

SENATE RULES COMMITTEE

Office of Senate Floor Analyses

(916) 651-4171

AB 2512

CONSENT

Bill No: AB 2512
Author: Valencia (D), et al.
Amended: 3/19/26 in Assembly
Vote: 21

SENATE LOCAL GOVERNMENT COMMITTEE: 7-0, 7/1/26
AYES: Durazo, Choi, Arreguín, Ashby, Cervantes, Laird, Seyarto

ASSEMBLY FLOOR: 72-0, 5/18/26 - See last page for vote

SUBJECT: Surplus Land Act: exemption: Angel Stadium

SOURCE: Author

DIGEST: This bill requires materials related to an exemption from the Surplus Land Act (SLA) for Angels Stadium to refer to the Anaheim Angels.

ANALYSIS:

Existing law:

- 1) Establishes procedures for the disposal of publicly-owned land that is surplus to the needs of local agencies, under the SLA.
- 2) Requires local officials that want to dispose of public property to declare that the land is no longer needed for the agency's use in a public meeting and declare the land either "surplus land" or "exempt surplus land."
- 3) Provides that "agency's use" includes land that is being used, or is planned to be used pursuant to a written plan adopted by the local agency or will be disposed of to support agency work or operations, and excludes land for agency's use from the SLA.
- 4) Requires local agencies to follow the procedures laid out in the SLA before surplus land can be sold, including:

- a) Send a written notice of availability to various public agencies and nonprofit groups, referred to as “housing sponsors,” notifying them that land is available for specified purposes.
 - b) Negotiate in good faith for 90 days with housing sponsors that respond.
- 5) Allows the local agency to dispose of the property on the private market if agreement is not reached with a housing sponsor.
 - 6) Requires that, if a property sold as surplus is not sold to a housing sponsor, but housing is developed on it later, 15% of the units must be sold or rented at an affordable cost to lower income households.
 - 7) Requires local agencies to notify the Department of Housing and Community Development (HCD) prior to agreeing to terms for the disposition of surplus land.
 - 8) Imposes penalties of 30% of the disposition value of the land for a first violation and 50% of the disposition value for any subsequent violation for selling land in violation of the SLA.
 - 9) Designates certain types of land as “exempt surplus land” and provides that the entirety of the SLA does not apply to exempt surplus land.

This bill:

- 1) Requires 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 Angels, then any materials, including, but not limited to, a lease, deed of sale, and promotional or marketing materials, must refer to that team as the Anaheim Angels.
- 2) Provides that it is the intent of the Legislature that those requirements do not apply if the City is able to come to an agreement with the Angels about their affiliation.

Background

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 want to sell the land 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

governments and nonprofit housing developers, and to negotiate in good faith with them to try to come to agreement. This means that local agencies must open their properties up to affordable housing developers first, even if they have a different purpose in mind for the property.

Before local officials can dispose of property, they must declare that the land is no longer needed for the agency's use in a public meeting and declare the land either "surplus land" or "exempt surplus land." Land that is being used for an agency's use is not subject to the SLA. "Agency's use" includes land that is being used, or is planned to be used pursuant to a written plan adopted by the local agency or will be disposed of to support agency work or operations.

The SLA designates a lengthy list of types of land that are "exempt surplus land," such as land that is being transferred to another public entity or an Indian Tribe, or land that is subject to a valid legal restriction that prohibits residential uses on the property. Statute provides that the entirety of the SLA does not apply to disposals of exempt surplus land. All other surplus land must follow the procedures laid out in the SLA before a local agency can sell it.

Angel Stadium. The City of Anaheim owns Angel Stadium, a Major League Baseball (MLB) stadium that is the home stadium of the MLB team the Los Angeles Angels. Anaheim leases the stadium and the land around it to the team's ownership. The Angels ownership has leased the stadium since 1996 under an agreement that requires Angels ownership to maintain the stadium at its own expense subject to certain conditions. However, both the city and Angels ownership annually contribute to a capital reserve fund based on a formula, which Angels ownership may use for improvements. Under certain conditions, the lease also requires Angels ownership to provide Anaheim with a share of the revenue from ticket sales for baseball games, parking, and other events using specified formulas. The lease agreement ends on December 31, 2032, but contains an option for Angels ownership to extend it by up to six more years.

In September 2020, Anaheim approved the sale of Angel Stadium and 150 acres of surrounding land to Angels ownership. 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. Anaheim denied wrongdoing. 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. Because the transaction did not occur, the settlement agreement between the Attorney General and the City is no longer operative.

In 2023, SB 34 (Umberg, Chapter 772, Statutes of 2023) and SB 229 (Umberg, Chapter 774, Statutes of 2023) responded to the “almost disposition” of the Angels Stadium. SB 34 prohibited the County of Orange or any city within the County of 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.

The author wants to ensure that Angel Stadium is known for its connection to the City of Anaheim.

Comments

- 1) *Purpose of the bill.* 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 if the City of Anaheim is granted an exemption to the surplus land act. Restoring the team’s name will present new marketing opportunities for the City and will recognize the residents who grew up attending Angels’ games.”
- 2) *Sure, but will it work?* Numerous exemptions to the SLA exist for certain uses of local agency properties, but they are typically reserved for circumstances where local governments are transferring properties to affordable housing developers or other governmental entities, or are subject to strict restrictions on the property’s use. This bill provides that if one of these exemptions, or potential future exemptions, apply to the sale or lease of Angel Stadium to the

Angels, then the materials must call them the Anaheim Angels. This bill does not enact an exemption, and it is unclear whether any existing exemptions would apply. Furthermore, the Legislature may be reluctant to grant any future exemptions for Angel Stadium, given the significant concerns that arose around the prior disposition. As such, this bill may have limited effect.

FISCAL EFFECT: Appropriation: No Fiscal Com.: No Local: No

SUPPORT: (Verified 7/27/26)

Orange County Employees Association

OPPOSITION: (Verified 7/27/26)

None received

ASSEMBLY FLOOR: 72-0, 5/18/26

AYES: Addis, Aguiar-Curry, Ahrens, Alanis, Alvarez, Arambula, Ávila Farías, Bains, Bauer-Kahan, Bennett, Berman, Boerner, Bonta, Bryan, Caloza, Carrillo, Castillo, Connolly, Davies, DeMaio, Elhawary, Ellis, Flora, Fong, Gabriel, Gallagher, Garcia, Gipson, Jeff Gonzalez, Mark González, Hadwick, Haney, Harabedian, Hart, Hoover, Irwin, Jackson, Johnson, Kalra, Krell, Lackey, Lowenthal, Macedo, McKinnor, Muratsuchi, Nguyen, Ortega, Pacheco, Papan, Patel, Patterson, Pellerin, Petrie-Norris, Ramos, Ransom, Michelle Rodriguez, Rogers, Blanca Rubio, Sanchez, Schiavo, Schultz, Sharp-Collins, Solache, Soria, Ta, Tangipa, Valencia, Wallis, Ward, Wilson, Zbur, Rivas

NO VOTE RECORDED: Calderon, Chen, Dixon, Lee, Quirk-Silva, Celeste Rodriguez, Stefani, Wicks

Prepared by: Anton Favorini-Csorba / L. GOV. / (916) 651-4119

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