

Date of Hearing: July 9, 2025

ASSEMBLY COMMITTEE ON GOVERNMENTAL ORGANIZATION

Blanca Rubio, Chair

SB 855 (Committee on Military and Veterans Affairs) – As Introduced March 6, 2025

SENATE VOTE: 38-0

SUBJECT: Sale of armories

SUMMARY: Authorizes the Director of the Department of General Services (DGS), with the approval of the Adjutant General (TAG) of the California Military Department (CMD), to transfer, exchange, or sell seven specified properties throughout the state, as specified.

Specifically, **this bill:**

1) Authorizes the Director of DGS, pursuant to existing law and with the approval of TAG, to transfer, exchange, or sell any of the following properties:

- a) Approximately four acres of real property with improvements made thereon, located at 6501 Olmeda Avenue, Atascadero, California, known as the Atascadero Armory.
- b) Approximately 4.38 acres of real property with improvements made thereon, located at 3517 W Street, Eureka, California, known as the Eureka Armory.
- c) Approximately two acres of real property with improvements made thereon, located at 8490 Wren Avenue, Gilroy, California, known as the Gilroy Armory.
- d) Approximately 1.75 acres of real property with improvements made thereon, located at 333 N Washington Street, Lodi, California, known as the Lodi Armory.
- e) Approximately one acre of real property, with improvements made thereon, located at 224 S Taylor Avenue, Montebello, California, known as the Montebello Armory.
- f) Approximately 4.7 acres of real property with improvements made thereon, located at 29 N Plano Street, Porterville, California, known as the Porterville Armory.
- g) Approximately 1.97 acres of real property, with improvements made thereon, located at 455 3rd Avenue, San Bruno, California, known as the San Bruno Armory.

EXISTING LAW:

1) Authorizes the Director of DGS, with approval of TAG and with the approval of the Legislature, to lease for no more than 99 years or sell for fair market value, upon terms and conditions and subject to any reservations and exceptions as may be determined to be in the best interest of the state, any real property held for armory purposes. (Military and Veterans Code (MVC) § 435)

2) Requires an armory first to be offered for sale to any local agency before being offered for sale to private entities or individuals. (MVC § 435)

- 3) Requires DGS to maintain a list of armories for sale in a conspicuous place on its website. DGS is required to provide local agencies and, upon request, members of the public, with electronic notification of updates to the list of properties. (MVC § 435)
- 4) Requires that, if the local agency wants to be considered as a potential priority buyer of the armory, the local agency notify DGS of its interest in the armory within 90 days of DGS posting on its website the notice of the availability of the armory property. Requires DGS to transfer the armory to the local agency that expresses the highest interest, in the case where more than one local agency expresses interest. (MVC § 435)
- 5) Provides that if no local agency is interested, or an agreement is not reached, then the disposal of the armory to private entities or individuals must be under a public bidding process designed to obtain the highest most certain return for the state from a responsible bidder, and requires any transaction based on that bidding process to be deemed to be the fair market value. (MVC § 435)
- 6) Establishes the Armory Fund in the State Treasury and provides that all net proceeds from the sale or lease of an armory are to be deposited in the Armory Fund. Requires the money in the fund to be available, upon appropriation by the Legislature, for the maintenance of existing armories, and the acquisition or construction of new or replacement armories, as specified. (MVC § 435)
- 7) Requires the sale of an armory to be made on an “as is basis” and is exempt from the California Environmental Quality Act. (MVC § 435)
- 8) Establishes CMD and specifies that the CMD includes TAG, the California National Guard (CNG), the State Guard, the California Cadet Corps, and the Naval Militia. (MVC § 120 et seq)

FISCAL EFFECT: This bill is keyed fiscal by Legislative Counsel.

COMMENTS:

Purpose of the bill. According to the author’s office, the California Military Department has identified six armory properties that are no longer suitable for California National Guard (CNG) soldiers to assemble and train. Upon the passage of this bill, local agencies will be given priority buyer status for any property before it is marketed to private entities or individuals. Once sold, the proceeds from the sale are allocated to the Armory Fund for the acquisition and construction of replacement armories, as well as the renovation of existing facilities. This measure will ensure top-quality facilities and training for our CMD, and provide benefits to the community as well.

Background.

California’s Armories. According to the CMD, there are approximately 86 active armory sites throughout the state, of which around 13 are federally operated. These armories serve as the primary locations for unit training and are essential to maintaining the readiness and responsiveness of National Guard personnel. The use of armories in emergency operations is widespread. They are frequently utilized to mobilize and accommodate National Guard personnel responding to wildfires, and often serve as emergency operations centers for other first-responder agencies. Additionally, armories commonly function as temporary shelters for

civilians displaced by fires, floods, and other state emergencies. Many also operate as homeless shelters during the winter months.

Oftentimes, these armories are determined by the CMD to no longer be necessary by CMD. Current law requires, once the Legislature grants authority for the sale of armories, priority to be given to local agencies before they can be sold to private entities. If more than one local agency expresses an interest in an armory property, the local agency with the highest offer above fair market value will be selected as the buyer. If no local agency is interested, or a purchase agreement cannot be reached with a local agency, the sale of the armory to private entities or individuals will be done by a public bidding process designed to obtain the highest return for the state. Proceeds from the sale of an armory are deposited into the Armory Fund which can be used, upon appropriation of the Legislature, to maintain existing armories or to acquire or build new armories.

Under the traditional model, the Federal Government (through the U.S. National Guard Bureau) pays for 75% of an armory's construction costs and the state pays the remaining 25% and contributes the land. After construction, the state manages the armory and pays for all operational and maintenance repairs. After 25 years, the Federal Government fully transfers all ownership rights to the state.

The CMD has identified seven armory properties that are no longer suitable for California National Guard Soldiers to assemble and train in. These armories are:

Atascadero Armory. The Atascadero Armory is located at 6105 Olmeda Avenue in the City of Atascadero, within the County of San Luis Obispo. It was constructed in 1950 and is approximately four acres.

Eureka Armory. The Eureka Armory is located at 3517 W Street in the City of Eureka, within the county of Humboldt. It was constructed in 1956 and is 4.38 acres. Currently, the Eureka Armory site is licensed to and occupied by the California Conservation Corps.

Gilroy Armory. The Gilroy Armory is a 100-person armory located at 8490 Wren Avenue in the City of Gilroy, within the county of Santa Clara. It was constructed in 1950 and is two acres.

Lodi Armory. The Lodi Armory is a 150-person armory located at 333 N. Washington Street in the city of Lodi, within the County of San Joaquin. It was constructed in 1950 and is 1.75 acres.

Montebello Armory. The Montebello Armory is located at 244 George Hensel Drive in the City of Montebello, in the County of Los Angeles. According to the CMD, this armory is no longer eligible for divestment, as this property was recently transferred to the California Housing and Community Development to be used for the Governor's Affordable Housing Initiative. If SB 855 is recommended for any amendment, although not necessary, CMD would recommend the removal of this armory from this bill.

Porterville Armory. The Porterville Armory is a 100-person armory located at 29 N. Plano Street in the City of Porterville, within the County of Tulare. It was constructed in 1964 and is 4.7 acres.

San Bruno Armory. The San Bruno Armory is a 60-person armory located at 455 3rd Avenue in the City of San Bruno, within the County of San Mateo. It was constructed in 1955 and is 1.97 acres.

According to the CMD, selling armory properties generates crucial funds for the Armory Fund, which goes towards fulfilling the State's responsibility of housing the CNG and ensuring California's Army National Guard has operational facilities.

Prior Legislation. SB 501 (Hurtado, 2020) would have removed the authority of DGS to sell the Reedley Armory. (Never Heard by the Assembly Military Affairs Committee)

SB 619 (Hueso) of 2020. Would have directed the Director of DGS, when an armory has not sold after being listed as available on the department's Internet Web site for two years, and when requested and approved by the Adjutant General, to make an armory available for sale or transfer to a local agency for an amount determined by the Adjutant General to be in the best interests of the state. (Held in the Assembly Rules Committee)

AB 653 (Bloom), Chapter 263, Statutes 2019. Authorized DGS, with the approval of the Adjutant General, to lease, for a term of 25 years, approximately 1.3 acres of the real property of the real property located at 1300 Federal Avenue, Los Angeles, California, known as the West Los Angeles National Guard Armory to the County of Los Angeles.

AB 3251 (Veterans Affairs), Chapter 726, Statutes of 2018. Authorized DGS, with the approval of the Adjutant General, to sell a number of armories including the Reedley Armory.

AB 1709 (Veterans Affairs), Chapter 304, Statutes of 2017. Required that an armory be offered for sale to a local agency, as defined, prior to being offered for sale to private entities or individuals.

REGISTERED SUPPORT / OPPOSITION:

Support

None on file

Opposition

None on file

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