

Date of Hearing: April 15, 2026

ASSEMBLY COMMITTEE ON LOCAL GOVERNMENT

Juan Carrillo, Chair

AB 2512 (Valencia) – As Amended March 19, 2026

SUBJECT: Surplus Land Act: exemption: Angel Stadium

SUMMARY: Provides that, if an exemption under the Surplus Land Act (SLA) is applied to the disposition of Angel Stadium by the City of Anaheim to the Los Angeles Angels, any disposition documents and promotional or marketing materials shall refer to the team as the Anaheim Angels, except under certain conditions. Specifically, **this bill:**

- 1) Provides that, if an exemption to the SLA is granted to the City of Anaheim for the disposition of surplus land involving the sale or lease of Angel Stadium to the Major League Baseball (MLB) team known as the Los Angeles Angels, then any materials, including, but not limited to, a lease, deed of sale, and promotional or marketing materials, shall refer to that team as the Anaheim Angels.
- 2) Provides that it is the intent of the Legislature that the requirements in 1), above, would not apply if the City of Anaheim is able to come to an agreement with the MLB team known as the Los Angeles Angels about their affiliation.
- 3) Finds and declares a special statute is necessary and that a general statute cannot be made applicable within the meaning of Section 16 of Article IV of the California Constitution because of the corruption scandal related to the almost sale of Angel Stadium in 2020, and the current lease agreement with the City of Anaheim.

EXISTING LAW:

- 1) Establishes the SLA. [Government Code (GOV) § 54220-54234]
- 2) Provides the following pursuant to the SLA:
 - a) Defines “disposition” to mean the sale of surplus land or the entering of a lease for surplus land for a term longer than 15 years, inclusive of any extension or renewal option included in the terms of the initial lease, entered into on or after January 1, 2024. (GOV § 54221)
 - b) Provides that “disposition” does not mean the entering of a lease for surplus land for a term of 15 years or less, inclusive of any extensions or renewal options, or the entering of a lease in which no development or demolition occurs, regardless of the term of the lease. (GOV § 54221)
 - c) Provides that a local agency that disposes of surplus and in violation of the SLA is liable for a 30% penalty of the applicable disposition value for a first violation, and 50% for any subsequent violation. Defines “disposition value” to mean either of the following:
 - i) The final sale price of the land or the fair market value of the surplus land at the time of sale as determined by an independent appraisal of the land, whichever is greater.

- ii) The discounted net present value of the fair market value of the lease as of the date the lease was entered into, as determined by an independent appraisal of the lease. (GOV § 54230.5)
- d) Requires, if a local agency is disposing of surplus land and has received notification from the Department of Housing and Community Development (HCD) that the disposition violates the SLA, the local agency to hold an open and public meeting to review and consider the substance of the notice of violation. A local agency shall not take final action to ratify or approve the proposed disposal of surplus land until this public meeting is held. This public meeting is no longer required if the local agency ceases to dispose of the surplus land after receiving a notice of violation from HCD. (GOV § 54230.7)
- e) Provides, until January 1, 2030, that if HCD notifies the County of Orange or a city within the County of Orange that its planned disposition of surplus land is in violation of the SLA, the jurisdiction shall have 60 days from the date of receipt of the notification of the violation to cure or correct an alleged violation, unless HCD decides that the alleged violation is not a violation within the 60 days. If the jurisdiction has not cured or corrected any alleged violation within 60 days, it shall not dispose of the land until HCD determines that the jurisdiction has complied with the SLA or deems the alleged violation not to be a violation. (GOV §54230.8)
- f) Requires, until January 1, 2030, a jurisdiction that receives a notice of violation from HCD pursuant to e), above, to respond to HCD with a statement describing the actions taken to cure or correct the alleged violation within 60 days of receipt of the notice. HCD shall determine if the local agency's actions have cured or corrected the alleged violation and whether the planned disposal of surplus land would constitute a violation, and notify the jurisdiction of its determination within 30 days. (GOV § 54230.8)

FISCAL EFFECT: None.

COMMENTS:

- 1) **Bill Summary.** This bill requires that any documents relating to the disposition (sale or lease of a term of more than 15 years of Angels Stadium by the City of Anaheim to the MLB team known as the Los Angeles Angels reflect the name “Anaheim Angels” if the disposition uses an exemption under the SLA. The requirement to use the name “Anaheim Angels” extends to any promotional or marketing materials for the team.

This bill is author sponsored.

- 2) **Author's Statement.** According to the author, “The City of Anaheim has been home to this franchise for nearly 60 years. Yet the team's name does not reflect that history or our community. The Home Run for Anaheim Act will restore the name of the Angels Major League Baseball team to Anaheim Angels.”

Surplus Land Act. Public agencies are major landlords in some communities, owning significant pieces of real estate. When properties become surplus to an agency's needs, public officials sometimes want to dispose of the land, which means to sell or lease it for more than fifteen years, to recoup their investments. The SLA spells out the steps local agencies must follow when they want to dispose of land. It requires local governments to

give a “first right of refusal” to other public agencies, nonprofit housing developers, schools, and parks and recreation departments. After notifying these groups that the land is available, the disposing agency must negotiate in good faith with these interested parties for 90 days to try to come to agreement before the local agency can dispose of the surplus land.

- 3) **Process of the SLA.** Before agencies can enter into negotiations to dispose of surplus land, they must send a written notice of availability to various public agencies and nonprofit affordable housing developers, commonly referred to as “housing sponsors,” notifying them that land is available for the following purposes:
- a) Low- and moderate-income housing;
 - b) Park and recreation, and open space;
 - c) School facilities; or
 - d) Infill opportunity zones or transit village plans.

Housing sponsors can notify HCD if they are interested in acquiring surplus land to develop affordable housing. HCD maintains a list of notices of availability on its website.

If another agency or housing sponsor wants to buy or lease the surplus land for one of these purposes, it must tell the disposing agency within 60 days. If multiple entities want to purchase the land, the housing sponsor that proposes to provide the greatest level of affordable housing gets priority. The agency and the housing sponsor then have an additional 90 days to negotiate a mutually satisfactory price and terms in good faith. If they cannot agree, the agency that owns the surplus land can sell the land on the private market. If surplus land is not sold to an affordable housing developer, but housing is developed on it later, 15 percent of the units must be sold or rented at an affordable cost to lower income households.

The SLA says that nothing in its provisions:

- a) Limits the power of any local agency to sell or lease surplus land at fair market value or less than fair market value;
- b) Prevents a local agency from obtaining fair market value;
- c) Limits a local agency’s authority or discretion to approve land use, zoning, or other entitlement decisions in connection with surplus land; or
- d) Requires a local agency to dispose of land just because it is surplus.

Local agencies that dispose of surplus land in violation of the SLA face penalties totaling 30 percent of the sales price or the appraised fair market value at the time of disposition for the first violation, and 50 percent for subsequent violations. For leases, these penalties are calculated at the discounted net present value of the fair market value of the lease as of the date the lease was entered into, as determined by an independent appraisal of the lease. These penalty revenues must be deposited in a local housing trust fund.

The enforcement process in the SLA requires that: Prior to agreeing to terms for the disposition of surplus land, a local agency must provide HCD a description of the notices of availability sent, and negotiations conducted with any responding entities, as specified. HCD must submit written findings to the local agency within 30 days of receipt of the description of the disposal if the proposed disposal of the land will violate the SLA.

A local agency has at least 60 days to respond to the findings before HCD may take further action. The local agency must consider findings made by HCD and then either correct any violations found by HCD or respond in writing explaining why the disposal complied with the SLA. If the local agency does not respond or does not address the violations, HCD must notify the local government and may notify the Attorney General that the disposal violates the SLA. A local agency cannot be held liable for the penalties under the SLA if HCD does not notify the agency that the agency is in violation within 30 days of receiving the notice of disposition.

- 4) **SLA Reform.** In 2023, AB 480 (Ting), Chapter 788 and SB 747 (Caballero), Chapter 786 made significant changes to the SLA. Together the bills attempted to strike a balance between ensuring comprehensive coverage of dispositions, while enacting exemptions and other changes that would streamline the process for local governments. Specifically, AB 480 and SB 747:
 - a) Defined “dispose” to include leases of longer than 15 years that are entered into on or after January 1, 2024, but excluded leases of terms 15 years or less and leases where no development or demolition will occur.
 - b) Applied penalties to leases that violate the SLA, but provided that penalties don’t apply to non-substantive violations of the SLA.
 - c) Added numerous categories of exempt surplus land, such as properties smaller than one-half acre, specified mixed-use developments and developments on larger sites that include affordability requirements, airport land, and others.
 - d) Authorized disposal of certain categories of exempt surplus land without a public hearing, as long as specified notice is provided.
 - e) Established additional types of activities that explicitly qualify as “agency’s use.”
 - f) Extended provisions that allow projects with an exclusive negotiating agreement in place to follow a previous version of the SLA.
- 5) **Anaheim Stadium Transaction.** In September 2020, the Anaheim City Council approved the sale of Angel Stadium and 150 acres of surrounding land to the owner of the Los Angeles Angels. At the time, the sale was criticized because the initial offering price for the land was \$320 million, which was below the value of \$500 million identified in a city-commissioned appraisal of the site, and which was further lowered to the price of \$150 million in exchange for the funding of 466 affordable housing units and a seven-acre park on the property. In December 2021, HCD notified the City of Anaheim that the sale violated the SLA, and on April 25, 2022, the City and the Attorney General agreed to a settlement that required the City to pay \$123 million for the development of affordable housing on the site, which includes a \$96 million fine equivalent to 30 percent of the \$320 million final sales price of

the land. However, in May 2022, allegations of corruption associated with the deal surfaced.

Specifically, reports became public that the Federal Bureau of Investigation (FBI) was investigating the mayor of the City of Anaheim and alleged that he “shared privileged and confidential information with the Angels during stadium sale negotiations, actively concealed same from a grand jury inquiry, and expects to receive campaign contributions as a result.” The mayor subsequently resigned, and on May 24, 2022, the city council voided the deal.

In 2023, SB 34 (Umberg), Chapter 772, and SB 229 (Umberg), Chapter 774, responded to the “almost disposition” of the Angels Stadium. SB 34 prohibited the County of Orange or any city within the County or Orange from disposing of surplus land if the local agency had received a notice of violation from HCD. SB 34 also prohibited the disposition of surplus land from being completed until HCD determines that the proposed disposition complies with the SLA. SB 229 required a local agency to hold an open and public meeting if it has been notified by HCD that the local agency’s planned disposal of surplus land is in violation of the SLA.

- 6) **Related Legislation.** AB 2139 (Garcia) exempts the Ontario Sports Empire from the SLA. AB 2139 is pending in this Committee.

AB 2525 (Ward) exempts Mission Bay Park in San Diego from the SLA. AB 2525 is pending in this Committee.

- 7) **Previous Legislation.** SB 229 (Umberg), Chapter 774, Statutes of 2023, required a local agency to hold an open and public meeting if it has been notified by HCD that its planned disposal of surplus land is in violation of the SLA.

SB 34 (Umberg), Chapter 772, Statutes of 2023, prohibits Orange County, or any city located therein, from proceeding with a planned disposal of surplus land if it receives a notice of violation from HCD and the violation is not corrected within 60 days.

- 8) **Arguments in Support.** None on file.
- 9) **Arguments in Opposition.** None on file.
- 10) **Double-Referral.** This bill is double-referred to the Assembly Housing and Community Development Committee.

REGISTERED SUPPORT / OPPOSITION:

Support

None

Opposition

None

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