

DEPARTMENT OF FINANCE BILL ANALYSIS

AMENDMENT DATE: Original
POSITION: Oppose
SPONSOR: County of Napa

BILL NUMBER: AB 2279
AUTHOR: N. Evans

BILL SUMMARY: Surplus State Property: County of Napa

This bill would authorize the Director of the Department of General Services (DGS) to sell or exchange all or part of a specified parcel of state property to the County of Napa; pursuant to terms and conditions the Director determines are in the best interest of the state.

FISCAL SUMMARY

To the extent the property is identified as surplus and subsequently sold, the state would receive additional revenue. The sale of this property would be subject to Proposition 60A and proceeds would be deposited into the Deficit Recovery Bond Retirement Sinking Fund Subaccount. The transaction would be required to be completed at fair market value. The DGS would be reimbursed for any cost or expense incurred in the disposition of the property from the proceeds of the property.

COMMENTS

Finance opposes this bill because it seeks to circumvent the established surplus property process by negotiating to sell specified parcels to a single buyer instead of through a competitive bid process, resulting in lower revenues for the state. If the parcel is indeed surplus to the needs of the state it should be listed as excess by the Department of Mental Health, then included in the DGS annual surplus property bill.

The bill would authorize the following:

- Approximately 850 acres of state property, located at the Napa State Hospital, 2100 Napa Vallejo Highway, Napa, Napa County, to be sold, exchanged to the County of Napa at fair market value.
The bill would require Napa County to ensure that the property will remain a park and wilderness preserve after it is sold or exchanged by DGS to Napa County.
This bill would permit Napa County to enter into an agreement with a nonprofit land trust or conservation entity for the purpose of sharing the costs associated with this sale or exchange.
This bill would make legislative findings and declarations as to the need for a special statute for Napa County.

Napa County currently retains, from the state, a long-term lease on this property for a nominal annual fee.

Analyst/Principal (0671) N. Brady Date Program Budget Manager Karen Finn Date

Department Deputy Director Date

Governor's Office: By: Date: Position Approved Position Disapproved

BILL ANALYSIS Form DF-43 (Rev 03/95 Buff)

BILL ANALYSIS/ENROLLED BILL REPORT--(CONTINUED)

AUTHOR

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Code/Department Agency or Revenue Type	SO	(Fiscal Impact by Fiscal Year)							Fund Code
	LA	(Dollars in Thousands)							
	CO	PROP							
	RV	98	FC	2009-2010	FC	2010-2011	FC	2011-2012	
1606/Sale Pub Lnd	RV	No		-----	See Fiscal Summary	-----			3090
<u>Fund Code</u>	<u>Title</u>								
3090	Deficit Recovery Bond Retirement Sinking								