



## STATE PARK AND RECREATION COMMISSION

Lancaster, CA

March 3

**STAFF REPORT:** Budget Report

**STAFF:** Will Schaafsma Deputy Director, Administrative Services

**SUBJECT:** 2023 Governor's Budget

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### OBJECTIVE

Update on State Parks 2023 Proposed Budget

### INTRODUCTION

The Governor released his proposed budget for the 2023-2024 fiscal year on January 10, 2023.

### PROJECT BACKGROUND

N/A

### DESCRIPTION (REPORT / UPDATE)

#### Overview

The 2023 Governor's Budget includes \$1.039 billion to support the Department of Parks and Recreation. Of this amount, \$776.3 million is available for state operations, \$229 million is available for local assistance, and \$33.4 million is available for Capital Outlay projects.

Overall, the 2023 proposed budget represents a \$178.7 million reduction from the 2022 budget. About half of the reduction is attributable to one-time increases in last year's budget for the Parks Pass Program, State Parks' Tribal Lands Acknowledgments, African American History and Engagement, K-12 and Interpretive Enrichment Program, California Cultural and Art Installations, Malakoff Diggins Mine Remediation Project.

The remaining decrease is attributable to one time increases in last year's budget for Local Assistance grants for Statewide Park Program, legislative grants, and Public Beach Restoration Grants as well as one-time investments in Capital Outlay projects.

The proposed budget includes \$370.6 million General Fund (GF), \$272.1 million State Parks and Recreation Fund (SPRF) to support operations and local assistance. This split is generally consistent with prior years, with the GF provided for local assistance fluctuating depending upon the Administration's desired investment level.

### **Proposed Reductions**

The Governor's Budget forecasts General Fund revenues will be \$29.5 billion lower than at the 2022 Budget Act projections, and California now faces an estimated budget gap of \$22.5 billion in the 2023-24 fiscal year.

For State Parks, reductions are proposed to state operations, local assistance, and certain capital outlay projects. Should certain revenue benchmarks be met in the upcoming fiscal year, some of these reductions would be restored. These reductions are not reflected in the budget numbers referenced above and include the following:

*Statewide Parks Program* - The Statewide Park Program was appropriated \$225 million GF across 3 years as part of the FY 22-23 budget. The 2023-24 Governor's Budget proposes a total reduction of \$150 million GF, reducing \$75 million from FY 22-23, \$31 million from FY 23-24, and \$44 million from FY 24-25.

*California Indian Heritage Center and Capital Outlay Investments* - In previous budgets, State Parks has received \$145.3 million in GF transfers from the General Fund to the Natural Resources and Parks Preservation Fund for future capital outlay investments and the California Indian Heritage Center. The 2023-24 Governor's Budget proposes \$110 million be returned to the GF (\$15 million related to State Parks Future Capital Investment and \$95 million related to California Indian Heritage Center).

*Deferred Maintenance Projects* - In last year's budget, State Parks received an appropriation of \$185 million GF for Deferred Maintenance Projects. The 2023-24 budget proposes a reduction of \$31 million from this appropriation.

### **Budget Change Proposals**

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

*Dos Rios Ranch State Park Day Use Operation* - \$5.8M one-time and \$3.3M GF ongoing to establish and open Dos Rios Ranch as a new State Park for day use operations to create recreation opportunities and park access to historically underserved communities in the Central Valley. Funds initially allocated for

acquisition of a new state park in 2021-21 Governor's Budget will now be used for larger planning efforts, as well as any acquisition costs.

*Sonoma Open Space Area Operations* – \$3.0M reimbursement authority, to manage the open space park lands within the Sonoma Developmental Center (SDC). The requested funding will cover equipment and operation costs to address associated workload increases from the added acreage from SDC such as maintenance, installations, repairs, and vegetation management.

*Permitting Compliance and Habitat Management Plan for Restoration and Enhancement in Fort Ord Dunes State Park* – \$4.7M one-time and \$1.2M GF ongoing to fulfill requirements associated with the Department's Coastal Development Permit (CDP), as conditionally approved by the Coastal Commission, and US Fish and Wildlife permits required for the development the new campground project at Ford Ord Dunes State Park (Fort Ord Dunes SP). The funding will also enable the Department to meet long-term management commitments identified in the Habitat Management Plan (HMP) that was established as part of the disposition of the former military base properties.

*ADA Tucker Consent Decree* - \$23M GF one-time to complete additional ADA improvements under the Tucker Consent Decree.

*Office of Grants and Local Services' Federal Funded Program's Administration* - \$904K Federal Trust Funds and \$859K ongoing to administer the federally funded Land and Water Conservation Fund program, Outdoor Legacy Partnership program, and the Statewide Comprehensive Outdoor Recreation Plan.

### **Capital Outlay Budget Change Proposals:**

*Humboldt Redwoods SP: Replace Founders Grove Restroom* - \$1.861M State Park Contingent Fund and \$4.052M Prop 84 for the construction phase of the Humboldt Redwoods State Park: Replace Founders Grove Restroom. This project will demolish the existing restroom facility and parking lot at Founders Grove. Construction is scheduled to begin in February 2024.

*Kings Beach SRA: Recreational Pier Replacement* - \$1.046M in reimbursement authority for the working drawings phase of the continuing Kings Beach State Recreation Area Pier Replacement and Support Buildings project in Placer County. This project will relocate the existing pier, construct a new support building for park operations, and provide access and recreational improvements, consistent with the 2018 General Plan. Design funds for this project will come from fully executed grant agreements between the Department and the California Tahoe Conservancy in the amount of \$650,000 and the Department and the State of California, Wildlife Conservation Board in

the amount of \$700,000, for a total of \$1,350,000. The Department will seek additional grant funds for the construction phase of this project. Construction is expected to begin in June 2026.

*Lake Perris SRA: Replace Lifeguard Headquarters - \$12.575M Prop 68*  
for the construction phase Lake Perris State Recreation Area  
Lifeguard Headquarters replacement project in Riverside County.  
Construction is scheduled to begin in January 2024.

*Malibu Creek SP: New Stokes Creek Bridge - \$7.296M Prop 68*  
for the construction phase of the Malibu Creek State Park New Stokes Creek  
Bridge project in Los Angeles County. Construction is scheduled to  
begin in December 2023.

*Mount Diablo SP: Visitor Center - \$2.612M in reimbursement authority from*  
for the construction phase of the Mount Diablo State Park Visitor Center project  
in Contra Costa County. This project includes replacing a small existing visitor  
center trailer with a larger visitor center, remodeling the existing restroom and site  
to meet accessibility standards, and constructing an outdoor interpretive  
pavilion. Construction is expected to begin in March 2025.

*Old Sacramento SHP: Riverfront Improvements - \$324k Prop 68*  
for the working drawings phase of the continuing Old Sacramento State Historic  
Park: Riverfront Improvements project in Sacramento County.  
This project will create a space that complements the natural riverbank  
environment and forms a strong connection to Sacramento's Waterfront. The  
improvements will result in an inviting space for visitors that provides opportunities  
for special events, a four-season river viewing experience, and a complementary  
space to the Sacramento Waterfront. Construction is expected to begin in  
August 2025.

*Picacho SRA: Park Power System Upgrade - \$2.123M Prop 68*  
for the construction phase of the continuing Picacho State Recreation Area: Park  
Power System Upgrade project in Imperial County. Construction is expected to  
begin in March 2024.

*Silver Strand SB: Low-Cost Accommodations - \$500k Prop 68*  
for the working drawings phase of the continuing Silver Strand State Beach: Low-  
Cost Accommodations project in San Diego County. Construction is expected to  
begin in September 2025.

## **NEXT STEPS**

N/A

## **RECOMMENDATION**

N/A- Informational only

**COMMISSION ACTION(S)**

N/A

**ATTACHMENTS**

N/A

**ADDITIONAL RESOURCES**

<https://ebudget.ca.gov/budget/2023-24/#/Department/3790>

**CITATIONS**

<https://ebudget.ca.gov/budget/2023-24>