



## STATE PARK AND RECREATION COMMISSION

Marriott Mission Valley

San Diego, CA

September 12, 2024

**STAFF REPORT:** Budget Report

**STAFF:** Crystal Flores, Acting Deputy Director, Administrative Services

**SUBJECT:** Budget Act of 2024-25

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### OBJECTIVE

Provide an update on the California Department of Parks and Recreation's (State Parks) enacted Budget Act of 2024-25.

### INTRODUCTION

This report is for the enacted Budget Act for 2024-25. The Budget Act of 2024 (AB 107) was signed and chaptered (Chapter 22, Statutes of 2024) as well as Budget Bill Jr. (SB 108, Chapter 35, Statutes of 2024).

### PROJECT BACKGROUND

N/A

### DESCRIPTION (REPORT / UPDATE)

#### Overview:

The Budget Act of 2024-25 includes \$1.03 billion to support State Parks. \$876.16 million is available for State Operations. Of this amount, \$260.26 million is from the General Fund and \$285.1 million is from the State Park and Recreation Fund (SPRF). \$142.92 million is available for Local Assistance. Of this amount, \$4.17 million is from the General Fund. \$11.56 million is available for Capital Outlay projects. State Parks also received \$116.68 million in reductions as part of the General Fund solutions to assist with balancing the state's budget.

Additionally, the Budget Act of 2024-25 solves a \$46.8 billion deficit through a mix of broad-based solutions, including the following significant solutions:

- Control Section 4.05: Ongoing Reductions to State Operations—A reduction to state operations by approximately 7.95 percent beginning in 2024-25 to nearly all department budgets. The reduction involves all operational categories, including personnel, operating costs, and contracting for General Fund savings of \$2.17 billion.
- Control Section 4.12: Vacant Position Sweep—A permanent reduction of \$1.5 billion (\$762.5 million General Fund) in 2024-25 by reducing departments' budgets for vacant positions.

### **General Fund Solutions:**

***Outdoor Equity Grants Program*** - \$50 million reduction from General Fund from 2022 and 2023. This program, part of the Governor's "Outdoor Access for All Initiative," aims to provide outdoor opportunities to kids in underserved communities. The Outdoor Education Program (OEP) was designed to offer outdoor experiences on public lands, but the 109 proposed Round 2 projects will not move forward.

***Recreational Trails and Greenways Program (RTG)*** - \$10 million reduction from the General Fund from 2022. The demand for trails since the pandemic has increased significantly. RTG grant funds would have helped increase the trail inventory in the State. State Parks will continue to implement the Federal Recreational Trails Program which is a similar program yet on a smaller scale (roughly \$1.7M annually vs. \$10M).

***Adapting to Sea Level Rise in State Parks*** - \$10 million reduction from General Fund from 2021. Due to a reduction in funding, approximately 20 projects focused on sea level rise resilience, vulnerability assessments, cultural resource inventories, and recovery efforts for winter storm damage in coastal parks, have been delayed or halted.

***Deferred Maintenance*** - \$5.915 million reduction from General Fund from 2021. This proposal shifted \$14.9 million from the General Fund to Proposition 40. This shift has no direct effect on the remaining funding State Parks has from the 2021-22 Deferred Maintenance allocation. Given the upcoming encumbrance deadline of Proposition 40 dollars, this proposal is the best solution to utilize these remaining funds in time, while also contributing to overall General Fund solutions.

***Stewardship of State-Owned Lands***- \$1.063 million was eliminated from Greenhouse Gas Reduction Fund (GGRF) that was proposed at Governor's Budget. Reducing Stewardship of State-Owned Lands will not immediately affect the delivery of the program. This program still maintains approximately \$159 million (99 percent) of funding.

**Arts Installation in the Parks** - \$11.1 million reduction from General Fund from 2022.

**Waterway Connection Initiative** - \$12.3 million reduction from General Fund from 2021.

**Dos Rios State Park** - \$1.7 million reduction from General Fund from 2023. These funds were for one-time costs for vehicles and equipment that were not purchased during the first year.

### **Budget Change Proposals – State Operations and Local Assistance:**

**2023 and 2024 Winter Storm Damage: Statewide Repairs and Adaptation** – \$5 million from the Natural Resources and Parks Preservation Fund and \$51 million in ongoing reimbursement authority. These funds will address damages and rebuilding efforts related to the 2023 and 2024 winter storms, including Hurricane Hillary. This request builds upon resources previously provided through the *2023 Winter Storm Damages – Statewide Repairs and Adaptation* proposal.

**California State Library Parks Pass Program** - \$6.75 million one-time funds transferred from the General Fund to SPRF to help offset State Parks' costs for providing this program that promotes outdoor recreation availability to income-disadvantaged Californians.

**Deferred Maintenance and Special Projects** – \$14,928,000 one-time from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Proposition 40) to address deferred maintenance projects deemed critical to the mission and goals of State Parks. This proposal represents a fund shift of deferred maintenance projects from the General Fund to Proposition 40, which will (1) result in \$5.9 million in General Fund savings, and (2) allow State Parks to make important progress on implementing the Next Generation Recreation Sales and Reservations Management (NextGen) Solution.

**Malakoff Diggins State Historic Park Mine Remediation Implementation** - \$6 million one-time from the General Fund in 2024-25 and \$1.5 million for FY 2025 and 2026 for further improvements required by the California State Water Resources Control Board at Malakoff Diggins State Historic Park. Specifically, the \$6 million will continue the implementation of improvements and the \$3.0 million (\$1.5 million in 2025-26 and 2026-27) is for sampling and monitoring, maintenance of prior cleanup actions undertaken by the state, and may include limited cleanup activities.

**Natural Resources Agency Chaptered Legislation Proposals (State Park Reservations AB 618)** – \$200K one-time funding from the General Fund to implement statutory requirements associated with Assembly Bill 618, State Parks: reservations.

**Next Generation Recreational Sales and Reservation Management System Solution (R2S2 NextGen) Project Support** – Reallocate \$9 million of the General Fund appropriated in 2021 for Deferred Maintenance to provide the funding to support information technology resources for three years. This includes 5.0 positions in 2024-25, an additional 5.0 positions in 2025-26, and an additional 7.0 positions in 2026-27, for a total of 17 permanent positions. The NextGen project will improve State Parks’ current reservation and recreation system and revenue collection as well as provide better real-time data analytics to increase utilization and enable park staff and managers to make business decisions based on real-time data.

State Parks anticipates submitting a future proposal in 2027-28 once the increased revenue of the NextGen project is realized.

**State Parks Adventure Pass Program** - \$2.1 million Proposition 98 General Fund to support the Adventure Pass Program on an ongoing basis. The California State Park Adventure Pass was initially a three-year pilot program that waived day-use entrance fees to 54 state parks for fourth graders and their families for a full year. This became a popular program that improves students’ access to the state’s parks, beaches, and outdoor spaces, consistent with the Administration’s Outdoor Access for All initiative. Trailer Bill Language was included in the proposal, as the Adventure Pass was set to sunset effective July 1, 2024. This proposal removed this sunset date, making the Adventure Pass program permanent. This proposal also specifies that public school fourth graders shall be eligible for the Adventure Pass, consistent with the requirements of Proposition 98.

**Legislative Investment Local Assistance Funds** - \$1.165 million from the General Fund for local assistance to the City of Los Banos for Colorado Ballpark Renovations and ADA Upgrades and to YMCA of Metropolitan Los Angeles for North Valley YMCA Renovations.

**Budget Change Proposals – Capital Outlay Projects:**

**R.H. Meyer Memorial SB: El Matador Parking Lot** - \$152K from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Proposition 40) for the working drawings phase. This will enhance public safety by expanding the existing parking lot, enhancing beach trail access, and reducing beach trail erosion. Long-term improvements involve the use of durable, permeable surfaces for stormwater management and trail frames to control erosion. The project includes the anticipation of decreased maintenance time and cost by installing vault toilet restrooms. Total project costs are estimated at \$5.5

million including Preliminary Plans (\$351k), Working Drawings (\$333k), and Construction (\$4.8 million). The current project schedule estimates Preliminary Plans began in July 2018 and were completed in July 2023. Working Drawings began in August 2024 and will be approved in September 2025. Construction is scheduled to begin in December 2025 and will be completed in August 2026.

**Fort Ross SHP: Cultural Trail** - \$2.8 million from the California Clean Water, Clean Air, Safe Neighborhoods, and Coastal Protection Fund (Proposition 40) for working drawings and construction phases of a new trail segment to the California Coastal Trail. This will introduce park visitors to the complex international maritime history and cultural heritage of Fort Ross SHP using multimedia displays throughout the trail. Total project costs are estimated at \$6.2 million, including Preliminary Plans (\$537k), Working Drawings (\$651k), and Construction (\$5 million). The current project schedule estimates Preliminary Plans began in January 2018 and were completed in September 2021. The Working Drawings began in November 2021 and will be approved in September 2024. Construction is scheduled to begin in December 2024 and will be completed in July 2026.

**California Indian Heritage Center: Design and Construction** - \$3.5 million from the California Clean Water, Clean Air, Safe Neighborhood Parks, and Coastal Protection Fund (Proposition 40) for preliminary plans. This will enact the plan of the development of a site appropriate for recognition and celebration of tribal voices and objects. This project constitutes a decade-long collaboration between State Parks, California tribal communities, and philanthropic entities to communicate history and cultural heritage. Total project costs are estimated at \$200 million, including Preliminary Plans (\$8.2 million), Working Drawings (\$4.7 million), and Construction (\$187.1 million). The current project schedule estimates Preliminary Plans, which began in June 2019, will be completed in December 2024. Working Drawings are scheduled to begin in January 2025 and will be approved in June 2027. Construction is scheduled to begin in December 2027 and will be completed in May 2030.

**El Capitan SB: Entrance Improvements** - \$4.1 million from the Natural Resources and Parks Preservation Fund for construction of improvements to the entrance to the park. This includes larger, safer routes for pedestrians, bicyclists, and vehicles, replacing the existing culvert with a bridge to reduce barriers to endangered steelhead trout, and replacing an aging, damaged kiosk. Total project costs are estimated at \$10.9 million, including Preliminary Plans (\$358k), Working Drawings (\$616k), and Construction (\$9.9 million). Work on Preliminary Plans began in September 2016 and were completed in October 2018. Working Drawings began in November 2018 and were approved in January 2024. Construction is scheduled to begin in December 2024 and will be complete by December 2025.

**NEXT STEPS**

N/A

**RECOMMENDATION**

N/A

**COMMISSION ACTION(S)**

N/A

**ATTACHMENTS**

N/A

**ADDITIONAL RESOURCES**

Link to Full Budget Change Proposals –  
[2024-25 BCP](#)

Link to Budget Bills –  
[AB-107 Budget Act of 2024](#)  
[SB-108 Budget Act of 2024](#) (BB Jr.)

**CITATIONS**

<https://ebudget.ca.gov/budget/2024-25EN/#/Department/3790>