

## SENATE THIRD READING

SB 855 (Committee on Military and Veterans Affairs)

As Introduced March 6, 2025

Majority vote

**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.

**COMMENTS**

According to the CMD, California has approximately 86 active armory sites throughout the state. Of the 86, approximately 13 are federal facilities. Armories are the primary place for unit training and are integral to the readiness and responsiveness of National Guard personnel.

The use of armories for emergency operations is a common practice. Armories are routinely used to mobilize and house soldiers when the National Guard responds to wildfires, while also serving as emergency operations centers for other first-responder agencies. Armories are also commonly used as shelters for displaced civilians who have been evacuated from their homes due to fires, floods, or other state emergencies. Several armories throughout the state routinely serve 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 conducted through 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 covers all operational and maintenance costs. 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 (CNG) soldiers to assemble and train in. These armories are:

- 1) *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.
- 2) *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 (CCC). The CMD, CCC, and DGS will be exploring a possible course of action for the Eureka Armory, as it may be in the State's best interest for this property to be transferred to the CCC.

- 3) *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.
- 4) *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.
- 5) *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 this bill is recommended for any amendment, although not necessary, CMD would recommend the removal of this armory from the bill.
- 6) *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.
- 7) *San Bruno Armory*. The San Bruno Armory is a 60-person armory located at 455 3<sup>rd</sup> 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 supports the State's responsibility of housing the CNG and ensures California's Army National Guard has operational facilities.

#### **According to the Author**

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.

#### **Arguments in Support**

None on file.

#### **Arguments in Opposition**

None on file.

### **FISCAL COMMENTS**

According to the Assembly Appropriations Committee, there are 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 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.

## 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, McNeerney, 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 MILITARY AND VETERANS AFFAIRS: 8-0-0

**YES:** Schiavo, Jeff Gonzalez, Ávila Farias, Carrillo, Davies, Michelle Rodriguez, Sharp-Collins, Valencia

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

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

### ASM APPROPRIATIONS: 15-0-0

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

## UPDATED

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