

Date of Hearing: July 16, 2025

**ASSEMBLY COMMITTEE ON APPROPRIATIONS**

Buffy Wicks, Chair

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

Policy Committee:	Military and Veterans Affairs	Vote:	8 - 0
	Governmental Organization		22 - 0

Urgency: No                      State Mandated Local Program: No                      Reimbursable: No

**SUMMARY:**

This bill authorizes the Director of the Department of General Services (DGS), with the approval of the Adjutant General of the California Military Department (CMD), to transfer, exchange, or sell seven specified properties in the cities of Atascadero, Eureka, Gilroy, Lodi, Montebello, Porterville, and San Bruno.

Specifically, this bill:

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

- 1) Approximately four acres of real property with improvements made thereon, located at 6501 Olmeda Avenue, Atascadero, California, known as the Atascadero Armory.
- 2) Approximately 4.38 acres of real property with improvements made thereon, located at 3517 W Street, Eureka, California, known as the Eureka Armory.
- 3) Approximately two acres of real property with improvements made thereon, located at 8490 Wren Avenue, Gilroy, California, known as the Gilroy Armory.
- 4) Approximately 1.75 acres of real property with improvements made thereon, located at 333 N Washington Street, Lodi, California, known as the Lodi Armory.
- 5) Approximately one acre of real property, with improvements made thereon, located at 224 S Taylor Avenue, Montebello, California, known as the Montebello Armory.
- 6) Approximately 4.7 acres of real property with improvements made thereon, located at 29 N Plano Street, Porterville, California, known as the Porterville Armory.
- 7) Approximately 1.97 acres of real property, with improvements made thereon, located at 455 3<sup>rd</sup> Avenue, San Bruno, California, known as the San Bruno Armory.

**FISCAL EFFECT:**

No net costs to either CMD or DGS. Upfront costs to DGS are paid from the Property Acquisition Law Money account (with Department of Finance approval), which is then repaid by CMD through from armory sale proceeds.

DGS anticipates one-time administration costs in the mid-hundreds of thousands of dollars, depending on the number of armories sold or exchanged. For each armory sold, DGS anticipates \$30,000 for a contracted appraisal, \$66,177 in appraisal review and environmental review and reporting, and \$20,000 in administrative costs, for a total cost of \$116,177 per armory.

CMD indicates the Montebello Armory is no longer eligible for divestment and the Eureka Armory will likely be transferred, rather than sold, so it is likely no more than five armories will be sold as a result of this bill. If five armories are sold, total administrative costs would be approximately \$580,885.

The estimated value of the armories is unknown. However, the state will receive fair market value for each of the properties, based on an appraisals approved by DGS. The net proceeds generated by the sales will be deposited into the Armory Fund to be used, upon appropriation by the Legislature, to maintain, acquire or construct new or replacement armories.

#### COMMENTS:

1) **Purpose.** According to the author:

The CMD has identified six armory properties that are no longer suitable for 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 bill will ensure top-quality facilities and training for our CMD, and provide benefits to the community as well.

2) **Background.** Existing law authorizes DGS, with the approval of the Adjunct General, to lease and sell property held for armory purposes, subject to legislative approval. Existing law requires an armory to be offered to a local agency at fair market value before it may be sold to a private entity or individual. Local agencies, for this purpose, include a city, county, city and county, and district, including a school district.

According to CMD:

- a) Of the seven armory properties identified in this bill, CMD will seek to sell four armory properties in 2026 (Atascadero, Gilroy, Porterville, and Lodi). Due to recent operational needs for Cal Guard personnel in the Bay Area, CMD most likely will sell the San Bruno Armory within the next three to five years.
- b) The Eureka Armory, currently licensed to and occupied by the California Conservation Corps, will likely be transferred, rather than sold. The CMD and the California Conservations Corps are currently working with DGS for a Transfer of Jurisdiction.
- c) The Montebello Armory is no longer eligible for divestment, as this property was recently transferred to the California Housing and Community Development Department to be used for the Governor's Affordable Housing Initiative. CMD recommends the removal of this armory from the bill.

**Analysis Prepared by:** Jennifer Swenson / APPR. / (916) 319-2081