

CALIFORNIA CODES
FOOD AND **AGRICULTURAL CODE**
SECTION 3851-3904

3884.2. (a) The District 32a Disposition Fund is hereby created in the State Treasury.

(b) The Department of General Services may sell all or any portion of the real property that composes District 32a. District 32a shall not enter into any contract, lease, or other agreement affecting the use or operation of the real property for a period that exceeds three months, and all of these contracts, leases, or other agreements shall contain a provision that they may be canceled upon a 30-day notice from the Department of General Services. The Department of General Services shall be reimbursed for any reasonable cost or expense incurred for the transactions described in this section. Additionally, to the extent bonds issued by the State Public Works Board or other entity 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. The net proceeds from the sale shall be deposited into the District 32a Disposition Fund.

(c) The sale of the real property authorized by this section shall be pursuant to a public bidding process designed to obtain the highest, most certain return for the state from a responsible bidder, and any transaction based on such a bidding process shall be deemed to be the fair market value for the property. A notice of this bidding process shall be posted by the Department of General Services on its Internet Web site for at least 30 days prior to the sale of the real property. The provisions of Section 11011.1 of the Government **Code** are not applicable to the sale of real property authorized under this section.

(d) Thirty days prior to executing a transaction for a sale of real property authorized by this section, the Director of General Services shall report to the chairs of the fiscal committees of the Legislature all of the following:

- (1) The financial terms of the transaction.
- (2) A comparison of fair market value for the real property and the terms listed in paragraph (1).
- (3) Any basis for agreeing to terms and conditions other than fair market value.

(e) As to the real property sold pursuant to this section, the Director of General Services shall except and reserve to the state all mineral deposits, as defined in Section 6407 of the Public Resources **Code**, together with the right to prospect for, mine, and remove the deposits. If, however, the Director of General Services determines that there is little or no potential for mineral deposits, the reservation may be without surface right of entry above a depth of 500 feet, or the rights to prospect for, mine, and remove the deposits shall be limited to those areas of the real property conveyed that the director determines to be reasonably necessary for the removal of the deposits.

(f) The Department of General Services shall report to the Legislature on or before June 30 of each year on the status of the sale of real property authorized by this section.

(g) Upon the sale of all property that composes District 32a, District 32a shall be abolished and all funds in the District 32a Disposition Fund shall be transferred to the General Fund.

(h) (1) The disposition of state real property or buildings specified in subdivision (b) that are made on an "as is" basis shall be exempt from Chapter 3 (commencing with Section 21100) to Chapter 6 (commencing with Section 21165), inclusive, of Division 13 of the Public Resources **Code**. Upon title to the parcel vesting in the purchaser or transferee of the property, the purchaser or transferee shall be subject to any local governmental land use entitlement approval requirements and to Chapter 3 (commencing with Section 21100) to Chapter 6 (commencing with Section 21165), inclusive, of Division 13 of the Public Resources **Code**.

(2) If the disposition of state real property or buildings specified in subdivision (b), is not made on an "as is" basis and close of escrow is contingent on the satisfaction of a local governmental land use entitlement approval requirement or compliance by the local government with Chapter 3 (commencing with Section 21100) to Chapter 6 (commencing with Section 21165), inclusive, of Division 13 of the Public Resources **Code**, the execution of the purchase and sale agreement or of the exchange agreement by all parties to the agreement shall be exempt from Chapter 3 (commencing with Section 21100) to Chapter 6 (commencing with Section 21165), inclusive, of Division 13 of the Public Resources **Code**.

(3) For the purposes of this subdivision, "disposition" means the sale, lease, or repurchase of state property or buildings specified in subdivision (b).

(i) The disposition of real property or buildings, or both, pursuant to this section does not constitute a sale or other disposition of state surplus property within the meaning of Section 9 of Article III of the California Constitution and shall not be subject to subdivision (g) of Section 11011 of the Government **Code**.