599.100, or their appointed representative, shall be an ex officio voting member of the board of directors.

(i) A board chair and two deputy chairs shall be selected by a majority vote of the board. The chair and deputy chairs shall serve two-year terms. ~~An individual may serve as chair or deputy chair more than once, however, they shall not serve consecutive terms~~ *and may be re-selected by a majority vote of the board for up to three additional terms.* The chair and deputy chairs shall be chosen from among the following:

1 (1) One member shall be a Member of the Legislature who
2 represents one or more of the cities or the county listed in
3 subdivision (c) of Section 7599.100.

4 (2) One member shall be a representative from a local agency
5 in a city or county listed in subdivision (c) of Section 7599.100.

6 (3) One member shall be a representative whose residence and
7 place of employment is within one or more of the cities or the
8 county listed in subdivision (c) of Section 7599.100.

9 (j) (1) The board shall meet at least four times per year.

10 (2) Additional meetings may be called at the discretion of the
11 chair or of a majority of the executive committee.

12 (k) The members of the board of directors shall serve without
13 compensation.

14 (l) The board shall be subject to the Ralph M. Brown Act
15 (Chapter 9 (commencing with Section 54950) of Part 1 of Division
16 2 of Title 5).

17 (m) A member of the board of directors, including the chair,
18 shall, upon identifying a conflict of interest, or a potential conflict
19 of interest, regarding a matter before the board of directors of the
20 Green Empowerment Zone, immediately and before consideration
21 of the matter, do all of the following:

22 (1) Provide written notice to the chair regarding the interest that
23 gives rise to the conflict of interest or potential conflict of interest.
24 In the case of the chair, written notice shall be given to one of the
25 deputy chairs.

26 (2) Recuse themselves from discussing or voting on the matter.

27 (3) Leave the meeting room until after discussion, vote, and any
28 other consideration of disposition of the matter is concluded.

29 (n) A member of the board of directors shall not use the name
30 of the Green Empowerment Zone on any letterhead, business code,
31 or identification badge unless the person has been authorized to
32 do so by the board of directors.

33 SEC. 3. Section 7599.103 of the Government Code is amended
34 to read:

35 7599.103. (a) (1) The board shall appoint an executive
36 committee, on or before January 1, 2026, that shall be composed
37 of the chair, deputy chairs, and up to seven members of the board
38 of directors approved by a majority vote.

39 (2) The committee shall develop metrics that shall be reported
40 to the Legislature and state departments and agencies gauging the

1 progress of the zone that shall include, but not be limited to, all of
2 the following:

3 (A) The number of jobs gained and lost in each sector of the
4 economy.

5 (B) The average wage of the jobs gained in each sector of the
6 economy.

7 (C) The number and types of grants solicited and received by,
8 or on behalf of, the zone.

9 (D) The type and amount of workforce training conducted in
10 the zone, by whom it was provided, and the amount of capital
11 investment attached to provision of that training.

12 (b) Commencing on July 1, 2026, and on or before January 1
13 of each year thereafter, the Green Empowerment Zone shall post
14 the report described in subdivision (a) on its internet website and
15 submit a letter to the Legislature informing the Legislature that
16 the report has been posted.

17 SEC. 4. Section 7599.104 of the Government Code is amended
18 and renumbered to read:

19 7599.105. This chapter shall remain in effect only until January
20 1, 2040, and as of that date is repealed.

21 SEC. 5. Section 7599.104 is added to the Government Code,
22 to read:

23 7599.104. For the purposes of this chapter, the following
24 definitions apply:

25 (a) “Board” means the board of directors as described in Section
26 7599.101.

27 (b) “Green Empowerment Zone for the Northern Waterfront
28 area of the County of Contra Costa,” “Green Empowerment Zone,”
29 “empowerment zone,” or “zone” means a zone authorized and
30 established pursuant to Section 7599.100.

31 SEC. 6. The Legislature finds and declares that a special statute
32 is necessary and that a general statute cannot be made applicable
33 within the meaning of Section 16 of Article IV of the California
34 Constitution because of the unique circumstances and challenges
35 relating to economic development in the County of Contra Costa
36 and neighboring areas.

37 SEC. 7. This act is an urgency statute necessary for the
38 immediate preservation of the public peace, health, or safety within
39 the meaning of Article IV of the California Constitution and shall
40 go into immediate effect. The facts constituting the necessity are:

1 In order to facilitate the proper function of the board of directors
2 of the Green Empowerment Zone and in the interest of full
3 participation from the community in decisions relating to the Green
4 Empowerment Zone, it is necessary for this act to take effect
5 immediately.

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