

Board of Trustees

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Tim Deutsch
General Manager

ORANGE COUNTY CEMETERY DISTRICT

September 20, 2019

Hon. Kirk H Nakamura, Presiding Judge
Orange County Superior Court
700 Civic Center Drive West
Santa Ana, California 92701
Via Mail Only

Orange County Grand Jury
700 Civic Center Drive West
Santa Ana, California 92701
Facsimile: (714) 834-5555

Re: Response to Grand Jury Report

Dear Judge Nakamura and Grand Jury Members:

This is in response to the 2018-2019 Grand Jury Report entitled "Home at Last: Honoring Our Veterans with a Veterans Cemetery in Orange County" ("Report") released on June 25, 2019. The Report is addressed to Orange County Board of Supervisors, City of Irvine and the Orange County Cemetery District ("District"). Pursuant to Penal Code Section 933 and 933.05, the Report was presented to the District's Board of Trustees and a response is presented below.

Preliminary Statement

As noted above, the Report is addressed and requires responses from all government entities listed. The findings and recommendations to some extent address issues, some of which relate to the District rather than others. In any event, the District can only be expected to speak for itself and not for any other government entities responding to the Report and all responses concern only the District's specific situation and not those of any other government entity.

The District responds to the Grand Jury's Findings and Recommendations which are applicable to the District as follows:

Finding 1 (F1):

"There is private and public sector significant interest in and support for, establishing a veterans cemetery in Orange County"

Response to Finding 1:

The District agrees with this finding as it pertains to the public sector's significant interest in support of establishing a State Veterans Cemetery. For the past 5-7 years, the District, which is an independent special district, has supported the two potential State Veterans Cemetery sites in the City of Irvine

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Anaheim Cemetery
1400 E. Sycamore St.
Anaheim, CA 92805
(714) 535-4928

El Toro Memorial Park
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(949) 951-8244

Santa Ana Cemetery
1919 E. Santa Clara Ave.
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which have been either previously or currently supported by the California State Legislature. In particular, the District supported the City of Irvine's proposed State Veterans Cemetery on 125 acres of the former Marine Corps Air Station El Toro, in the City of Irvine, that was subject of the 2016 comprehensive planning and analysis report (Owen Report) prepared by the California Veterans Administration (CalVet). The District also supported the Strawberry Field/Bake Parkway site that was the subject of the proposed "land swap" that was rejected by the voters of the City of Irvine in 2018. The District has also supported the efforts of local veterans organizations interested in establishing a State Veterans Cemetery in Orange County.

Finding 6 (F6):

"Completion of the Veterans Cemetery project will require multiple sources of funding; some funding has been available in the past."

Response to Finding 6 (F6):

The District agrees that multiple sources of funding will be required to complete the development of a State Veterans Cemetery in Orange County. The District, however, is unfamiliar with any potential funding sources, other than those referenced in AB 1453, that were intended for the design, development, construction, and equipment for the proposed state-owned and state-operated "Southern California Veterans Cemetery," at the site described in AB 1453 as the "former Marine Corps Air Station El Toro, on 125 acres known as the Amended and Restated Development Agreement Site in the Great Park in the City of Irvine." The District is aware that AB 1452 proposed the creation of the Southern California Veterans Cemetery Master Development Fund for design, development, construction, and equipment; the Southern California Veterans Cemetery Perpetual Maintenance Fund for maintenance; and the Southern California Veterans Cemetery Donations Fund for cash donations for maintenance, beautification, and repair. The District is also aware that AB 1453 expressed the State Legislature's intent to appropriate \$500,000 from the State's General Fund to fund the costs of applying to the Veterans Cemetery Grants Program of the federal Department of Veterans Affairs for a grant of not more than 100% of the estimated cost for designing, developing, constructing, and equipping the proposed State Veterans Cemetery. Again, however, the District is aware that AB 1453 was limited to the site proposed on the 125 acres of the former Marine Corps Air Station El Toro in the City of Irvine. The District is unaware of any other potential funding sources for any of the alternative State Veterans Cemetery sites once proposed or currently proposed in Orange County.

Finding 7 (F7):

"There is no known opposition to the use of the Gypsum Canyon (91/241) property as a Veterans Cemetery from the Anaheim City Council, Orange County Veterans groups, or the OCCD."

Response to Finding 7 (F7):

The District agrees that there has been no known opposition from the Anaheim City Council or Orange County Veterans groups to the use of Gypsum Canyon (91/241) site as a State Veterans Cemetery. The District acknowledges that on December 4, 2018, the Orange County Board of Supervisors

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approved the transfer of the Gypsum Canyon (91/241) site, which consist of 283.3 acres, to the District subject to the condition that the District commence using the site as a public cemetery within ten years and at least half the developable acreage be reserved for the development of an official State Veterans Cemetery. Should the District fail to comply with this condition, it risks automatic forfeiture of the land back to the County.

Recommendations

Additionally, the District must respond to the following recommendations by reporting one of the following actions: (a) the recommendation has been implemented, with a summary regarding the implemented action; (b) the recommendation has not yet been implemented, but will be implemented in the future, with a timeframe for implementation; (c) the recommendation requires further analysis, with an explanation and the scope, parameters and timeframe, not to exceed six (6) months from the date of publication of the Report; or (d) the recommendation will not be implemented because it is not warranted or is not reasonable, with a recommendation therefore.

Recommendation 2 (R2)

“The Grand Jury recommends that by November 30, 2019, the OCCD, on coordination with the Orange County Board of Supervisors and the City of Anaheim, should decide whether to pursue developing both a public cemetery and veterans cemetery on the Gypsum Canyon (91/241) site. Site selection efforts shall validate the cost and valuation information.”

Recommendation 2 (R2):

The implementation of this recommendation requires further analysis by not only the District, but also the City of Irvine, City of Anaheim and the County. As such, it is infeasible for the District to determine the timeline for complying with this recommendation. For instance, the District is unaware at this time of whether the City of Irvine plans to pursue the development of a State Veterans Cemetery within the City of Irvine, now that the Gypsum Canyon (91/241) site presents a viable alternative. Furthermore, the City of Anaheim and the County have to decide which entity will assume land use authority over the development of a State Veterans Cemetery at the Gypsum Canyon (91/241) site, which is an important component of determining the cost of developing the site as a public cemetery and State Veterans Cemetery, albeit the development of a public cemetery at the site is presumed to be the responsibility and obligation of the District. Notwithstanding the above, the District believes that the Orange County Board of Supervisors has already approved the development of both a public cemetery and State Veterans Cemetery at the Gypsum Canyon (91/241) site. Again, on December 4, 2018, the Orange County Board of Supervisors approved the transfer of the Gypsum Canyon (91/241) site, which consist of 283.3 acres, to the District subject to the condition that the District commence using the site as a public cemetery within ten years and at least half the developable acreage be reserved for the development of an official State Veterans Cemetery. Should the District fail to comply with this condition, it risks automatic forfeiture of the land back to the County. Moreover, the District needs to conduct further analysis to determine which portion of the Gypsum Canyon (91/241) site will be used as a public cemetery and which portion will be used as a State Veterans Cemetery. This analysis, however, cannot be completed until the City of Irvine decides whether it will proceed with locating a State Veterans Cemetery within the City of Irvine and the City of Anaheim and County

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decide which entity will assume land use authority over the development of a State Veterans Cemetery at the Gypsum Canyon (91/241) site. In addition, due to the topography of the Gypsum Canyon (91/241) site, extensive engineering and planning will be needed to determine which specific locations at the site are developable for cemetery uses.

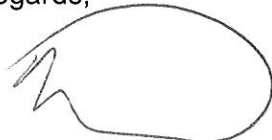
Recommendation 3 (R3):

"The Grand Jury recommends that by December 31, 2019, in the event that both the City of Irvine and OCCD seek to pursue a veterans cemetery, the Grand Jury recommends that a joint City of Irvine and OCCD Veterans Cemetery Selection Committee be established that includes a representative of the Board of Supervisors to determine which of the respective sites will be endorsed."

Recommendation 3 (R3):

Whether the District can comply with this recommendation by December 31, 2019, cannot be determined until such time the City of Irvine formally decides whether the City will proceed with definitive plans to develop a State Veterans Cemetery within the City. The District acknowledges, however, that the Gypsum Canyon (91/241) site, which was donated to the District by the Orange County Board of Supervisors, is an alternative site for the development and operation of a State Veterans Cemetery in lieu of a City of Irvine site. In other words, the District acknowledges that the Gypsum Canyon (91/241) site is not the primary State Veterans Cemetery site in Orange County. Notwithstanding the foregoing, the District remains committed to complying with the County's condition that the District commence using the Gypsum Canyon (91/241) site as a public cemetery within ten years and at least half the developable acreage be reserved for the development of an official State Veterans Cemetery, since failure to comply with this condition risks automatic forfeiture of the land back to the County, which the District desperately needs to meet the rapidly growing interment needs of the property taxpayers and residents throughout Orange County.

Regards,



Tim Deutsch
General Manager
Orange County Cemetery District

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