

SENATE THIRD READING  
SB 461 (Padilla)  
As Amended September 2, 2025  
Majority vote

## SUMMARY

This bill would authorize the Director of the Department of General Services (DGS or Director of DGS) to sell or lease to the City of Imperial, all or any part of the California Highway Patrol (CHP) El Centro Area office, as specified.

### Major Provisions:

- 1) States the Director of DGS may sell or lease, at fair market value, to the City of Imperial, upon those terms and conditions the director determines are in the best interest of the state, all or any part of the following real property: The California Highway Patrol El Centro Area office located at 2331 U.S. Highway 86, Imperial, in the County of Imperial, as defined.
- 2) Provides, to the extent bonds issued by the State Public Works Board involve the property, all issuer-related and trustee-related costs associated with the review of any proposed sale or lease, together with the costs related to the defeasance or retirement of any bonds, be paid from the proceeds of any sale or lease.
- 3) Exempts the sale or lease of the property from the California Environmental Quality Act.
- 4) Authorizes the Director of DGS to permit a sales price for the property at less than fair market value if the director determines the discount will enhance public safety and facilitate the state in addressing historic pollution at the property, as specified.

## COMMENTS

### *Background.*

The CHP El Centro Area office is located in Imperial County, in the southeastern region of California, within the City of Imperial. The facility encompasses approximately 4,000 square feet and houses 42 uniformed officers and four non-uniformed support staff. According to the Imperial Valley Press, a walkthrough of the current office reveals a small lobby, a smaller dispatch room, and several multi-purpose spaces. Due to limited square footage, rooms serve dual functions—classrooms and DUI evaluation, or staff break rooms that also function as meeting rooms.

The CHP will soon vacate the facility when they move to a new location currently under construction at 2803 S 4th Street, El Centro, California. The new CHP El Centro site will be over 40,000 square feet by its completion and is estimated to open at some point in 2025.

*Process for Surplus Property.* The DGS is responsible for managing the disposition of state-owned property that has been declared surplus to future state needs. Before any action can be taken, the Legislature must first declare the property as surplus and authorize the Director of DGS to sell, exchange, lease, or transfer the property in accordance with procedures established by law.

Generally, current law requires surplus property to be transferred or sold at market value, or upon such other terms and conditions that DGS determines are in the best interest of the state. Current law gives right of first refusal on any surplus property to a local agency and then to a nonprofit affordable housing sponsor, prior to being offered for sale to private entities or individuals in the open market. In addition, DGS is authorized to sell surplus property to a local agency or to a nonprofit affordable housing sponsor at a sales price less than fair market value if DGS determines that such a discount will enable housing for individuals or families of low or moderate income.

In 2019, Governor Newsom, issued Executive Order N-06-19 (EO) which reoriented DGS's priorities to focus on facilitating conversion of excess property to affordable housing. Since the EO, DGS has reviewed over 44,000 parcels and has identified 32 projects in various phases of development. These 32 projects are estimated to result in 4,300 housing units. The contents of the EO were later codified by SB 561 (Dodd, Chapter 446, Statutes of 2022) and AB 2233 (Quirk-Silva, Chapter 438, Statutes of 2022). On July 1, 2024, the DGS released a new digitized inventory of state-owned land that is considered excess and suitable for reuse as affordable housing under the EO. Anyone can use the map to search through the state's inventory of available excess land and apply various filters, such as high-quality areas.

Additionally, current law, under Government Code section 14671.2, authorizes DGS, with the consent of the state agency concerned, to let for any period of time any real property or interest in real property that belongs to the state, when DGS deems the letting serves a beneficial public purpose limited to the development of housing, including permanent supportive or traditional housing and emergency shelters or park and recreation facilities.

SB 461 authorizes DGS to sell or lease all or any part of the California Highway Patrol El Centro Area office, at fair market value, to the City of Imperial. However, this bill does allow DGS to sell the property at less than fair market value, if DGS determines that a discount will enhance public safety and facilitate the state in addressing historic pollution at the property by conducting remediation related to fuel storage, the presence of asbestos, and other factors. It's important to note that nothing in this bill requires the sale or lease of the property at below fair market value. SB 461 would simply authorize DGS to provide such a discount, if the Director of DGS determines that the discount will enhance public safety and facilitate the state in addressing pollution at the facility.

### **According to the Author**

According to the author, "Currently, the Imperial Police Department operates from a converted juvenile detention facility that houses multiple city functions, including City Hall and Public Services. This arrangement presents several operational challenges. The [CHP] will be moving to a new facility in El Centro, leaving their facility within the boundaries of the City of Imperial behind. SB 461 would facilitate the transfer of the CHP facility to the City of Imperial. An acquisition by the City would present a cost-effective solution that would accommodate the City and Police Department's growth requirements while enhancing public safety services for the expanding community."

### **Arguments in Support**

According to the City of Imperial, "the CHP station is located within the boundaries of the City of Imperial. An acquisition by the City would present a cost-effective solution that would accommodate the City and Police Department's growth requirements while enhancing public

safety services for the expanding community. The facility is already configured for law enforcement operations and would allow good accessibility for community members, and is centrally located within the city. The facility would minimize renovation costs and the need to convert a non-law enforcement facility. At the same time, the CHP facility would be unsuitable for housing development given the unique characteristics of the property, such as fuel storage and refueling stations, evidence lockers, and prison detention cells. Exchanging the property from CHP to local law enforcement will make the best and highest use of the existing facility."

### **Arguments in Opposition**

None on file

## **FISCAL COMMENTS**

According to the Assembly Committee on Appropriations Committee analysis, "1) One-time costs of approximately \$110,000 to DGS to conduct the appraisal and environmental reports and review, as well as for other staff workload related to the purchase and sale of the CHP El Centro Area office (Architecture Revolving Fund). DGS notes such administrative costs would be recovered from sale proceeds. DGS would likely incur lower costs related to leasing the property.

2) One-time revenue gain of an unknown amount, but likely in excess of \$150,000, to the state from selling the El Centro Area office (Property Acquisition Law Money Account (PALMA) and SFEU). However, revenue gain from the sale would be significantly reduced if the property is sold for less than fair market value. DGS would likely incur ongoing revenue gain of a lower amount related to leasing the property.

3) One-time cost savings of approximately \$150,000 and annual cost savings of approximately \$15,000 to CHP if DGS sells the El Centro Area office to the City of Imperial, as the cost CHP would otherwise incur to decommission the office's fuel tank would be borne by the City of Imperial and CHP would no longer incur ongoing expenses from maintaining and securing the property (Motor Vehicle Account)."

## **VOTES**

### **SENATE FLOOR: 38-0-2**

**YES:** Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

**ABS, ABST OR NV:** Limón, Reyes

### **ASM GOVERNMENTAL ORGANIZATION: 22-0-0**

**YES:** Blanca Rubio, Davies, Alvarez, Berman, Bryan, Carrillo, Alanis, Fong, Gabriel, Gipson, Hoover, McKinnor, Nguyen, Pacheco, Ramos, Michelle Rodriguez, Sanchez, Solache, Soria, Ta, Valencia, Wallis

### **ASM APPROPRIATIONS: 11-0-4**

**YES:** Wicks, Arambula, Calderon, Caloza, Elhawary, Fong, Mark González, Ahrens, Pacheco, Pellerin, Solache

**ABS, ABST OR NV:** Sanchez, Dixon, Ta, Tangipa

**UPDATED**

VERSION: September 2, 2025

CONSULTANT: Eric Johnson / G.O. / (916) 319-2531

FN: 0001449