

Date of Hearing: April 22, 2026

ASSEMBLY COMMITTEE ON HOUSING AND COMMUNITY DEVELOPMENT

Matt Haney, Chair

AB 2525 (Ward) – As Amended April 16, 2026

SUBJECT: Surplus lands: Mission Bay Park

SUMMARY: Exempts Mission Bay Park in the city of San Diego (City) from the Surplus Land Act (SLA). Specifically, **this bill:**

- 1) Exempts land within Mission Bay Park in the City from the SLA, if specified conditions are met.
- 2) Requires the exempted land to be identified in the Mission Bay Park Master Plan and meet all of the following requirements:
 - a) Contains existing commercial, retail, hotel, parking, or conference uses as of January 1, 2026;
 - b) Any expansion of an existing use does not encroach on open space, public recreation, or park uses; and
 - c) Is subject to a lease agreement.
- 3) Requires the City to declare the land as “exempt surplus land” at a regular public meeting and make findings that:
 - a) The land is not necessary for the agency’s use;
 - b) The disposition will not detrimentally impact public use; and
 - c) The lease area remains below the 25% cap established by the city charter.
- 4) Requires the City to notify the California Department of Housing and Community Development (HCD) at least 30 days prior to disposition, including findings and any recorded restrictions, which must include affordability requirements if 10 or more residential units are developed.
- 5) Establishes an HCD review process for the disposition, including:
 - a) HCD must respond within 30 days if the City is in violation;
 - b) The City has 60 days to cure any violation identified by HCD before enforcement action;
 - c) Provides for civil penalties if land is disposed of in violation of the bill and the SLA; and
 - d) Specifies that no penalty applies if HCD fails to notify the City within 30 days.

- 6) Authorizes the City to use the exemption only if it meets one of the following conditions:
 - a) It has not received an HCD notice of violation in the prior five years and has facilitated at least 4,000 housing units in that period, with at least 50% affordable to lower income households, and deposits 10% of the land value into a local housing fund; or
 - b) It deposits 30% of the greater of the sales price or fair market value (or lease value) into a local housing fund at the time of disposition.
- 7) Requires funds collected (including any penalties) to be deposited into a local housing-specific set-aside account and used within three years for housing affordable to extremely low-, very low-, or low-income households.
- 8) Requires unspent funds after three years to revert to the state for deposit into the Building Homes and Jobs Trust Fund or the Housing Rehabilitation Loan Fund for affordable housing in the same jurisdiction, subject to legislative appropriation.
- 9) Specifies that violations are deemed to impact the availability of affordable housing and are treated as second or subsequent violations under existing SLA penalty provisions.
- 10) Requires the provisions of this bill to be recorded as a covenant or restriction running with the land and enforceable against future owners.
- 11) Defines “fair market value” of a lease as the discounted net present value at the time the lease is executed.

EXISTING LAW:

- 1) Establishes procedures for the disposal of publicly-owned land that is surplus to the needs of local agencies, under the SLA. (Government Code (GOV) Sections 54220 - 54262)
- 2) Requires local officials who 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.” (GOV 54221)
- 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. (GOV 54221)
- 4) Requires local agencies to follow the procedures laid out in the SLA before surplus land can be sold, including, but not limited to:
 - 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 the following purposes:
 - i) Low- and moderate-income housing;
 - ii) Park and recreation, and open space;
 - iii) School facilities; or

- iv) Infill opportunity zones or transit village plans. (GOV 54222)
- b) Negotiate in good faith for 90 days with housing sponsors that respond. (GOV 54223)
- 5) Allows the local agency to dispose of the property on the private market if a mutually satisfactory agreement is not reached with interested parties during the good faith negotiations. (GOV 54223)
- 6) Requires the disposing agency to record a covenant or restriction to the property, if a property is disposed pursuant to 5) after completing steps 2)-4), stating that if 10 or more units of housing are developed on the property later, 15% of the units must be sold or rented at an affordable cost to lower income households. (GOV 54233)
- 7) Gives the Department of Housing and Community Development (HCD) enforcement authority over the SLA, as follows:
 - a) Allows HCD to develop guidelines to implement the penalty provisions of the SLA and provides that those guidelines are not subject to the Administrative Procedures Act;
 - b) Requires local agencies to notify the Department of Housing and Community Development (HCD) before agreeing to terms for the disposition of surplus land;
 - c) 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; and
 - d) Establishes an enforcement process, which provides, among other things, that a local agency cannot be liable for a penalty if it is not notified by HCD that it is in violation of the act. (GOV 54220 – 54262)
- 8) Allows for public and private enforcement of the SLA by affordable housing developers, housing organizations, individuals that would have been eligible to apply for residency in affordable housing, a beneficially interested person or entity, and HCD. (GOV 54221)
- 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. (GOV 54221)

FISCAL EFFECT: Unknown.

COMMENTS:

Author’s Statement: According to the author, “Mission Bay Park is one of California’s most extraordinary public recreational resources. Encompassing more than 4,200 acres, it is one of the largest aquatic parks in the United States and welcomes millions of residents and visitors each year to enjoy its beaches, waterways, trails, and open spaces. In 1944, the state conveyed much of the tidelands now comprising Mission Bay Park to the City of San Diego through the San Diego Tidelands Trust. The grant required the land to be used for public trust purposes, such as navigation, fisheries, recreation, and visitor-serving facilities. For more than sixty years, the park has been protected as dedicated parkland under the San Diego City Charter, ensuring that it remains open and accessible for recreation and public enjoyment. AB 2525 provides a narrow exemption from the Surplus Land Act for lands within Mission Bay Park so that the City of San

Diego can continue maintaining and modernizing park facilities consistent with this long-standing dedication. This bill ensures that Mission Bay Park can continue to be maintained, enhanced, and enjoyed by generations of Californians while preserving its status as one of the state’s premier public parks.”

California’s Housing Crisis: California’s housing crisis is a half-century in the making.¹ After decades of underproduction, supply is far behind demand, and housing and rental costs are soaring. As a result, millions of Californians must make hard decisions about paying for housing at the expense of food, health care, child care, and transportation, directly impacting the quality of life in the state.² One in three households in the state doesn’t earn enough money to meet their basic needs.³ In 2024, over 187,000 Californians experienced homelessness on a given night.⁴

To meet this housing need, HCD determined that California must plan for more than 2.5 million new homes, and no less than one million of those homes must be affordable to lower-income households, in the 6th Regional Housing Needs Allocation (RHNA) cycle. By contrast, housing production in the past decade has been under 100,000 units per year – including less than 10,000 units of affordable housing per year.⁵ Increasing the overall supply of housing, both market-rate and deed-restricted affordable, is essential to reducing upward pressure on rents and home prices, and to creating a more stable, accessible housing market for Californians across income levels.

The state’s housing crisis is not equally experienced by all Californians. Testimony by the UC Berkeley Turner Center to this Committee showed that the impacts of the housing crisis are significantly more severe for lower-income individuals, single-earner households, Black and Latino Californians, younger and older populations, and those who reside in, or aspire to live and work in, the state’s highest-cost regions.⁶

SLA: Local public agencies are major landlords in some communities, owning significant pieces of real estate. When properties become surplus to a local agency’s needs, public officials may want to dispose of the property. They can do so under the SLA to recoup their investment by selling or leasing that land for fifteen years or longer, assuming they follow the process specified in the SLA. The SLA spells out the steps local agencies must follow when they want to dispose of land. In 2023, AB 480 (Ting), Chapter 788, and SB 747 (Caballero), Chapter 786 made significant changes to the SLA. Together, these bills attempted to strike a balance between ensuring comprehensive coverage of dispositions while enacting statutory exemptions and other changes that would streamline the process for local governments.

Generally, before local officials can dispose of property under the SLA, 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.” Before agencies can broadly negotiate to dispose of surplus land on the private market, they must give a “first right of refusal” to other public

¹ California Department of Housing and Community Development, *A Home for Every Californian: 2022 Statewide Housing Plan*. March 2022, <https://storymaps.arcgis.com/stories/94729ab1648d43b1811c1698a748c136>

² IBID.

³ IBID.

⁴ U.S. Department of Housing and Urban Development, Point in Time Counts.

<https://www.huduser.gov/portal/datasets/ahar/2023-ahar-part-1-pit-estimates-of-homelessness-in-the-us.html>

⁵ <https://www.hcd.ca.gov/policy-research/housing-challenges.shtml>

⁶ UC Berkeley Turner Center Testimony by Ben Metcalf, Managing Director, at the State Housing Production Legislation: Actions, Outcomes, and Opportunities Informational Hearing, February 12, 2025

agencies, nonprofit housing developers, schools, and parks and recreation departments. Public agencies and nonprofit housing developers interested in developing surplus property are referred to as “housing sponsors.” Housing sponsors can notify the HCD if they are generally interested in acquiring surplus land to develop affordable housing. HCD maintains a list of housing sponsors and Notice of Availability (NOAs) on its website.

When a local agency wants to dispose of surplus land, it must send a written NOA to let interested parties, including local public entities with jurisdiction where the surplus land is located and all interested housing sponsors, know that land is available for the following purposes:

- 1) Low- and moderate-income housing;
- 2) Park and recreation, and open space;
- 3) School facilities; or
- 4) Infill opportunity zones or transit village plans.

If any interested parties respond to the NOA within 60 days, the disposing agency must negotiate in good faith for 90 days with any interested parties who respond to the NOA to try to come to a mutually satisfactory sale or long-term lease agreement. If multiple entities respond to the NOA, the housing sponsor that proposes to provide the greatest number of units, and the highest level of affordable housing, gets priority. If the disposing agency and interested parties cannot agree to mutually satisfactory terms after negotiating in good faith, the agency that owns the surplus land can sell the land on the private market. Before disposing of the land through the private market, the disposing local agency must record a restriction or covenant against the property maintaining that housing is developed on the property in the future, 15% of the units must be sold or rented at an affordable cost to lower-income households.

The SLA says that nothing in its provisions:

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

HCD has enforcement authority over the SLA. Furthermore, the SLA may be enforced by affordable housing developers, housing organizations, individuals who would have been eligible to apply for residency in affordable housing, or a beneficially interested person or entity. Local agencies that improperly dispose of surplus land face penalties of 30% of the sale price or market value for the first violation, and 50% for subsequent violations, with penalty revenues going to a local housing trust fund. Before finalizing land dispositions, agencies must notify HCD and provide HCD with documentation of their compliance with the SLA disposition process. HCD has 30 days to review the submitted materials and respond. If HCD finds violations and notifies

the disposing local agency within 30 days, the agency has 60 days to address them. If the violations are not addressed, the disposing agency may incur penalties including referral to the Attorney General. However, penalties are void if HCD fails to notify the local agency of a violation within 30 days.

In summary, the SLA establishes the following clear guidance related to timing:

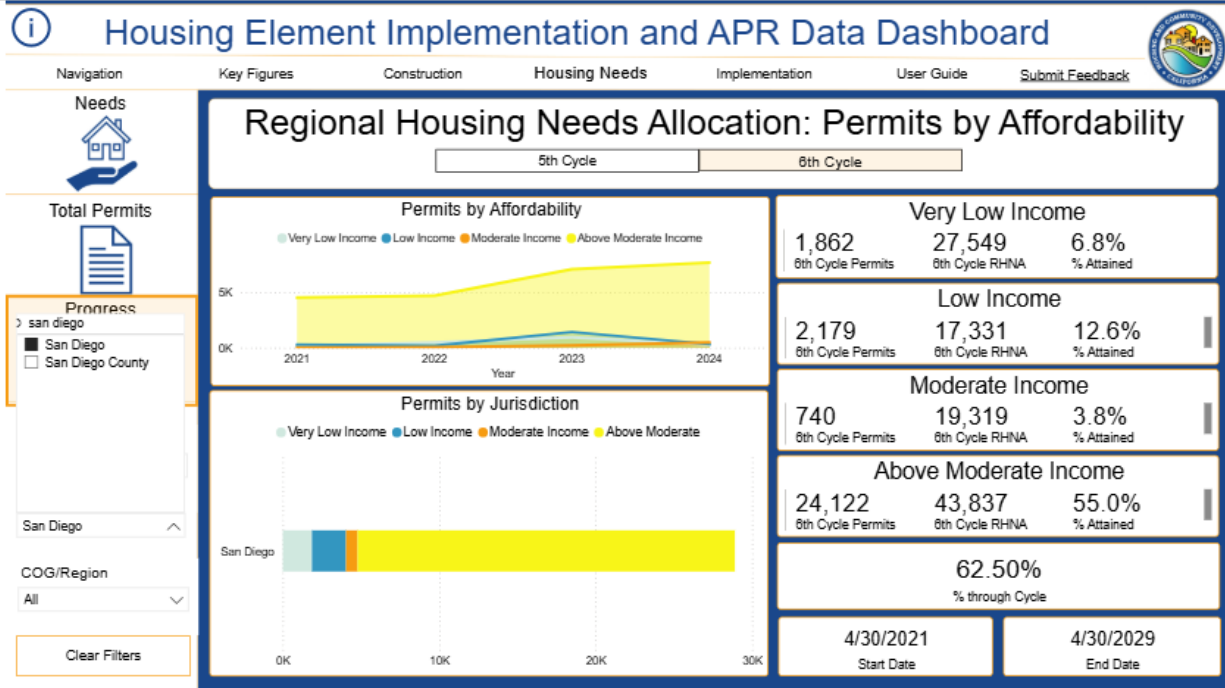
- 1) Sixty days for parties interested in purchasing or leasing the surplus property to respond to the NOA;
- 2) Ninety days (minimum) good faith negotiation period with interested parties; and
- 3) Thirty days for HCD to review the SLA disposition materials provided by the local public agency to verify compliance with the SLA.
 - a) If no violation is found, the local public agency can proceed with disposing of the property to either an interested party (if a mutually satisfactory sales price or term of lease is reached), or disposing of the property on the private market if not.
 - b) If a violation is found, and communicated to the disposing local public agency by HCD in the 30-day timeframe, then the local public agency has 60 days to correct the violation, or face penalties if not corrected.

SLA as a Tool for Affordable Housing Production: The SLA is a powerful tool for the production of affordable housing in California. The SLA requires an entity proposing to use surplus land for developing low- and moderate-income housing to deed restrict at least 25% of the units as affordable. In the event that multiple entities respond to an SLA NOA with an interest to purchase or lease the land, the local agency is required to give priority to housing projects that meet the aforementioned affordability requirements. The disposing entity must also prioritize the number of units proposed, and the affordability levels of those units, while reviewing responses to the NOA and proceeding with negotiations.

Since January 2021, surplus and exempt surplus land dispositions tracked by HCD have resulted in 37,129 housing units, including over 23,686 units of housing affordable to lower-income households, entering the development pipeline.⁷

Housing Production in San Diego: The City of San Diego is regarded as a relatively strong performer on housing production, particularly for market-rate units. As reflected in its Housing Element progress, the City has permitted tens of thousands of above-moderate income units, achieving over 50% of its market-rate Regional Housing Needs Allocation (RHNA) targets, while lower-income permitting remains far behind target.

⁷ <https://www.hcd.ca.gov/housing-open-data-tools/sla-dashboard>



⁸This trend aligns with broader evidence that the City has meaningfully increased housing supply in recent years, with annual permitting approaching 10,000 units and a substantial increase in active rental listings. San Diego has been recognized by the state for its prohousing policies, receiving a Prohousing Designation in 2022 and actively pursuing renewal, reflecting its adoption of streamlined permitting, zoning reforms, and other policies intended to accelerate housing production.

This increase in market-rate production appears to be having measurable impacts on market-rate housing costs. Recent data show that rents in San Diego have declined year-over-year, by approximately 5.6% for one-bedroom units and 7.5% for two-bedroom units. driven in part by a roughly 15% increase in available rental listings.⁹ This suggests that the City’s focus on increasing overall housing supply is helping to ease upward pressure on rents, even in one of the nation’s most expensive markets.

However, the City’s RHNA progress and broader production trends also highlight a persistent imbalance: while market-rate housing production is strong, the delivery of deed-restricted affordable housing, particularly for very low- and low-income households, continues to lag behind state targets. As a result, while San Diego may be a leader in the state in terms of facilitating overall housing growth, it continues to face challenges in ensuring that housing production adequately serves lower-income households.

Mission Bay Park Background: Mission Bay Park is a city-owned aquatic park that consists of 4,235 acres in roughly equal parts land and water, with 27 miles of shoreline, 19 of which are sandy beaches with locations designated as official swimming areas. The park also includes boat docks and launching facilities, sailboat and motorboat rentals, bike and walking paths, basketball

⁸ <https://www.hcd.ca.gov/housing-open-data-tools/apr-dashboard>

⁹ <https://www.kpbs.org/news/economy/2026/03/27/san-diego-rents-declined-more-than-19-of-nations-top-20-markets-following-surge-in-supply>

courts, and children's playgrounds. There are close to 14 miles of bike paths along Mission Bay. The park also includes various visitor-serving and entertainment uses like hotels, resorts, dining facilities, and Sea World.

In 1944, the state conveyed much of the tidelands in the bay to the City of San Diego through the San Diego Tidelands Trust. The grant required the land to be used for public trust purposes, such as navigation, fisheries, recreation, and visitor-serving facilities. The original land transfer from the State to the City of San Diego included strict limitations including a ban on permanent residential development and a limit on commercial development of leaseholds of no more than 25% of the land area.

In 1962, the area was officially designated as dedicated parkland under City Charter Section 55, which required that these lands remain devoted to park, recreation, and visitor-serving purposes in perpetuity. The limit on commercial development in the park was reaffirmed four decades later, when San Diego voters passed Proposition D (1987), adding Section 55.1 to the San Diego City Charter, restricting commercial development to 25% of the land area and 6.5% of the water area in Mission Bay Park.

Efforts to Obtain an SLA Exemption: Proponents of this bill maintain that because housing is legally prohibited in Mission Bay Park under the City Charter, compliance with the SLA to establish or renew a long-term lease on parkland is not feasible. They maintain that the SLA cannot override San Diego's Charter protections, and converting lands in Mission Bay Park to private residential use would require amending San Diego City Charter Section 55, an action that must be approved by a two-thirds vote of San Diego's electorate and is neither feasible nor supported by City leadership or the community.

In the fall of 2025, the City of San Diego formally sought guidance from HCD regarding whether a portion of Mission Bay Park (the Marina Village site) could qualify for an exemption from the SLA, specifically under the "valid legal restriction" exemption. This exemption would have facilitated the development and any long-term lease needs of the Marina Village hotel and conference center property. HCD engaged in discussions with the City, reviewing potential exemption pathways, including both the valid legal restriction exemption and the trust land exemption. Ultimately, HCD concluded that neither SLA exemption applied.

HCD determined that the City's Charter provisions, Master Plan, and implementing ordinances restricting residential uses in Mission Bay Park do not qualify as "valid legal restrictions" under the SLA because they were imposed by the City itself, rather than by an external authority. HCD also rejected the argument that the voter approval requirement in the Charter removed the restriction from being "locally imposed," noting that the underlying land use designation was established by City ordinance. Additionally, HCD and the City explored whether the site could qualify for the SLA's trust land exemption, determined that it would not be appropriate for the property since it was not entirely located on tidelands subject to the public trust.

Rather than granting an exemption, HCD advised the City to proceed through the standard SLA process and identify the Charter, Master Plan, and ordinance requirements as encumbrances in the SLA Notice of Availability. HCD also suggested that the City consider disposition pathways consistent with the SLA's provisions for park, recreation, or open-space uses, which the statute explicitly prioritizes alongside affordable housing. In doing so, HCD emphasized that while local restrictions may limit feasible outcomes, they do not obviate the City's obligation to comply with the procedural requirements of the SLA.

This Bill: As introduced, this bill proposed a broad exemption for all lands within Mission Bay Park, based on findings that a special statute is necessary due to the unique legal and economic constraints governing the park, including voter-approved requirements under the San Diego City Charter that limit the City's ability to dispose of or repurpose parkland. Amendments adopted in the Assembly Committee on Local Government substantially conditioned this exemption. Rather than providing a blanket exemption, this bill now establishes a more tailored framework under which the City may declare certain lands as "exempt surplus land," subject to specified eligibility criteria, public findings, and oversight by HCD, including advance notice and an opportunity for HCD to identify violations.

Most significantly, the amendments introduce a set of performance-based and financial requirements intended to offset the loss of affordable housing opportunities that could have otherwise been created through the SLA's surplus land disposition process. Under the amended bill, the City may only utilize the exemption if it satisfies one of two pathways: either demonstrating a strong recent track record of compliance with state housing laws and affordable housing production (specifically, no violations from HCD in the prior five years and the facilitation of at least 4,000 housing units, with at least 50% affordable to lower income households) combined with a 10% contribution of the land's value into a local housing fund; or, alternatively, providing a substantially higher upfront contribution equal to 30% of the greater of the land's sales price or fair market value (or, for leases, the discounted net present value of the lease). All funds collected pursuant to these provisions must be deposited into a local housing-specific set-aside account and expended within three years on housing affordable to extremely low-, very low-, and low-income households. If the funds are not expended within that timeframe, they revert to the state for deposit into the Building Homes and Jobs Trust Fund or the Housing Rehabilitation Loan Fund for use within the same jurisdiction, subject to legislative appropriation.

Policy Considerations: While this bill reflects an effort to reconcile the City's charter constraints with state housing policy goals, the Committee may wish to consider the broader implications of granting project-specific or jurisdiction-specific exemptions from the SLA, especially in a jurisdiction falling short of its lower-income RHNA targets. The SLA is intended to ensure that publicly owned land is prioritized for affordable housing, and exemptions, particularly those based on claims of unique local circumstances, can undermine the consistency and effectiveness of this statewide framework. In this case, the amendments taken in the prior committee attempt to strike a balance by requiring substantial financial contributions toward affordable housing in lieu of providing affordable housing developers with the opportunity to directly access and develop these public lands. However, this approach substitutes monetary mitigation for the loss of potentially well-located, publicly owned sites for affordable housing development, which may raise questions about whether such tradeoffs fully advance the state's housing production and equity goals.

Additionally, while the City has made significant progress toward its overall and market-rate RHNA targets, it continues to lag in the production of housing affordable to very low- and low-income households. This disparity raises further policy considerations, as the exemption would remove public land from one of the primary state tools designed to facilitate affordable housing development at a time when the City is underperforming in those income categories. The Committee may wish to consider whether allowing an exemption under these circumstances is consistent with the intent of the SLA, particularly where alternative pathways, such as direct development of affordable housing on publicly owned land, could help address existing

shortfalls in lower-income housing production. The amendments taken in the Local Government Committee may help to address this consideration, as the City would provide a direct monetary contribution for affordable housing construction associated with the exemption under this bill. The Committee may wish to consider the precedent that this bill might set, potentially incentivizing additional bills requesting SLA exemptions moving forward.

Arguments in Support: San Diego Mayor Todd Gloria, the bill sponsor, writes in support: “For decades, the City has utilized carefully structured leases within Mission Bay Park for visitor-serving uses such as lodging, recreation, and event facilities that complement the park’s recreational mission. These leases provide amenities that enhance public access and enjoyment of the park while supporting the region’s tourism economy. They also generate important lease revenues that are reinvested into the maintenance, environmental restoration, and improvement of Mission Bay Park, helping ensure that this extraordinary public resource remains vibrant, accessible, and well maintained for the millions of residents and visitors who enjoy it each year.

However, under current law, the Surplus Land Act (SLA) triggers a robust procedural process whenever a local government renews or enters a long-term lease on public property. While the SLA plays an important role in facilitating housing opportunities statewide, its requirements are not feasible on lands such as Mission Bay Park that are dedicated as parkland and where residential development is prohibited. Because Mission Bay Park is protected by the San Diego City Charter, any conversion of these lands to residential use would require approval by a two-thirds vote of San Diego’s electorate—an outcome that is neither feasible nor supported by the community.

AB 2525 provides a narrow, site-specific solution by exempting lands within Mission Bay Park from the Surplus Land Act, allowing the City to proceed with modernizing visitor-serving facilities consistent with the park’s long-standing recreational purpose while preserving all other applicable state laws, including the California Coastal Act.”

Arguments in Opposition: The Public Interest Law Project, Non-Profit Housing Association of Northern California, East Bay Housing Organizations, Public Advocates, and San Diego Housing Federation write in opposition: “Should this bill be approved, it would establish a precedent where local agencies can propose that any land be exempt from the SLA without any commensurate public benefit. This would incentivize local agencies across the state to routinely seek exemptions which in the past has included such uses as protecting parking lots from being redeveloped or only allowing luxury residential development with no affordability component.

There are multiple pathways for the City to pursue its preferred disposition of the lands in Mission Bay Park without establishing a troubling precedent for the SLA. For instance, the City could declare the land surplus and identify local legal requirements of the land disposition consistent with the SLA statute and HCD guidelines in its Notice of Availability. A Notice of Availability allows the City to communicate its local priorities upfront, giving affordable housing sponsors the opportunity to respond before the land is committed to other uses. This approach, which has been followed by other jurisdictions throughout the state, would allow for the City to be compliant with the SLA while still meeting any local legal requirements. This approach would negate the need for a bill.

For these reasons the coalition is respectfully opposed to AB 2525 (Ward) unless amended to include a 25% minimum residential affordability provision in alignment with the SLA should there be any hotel or residential development, and penalties for noncompliance.”

Related Legislation:

AB 2139 (Garcia) would create an SLA exemption in the City of Ontario for the Ontario Sports Empire. AB 2139 is pending in this Committee.

AB 2512 (Valencia) provides that, if an exemption under the 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 refer to the team as the Anaheim Angels, except under certain conditions. AB 2512 is pending in this Committee.

AB 79 (Alvarez) would have modified the affordability and density requirements of the Surplus Land Act (SLA) exemption that applies to land subject to a sectional planning document adopted prior to January 1, 2019. AB 79 was vetoed by the Governor.

AB 480 (Ting), Chapter 788, Statutes of 2023, made numerous changes to the SLA, including the disposal process, the authority of the Department of Housing and Community Development (HCD), and penalties for violations.

AB 1734 (Jones-Sawyer), Chapter 769, Statutes of 2023, creates, until January 1, 2034, a specific process under the SLA for the disposition of land in the City of Los Angeles for affordable housing and low barrier navigation centers.

AB 457 (Joe Patterson) created an SLA exemption for parcels that abut state highway right of way that a local agency identified in its circulation element or capital improvement plan for future roadway development. AB 457 was substantially amended into a different subject matter.

AB 837 (Alvarez) of 2023 creates an SLA exemption for land acquired by a local agency for the development of a university and innovation district. AB 837 is pending in the Senate Local Government Committee. However, a substantially similar policy adopted via a budget trailer bill was enacted into law in 2023.

AB 983 (Cervantes) of 2023 would have categorized as exempt surplus land, properties that are designated in an adopted downtown revitalization plan, as specified. AB 983 was held in the Assembly Local Government Committee.

AB 2319 (Bonta) Chapter 963, Statutes of 2022, created an exemption from the Surplus Lands Act (SLA) for the Alameda Naval Air Station (Alameda Point).

AB 1271 (Ting) of 2021 would have expanded the types of land exempt from the SLA, imposed new procedural requirements on local agencies disposing of surplus land, and made various technical changes to the SLA. AB 1271 was held in Assembly Housing Committee.

AB 1486 (Ting) Chapter 664, Statutes of 2019 expanded the scope of local agencies subject to the SLA, revised the definitions of “surplus land” and “exempt surplus land,” revised the noticing requirements relative to local agencies, housing sponsors and HCD, and added penalties for local agencies that sell land in violation of the SLA.

SB 747 (Caballero), Chapter 786, Statutes of 2023, makes numerous changes to the Surplus Lands Act (SLA), including modifying SLA procedures, defining disposals of surplus land to

include leases of longer than 15 years, altering the definition of exempt surplus land, and other changes.

SB 719 (Min) of 2021 would have provided that land comprising the former Tustin Marine Corps Air Station is exempt surplus land for the purposes of the SLA if certain affordability standards for residential developments and other conditions are met.

Double-Referred: This bill was also referred to the Committee on Local Government, where it passed with a vote of 10-0 on April 15, 2026.

REGISTERED SUPPORT / OPPOSITION:

Support

Mayor Todd Gloria, City of San Diego (Sponsor)
Coastal Environmental Rights Foundation
Mission Bay Lessees Association
Mission Bay Park Committee - City of San Diego Boards and Commissions
San Diego County Lodging Association
Scouting America San Diego-imperial Council
Individuals (1)

Opposition

East Bay Housing Organizations
Non-profit Housing Association of Northern California
Public Advocates
Public Interest Law Project
San Diego Housing Federation
(Individuals (2))

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