
SENATE COMMITTEE ON GOVERNANCE AND FINANCE

Senator Anna M. Caballero, Chair

2023 - 2024 Regular

Bill No: SB 475
Author: Min
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Consultant: Royce, Peterson

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Tax Levy: No
Fiscal: Yes

PARK PROPERTY: CITY OF LAGUNA WOODS: CITY CENTRE PARK

Allows the City of Laguna Woods in Orange County to use a portion of its City Centre Park property for the purpose of constructing a new fire station, if specified conditions are met.

Background

Park financing. The Legislature has adopted, and the voters have approved, a number of measures to assist local agencies in funding parks and recreational services throughout California, including:

- *Roberti Z'berg-Harrison Urban Open-Space and Recreation Program Act.* Provides grants to cities, counties, and districts for recreational purposes, open-space purposes, or both, on the basis of population and need. Property acquired or developed with grant money from this Act must be used by the grant recipient exclusively for the purpose the grant moneys were requested.
- *Community Parklands Act of 1986.* Placed Proposition 43 on the statewide ballot. Voters approved the issuance of \$100 million in bonds to finance grants to counties, cities, and districts on the basis of their populations for neighborhood, community, and regional parks, among other things. This Act requires the applicant to agree that the property acquired or developed with these funds will be used only for the purposes for which the funds were requested and that no other use of the property will be allowed, unless permitted by a specific act of the Legislature.
- *Safe Neighborhood Parks, Clean Water, Clean Air and Coastal Protection Bond Act of 2000.* Placed Proposition 12 on the statewide ballot. This Act authorized a \$2.1 billion general obligation bond to provide funds to protect natural resources, improve water and air quality, preserve open space and farmland, protect wildlife habitats, and to repair and improve the safety of state and neighborhood parks. The Act requires grant recipients to use the property only for the purposes for which the grant was made except as authorized by specific act of the Legislature.
- *California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Act of 2002.* Placed Proposition 40 on the statewide ballot. This Act authorized a \$2.6 billion general obligation bond to provide funds to conserve natural resources, acquire and improve state and local parks, and preserve historical and cultural resources. The Act requires grant recipients to use the property only for the purposes for which the grant was made except as authorized by specific act of the Legislature.
- *California Drought, Water, Parks, Climate, Coastal Protection, and Outdoor Access For All Act of 2018.* Placed Proposition 68 on the statewide ballot. This Act authorized the issuance of bonds in an amount of \$4 billion pursuant to the State General Obligation

Bond Law to finance a drought, water, parks, climate, coastal protection, and outdoor access for all program.

Shifting parks and priorities. Some local agencies decided that certain park properties no longer served their respective cities best interests, but wanted to maintain the same recreational opportunities in their respective communities. In cases like these, despite the limitations that parks funded with the aforementioned state funds only be used for park purposes, the Legislature has allowed local agencies to dispose of particular park properties provided that the local agency identified replacement park property:

- AB 1476 (Gray, 2022) allowed the City of Modesto to dispose of Beard Brook Park, subject to certain conditions.
- AB 1330 (Reyes, 2018) allowed the Bloomington Recreation and Park District to dispose of property used for park purposes at Ayala Park, subject to certain conditions.
- SB 178 (Weickowski, 2017) authorized the City of Fremont to transfer 4.6 acres of park property to the Fremont Unified School District, provided the City adhered to specific program guidelines, as defined.
- SB 1027 (Nielsen, 2016) authorized the County of Tehama to transfer Evergreen Union School District specified park land, subject to the requirements of the grant program utilized to purchase and maintain the park.
- AB 1864 (Matthews, 2006) authorized the City of Merced to transfer Merced City School District up to three acres of specified park land to construct a new elementary school, subject to the Public Preservation Act of 1971, and provided that the City followed specific requirements.
- AB 1457 (Baca, 2006) authorized the City of San Bernardino to transfer up to 12.5 acres of specified park property to the Redevelopment Agency of the City of San Bernardino for sale to private development, provided that the City followed the requirements of the Public Park Preservation Act of 1971.

City Centre Park. According to the City of Laguna Woods (City), the City-owned City Centre Park (Park) was established in 2011. The park consists of approximately 0.56 acres and serves the City's 17,644 residents, 80% of whom are 65 years of age or older, as well as visitors from neighboring areas. Currently the only fire station located within the City is on its eastern border. According to the Orange County Fire Authority (OCFA), there has been an increase in call volume in recent years that has led to longer response times for the western portions of the City, which include residences, wildland-urban interface areas, and two 13-story residential towers. The City and OCFA state that due to increased call volume, community growth, and traffic, there is a significant need for a second fire station strategically located within the City to provide improved delivery of services.

The OCFA reports that it conducted an analysis in 2019 of undeveloped sites that could physically accommodate a new fire station. The analysis determined that the Park would be the best location to serve the western portions of the City. As a result, the City would like to allow for approximately 0.32 acres of the Park property to be used to build a new fire station. According to the City, "The construction of a new fire station at the Park would significantly improve response times and the delivery of lifesaving services, while also enhancing the portion of the Park that would remain by investing \$212,000 therein." In 2022, the City had the portion of the Park proposed for use as a fire station appraised. The appraisal estimated the fair market value of that portion of the Park at \$212,000.

In 2004, the City was awarded a \$220,000 grant funded by Proposition 40 (2002) from the state Department of Parks and Recreation (DPR) to make a number of capital improvements to the Park, including construction of a concrete walking path and various landscaping enhancements. According to the City, the receipt of this state grant funding restricts the ability to use the land for non-park purposes.

The City of Laguna Woods and OCFA want the Legislature to authorize the use of a portion of City Centre Park for the construction of a new fire station despite the past receipt of state park grant funds for the property.

Proposed Law

Senate Bill 475 authorizes the City of Laguna Woods, by January 1, 2026, to remove a portion of City Centre Park from public recreation use for the purpose of constructing a new fire station, subject to the reinvestment of \$212,000 in capital improvements to the remaining City Centre Park, as required by the receipt of previous state grant funds used for capital improvements to the property.

The bill defines City Centre Park to mean “the approximately 0.32 acre portion of City Centre Park to be removed from public recreation use by the City of Laguna Woods and used as a fire station.”

The measure states that the \$212,000 reinvestment is based upon an independent appraisal of the portion of the Park proposed to be removed from public recreation use.

The bill requires the City to develop a plan for capital improvements to be made to the remaining Park that meets the following requirements:

- The plan must include capital improvements in the amount of \$212,000 in the remaining City Centre Park.
- The City must conduct at least two public hearings to solicit the input of residents of the City for the capital improvements to be made.
- The City Council must approve the plan and it must be submitted to DPR on or before January 1, 2025.
- The plan must enhance the active or passive recreational utility to the public of the remaining City Centre Park.
- DPR must approve the plan developed pursuant to the requirements of the bill before any improvements are made.

Lastly, the measure includes legislative findings and declarations supporting its purposes and makes an additional finding and declaration regarding the need for special legislation.

State Revenue Impact

No estimate.

Comments

1. Purpose of the bill. According to the author, “The one fire station currently serving the City of Laguna Woods is located on its eastern boundary. In recent years there has been an increase in call volume, community growth, and traffic, which in turn has led to longer response times for emergencies in the western portions of the City. As a result, there is a significant need to have a second fire station, strategically located within the City, for improved delivery of services.

SB 475 will allow the City of Laguna Woods and OCFA to build a new fire station that will enhance the delivery of services to residents, while also maximizing underutilized City Centre Park land. A new OCFA fire station will improve response times and accommodate the growing public safety demands of Laguna Woods residents and neighboring areas.”

2. Not so fast. If the Legislature enacts SB 475, the City must take a series of actions contingent on several factors, including approval by DPR, and final approval by both the City Council and OCFA Orange County Fire Authority Board of Directors that would result in construction of a new OCFA fire station. Should the legislation become effective and all approvals are obtained, the City states it would still need to:

- Comply with applicable state laws regarding the use of park property for non-park purposes; unencumber the property of deed restrictions that would otherwise preclude the construction and operation of a fire station;
- Negotiate with OCFA for the construction and operation of a fire station including, a long-term lease agreement, subject to approval by the City Council;
- Partner with OCFA to contact surrounding property owners to discuss a potential new fire station and solicit community input;
- Coordinate with OCFA on matters affecting the design of a fire station, such as modifications and easements related to traffic control devices, medians, sidewalks, and public access to the remaining City Centre Park; and
- Enter into negotiated cost recovery agreements with OCFA to reimburse the City for costs associated with the project.

Due to the number and complexity of these required actions, the City estimates that the earliest construction might potentially begin is Fiscal Year 2024-25.

3. One purpose for another. SB 475 authorizes removing a portion of the Park from public recreation use for a public safety purpose instead via a new fire station. As previously noted, because the City received state grant funds to make capital improvements to the Park, the funds must be used for enhancements to the Park. This bill addresses this restriction by requiring the appraised value of the portion of the park that would be used for the fire station, \$212,000, to be reinvested in the remaining area of the Park.

4. Prior legislation. AB 954 (Petrie-Norris, 2022) would have allowed the City of Laguna Woods to lease specified park property to a public agency or joint powers authority for purposes related to fire protection or public safety. AB 954 was never heard in the Assembly Local Government Committee.

5. Special legislation. The California Constitution prohibits special legislation when a general law can apply (Section 16 of Article IV). SB 475 contains findings and declarations explaining the need for legislation that applies only to City Centre Park in the City of Laguna Woods

because of the unique circumstances concerning the property and the City's desire to increase public safety and emergency response times.

Support and Opposition (4/21/23)

Support: City of Laguna Woods (Co-Sponsor)
Orange County Fire Authority (Co-Sponsor)

Opposition: None submitted.

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