

Assembly Bill No. 826

CHAPTER 505

An act relating to state property, and making an appropriation therefor.

[Approved by Governor October 3, 2013. Filed with
Secretary of State October 3, 2013.]

LEGISLATIVE COUNSEL'S DIGEST

AB 826, Jones-Sawyer. State property: surplus.

(1) Existing law authorizes the Director of General Services to dispose of state surplus property, subject to specified conditions, including authorization by the Legislature.

This bill would authorize the director to dispose of 8 specified parcels of state property. The bill would require the proceeds from one parcel to be used to pay off specified federal equity financing.

(2) The California Constitution provides that the proceeds from the sale of surplus state property be used to pay the principal and interest on bonds issued pursuant to the Economic Recovery Bond Act until the principal and interest on those bonds are fully paid, after which these proceeds are required to be deposited into the Special Fund for Economic Uncertainties. Existing statutory law similarly requires that the net proceeds received from any real property disposition be paid into the Deficit Recovery Bond Retirement Sinking Fund Subaccount, a continuously appropriated fund, until the bonds issued pursuant to the act are retired.

By increasing the amount transferred into a continuously appropriated fund, this bill would make an appropriation.

Appropriation: yes.

The people of the State of California do enact as follows:

SECTION 1. (a) The Director of General Services may sell, exchange, sell combined with an exchange, or lease for fair market value, upon those terms and conditions as the Director of General Services determines are in the best interests of the state, all or any part of the following real property pursuant to Section 11011.1 of the Government Code:

(1) Parcel 1, consisting of approximately 15 acres and improvements, known as a portion of the California Department of Corrections and Rehabilitation's Preston Youth Correctional Facility, located at 201 Waterman Road, in Ione, Amador County.

(2) Parcel 2, consisting of approximately 160 acres and improvements, known as the California Department of Corrections and Rehabilitation's

Estrella Correctional Facility, located at 4545 Airport Road, in Paso Robles, San Luis Obispo County.

(3) Parcel 3, consisting of approximately 0.90 acres and improvements, known as the Employment Development Department’s Vallejo Office Building, located at 1440 Marin Street, in Vallejo, Solano County. Proceeds received from the disposition of Parcel 3 shall be used to pay off any indebtedness secured by the property and attributable to any federal equity financing, as required under applicable state and federal law.

(b) To the extent that bonds issued by the State Public Works Board involve the property to be sold pursuant to this section, all issuer- and trustee-related costs associated with the review of any proposed sale, together with the costs related to the defeasance or retirement of any bonds, which may include the cost of nationally recognized bond counsel, shall be paid from the proceeds of any sale or lease authorized by this section.

SEC. 2. (a) The Director of General Services may sell, for fair market value, upon those terms and conditions as the Director of General Services determines are in the best interests of the state, all or a portion of the following properties located in the City of Sacramento, County of Sacramento, and leased by the department to the Capitol Area Development Authority pursuant to Section 11011.1 of the Government Code:

(1) Parcel 1, consisting of approximately 0.027 acres and improvements, located at 1627 10th Street, in Sacramento, Sacramento County Assessor Parcel Number 006-0330-006.

(2) Parcel 2, consisting of approximately 0.027 acres and improvements, located at 1607 10th Street, in Sacramento, Sacramento County Assessor Parcel Number 006-0330-007.

(3) Parcel 3, consisting of approximately 0.030 acres and improvements, located at 1036 P Street, in Sacramento, Sacramento County Assessor Parcel Number 006-0330-011.

(4) Parcel 4, consisting of approximately 0.025 acres and improvements, located at 1603 10th Street, in Sacramento, Sacramento County Assessor Parcel Number 006-0330-014.

(5) Parcel 5, consisting of approximately 0.039 acres and improvements, located at 1601 10th Street, in Sacramento, Sacramento County Assessor Parcel Number 006-0330-015.

(b) To the extent that bonds issued by the State Public Works Board involve the property to be sold pursuant to this section, all issuer- and trustee-related costs associated with the review of any proposed sale, together with the costs related to the defeasance or retirement of any bonds, which may include the cost of nationally recognized bond counsel, shall be paid from the proceeds of any sale or lease authorized by this section.