

Oversight Hearing:
Status Update on
Southern California State Veterans Cemetery

April 10, 2018

Background Information

I. VETERANS CEMETERIES - GENERAL

National Veterans Cemeteries

The federal government establishes and manages national cemeteries, primarily to provide interment and inurnment services for veterans, military personnel, and their spouses.

In June 1862 the U.S. Congress enacted the original authority to create military burial places during the American Civil War. By the end of 1862, 14 national cemeteries had been established. The Army operated most of the cemeteries until 1973 when they were transferred to the U.S. Department of Veterans Affairs (USDVA).¹

Today the National Cemetery Administration (NCA) – a sub-department of USDVA – maintains 131 national cemeteries in 39 states and Puerto Rico. In addition, the Department of the Army maintains two national cemeteries, Arlington National Cemetery (Virginia) and United States Soldiers' and Airmen's Home National Cemetery (Washington DC).

State Veterans Cemeteries

Recognizing that the national cemetery system leaves certain areas inadequately served, the federal government in 1978 established the VA State Cemetery Grants Program (now called the Veterans Cemetery Grants Program) to assist states, territories and tribal governments in providing gravesites in areas where the National Cemetery Administration (NCA) cannot fully satisfy Veterans' burial needs.

¹ The Department of the Army maintains two national cemeteries, Arlington National Cemetery (Virginia) and United States Soldiers' and Airmen's Home National Cemetery (Wash DC).

The federal government will reimburse up to 100% of the cost of establishing, expanding, or improving state veterans' cemeteries, including the acquisition of initial operating equipment, if the state agrees to cover the administrative and oversight costs. These administrative and oversight costs are offset eventually through federal veterans burial benefits. The USDVA will not pay any off site costs, land purchases, demolition costs or State employee costs such as DGS may charge.²

California

California is home to nine national cemeteries: Bakersfield National Cemetery (Arvin), Fort Rosecrans National Cemetery (San Diego), Golden Gate National Cemetery (San Bruno), Los Angeles National Cemetery (Los Angeles), Miramar National Cemetery (San Diego), Riverside National Cemetery (Riverside), Sacramento Valley National Cemetery (Dixon), San Francisco National Cemetery (San Francisco), and San Joaquin Valley National Cemetery (Santa Nella).

California has three operational state veterans cemeteries; all are managed by the California Department of Veterans Affairs (CalVet). CalVet determines eligibility for burial in a state veterans cemetery in accordance with USDVA requirements used for burial in national veterans cemeteries. In general, eligibility is established if a veteran died on active duty, or served on active duty (other than for training) and was discharged under conditions other than dishonorable.

The oldest is the historic Yountville Veterans Home Cemetery in Napa County. Well over a century old, this cemetery is the resting place for over 5,700 veterans and dependents. The cemetery currently accepts only the interment of the Veteran Home's residents and their eligible dependents. Eligibility for interment is equivalent to the requirements for burial in a National Cemetery.

The Northern California Veterans Cemetery (NCVC) is the first California Veterans Cemetery constructed with the cooperation USDVA's Veterans Cemetery Grants Program. Located eight miles SW of Redding, the NCVC was established in 2005 and primarily serves the veteran population in the eighteen Northern-most California counties. Any eligible veteran, along with their spouse and eligible dependents, may be interred at the cemetery. The currently developed area of the cemetery provides sufficient burial space for more than thirty years. Beyond that, the cemetery has the capacity for expansion of space for well beyond 100 years.

Located on the former Fort Ord (Monterey County), the California Central Coast Veterans Cemetery (CCCVC) opened in 2016. The CCCVC also was developed and constructed in cooperation with USDVA. Currently still in its first phase, the cemetery accommodates cremated remains only. Presently there are 15 columbaria with 5,000 niches. Future development of the cemetery will include in-ground burial options.³ The cemetery receives all eligible veterans and

² Public Law 105-368, which went into effect in 1999, authorizes USDVA to provide up to 100 percent of the development cost for an approved project. USDVA can provide for operating equipment for establishment of new cemeteries. USDVA does not provide for acquisition of land.

https://www.cem.va.gov/cem/grants/information_kit.asp#ph

³

[https://www.calvet.ca.gov/VetServices/Documents/CCCVC%20Fact%20Sheet%20updated%20Nov%202017%20\(2\).pdf](https://www.calvet.ca.gov/VetServices/Documents/CCCVC%20Fact%20Sheet%20updated%20Nov%202017%20(2).pdf)

family members, but primarily serves the more than 100,000 veterans and their families in Monterey, Santa Cruz, San Benito, and Santa Clara counties.

II. SOUTHERN CALIFORNIA VETERANS CEMETERY

In the early 2000s, support began growing for a state veterans cemetery in Orange County. Supporters opined that, although the National Cemetery in Riverside is a beautiful resting place for veterans, due to its distance from Orange County, regional geography, limited driving routes, and the population density of the region, the needs of Orange County veterans, veterans from other southern California coastal areas, and veterans' families are not met by the National Cemetery in Riverside.

CalVet Initial Planning Considerations⁴

The burial rate must be determined and is the primary factor that will determine the size, type and cost of construction, as well as the operational costs of the Veterans Cemetery. We will consider the veterans population, veteran's death rate, and distance from cities to the proposed location of the cemetery and of existing active veteran's cemeteries. Riverside National Cemetery is the closest National Cemetery to Orange, Los Angeles and Ventura Counties, which is the area that the proposed Veterans Cemetery would serve. However, the locations of Bakersfield National Cemetery to the north and Miramar National Cemetery to the south were considered.

The National Cemetery Administration uses a 75 mile radius to determine if a veteran is being served by an existing Veterans Cemetery. The flaw in their logic in determining if a veteran is being served within a 75 mile radius is that they do not consider natural barriers, location of roadways, traffic and public transportation, which are proven barriers in the actual use by veterans of veterans cemeteries.

Much of the area that our proposed veteran's cemetery would serve is inside the 75 mile radius of Riverside National Cemetery, but this fact will not prevent the state from obtaining a federal grant to construct a State Veterans cemetery. However, it must be considered when determining our facilities burial rate. For this reason we have not considered the veterans population in Riverside or San Bernardino Counties that may be closer to our proposed location. We are considering the entire veteran population of Orange, Los Angeles and Ventura counties as those veterans would reside closer to our proposed location than to the Riverside National Cemetery.

The National Cemetery Administration inters 13.5% of the eligible veterans in their catchment areas (75 mile radius) nationwide. The Northern California Veterans Cemetery (NCVC) inters 27% of the eligible veterans within a 75 mile radius of the cemetery. When determining the burial rate for the California Central Coast Veterans Cemetery (CCCVC) CalVet and USDVA agreed on a 25% interment rate based on our experience at NCVC. Understanding that there are so many unmeasurable factors in determining the percentage this is not a science, but an estimation of the actual number of veterans that will be interred in our proposed Veterans Cemetery.

⁴ Cited in "Analysis of AB 1453, as amended April 22, 2014," by Assembly Veterans Affairs Committee, published April 28, 2014.

Casket and Cremated Interments at the Proposed Veterans Cemetery

USDVA Burial Rate Percentage – 13.5% = 2,124 veteran burials per year, including dependent burials = 2,974

NCVC Burial Rate Percentage – 27% = 4,247 veteran burials per year, including dependent burials = 5,746

CCCVC proposed Rate Percentage – 25% = 3,933 veterans burials per year, including dependent burials = 5,506

Dependent burials are not considered in the above figures and USDVA and CalVet agree that it averages an additional 40% to the total of veterans interred in veteran's cemeteries.

Legislative Authorization

In 2014 the Legislature enacted Assembly Bill 1453 (Quirk-Silva)⁵, which:

- 1) Requires CalVet, in voluntary cooperation with local government entities in Orange County, to design, develop, construct, and equip a state-owned and state-operated Southern California Veterans Cemetery (SCVC) to be located at the site of the former Marine Corps Air Station El Toro, on 125 acres known as the Amended and Restated Development Agreement (ARDA) Site in the Great Park in the City of Irvine.⁶
- 2) Provides that all honorably discharged veterans eligible for interment in the cemetery and their spouses and children to the extent provided by federal law and regulation.
- 3) Requires CalVet to establish a fee to be charged for interment of veteran spouses and children.
- 4) Creates the Southern California Veterans Cemetery Master Development Fund, a continuously appropriated fund, and would require all moneys received for the design, development, construction, and equipment of the cemetery to be deposited in this fund.
- 5) Creates the Southern California Veterans Cemetery Perpetual Maintenance Fund and would direct all moneys received for the maintenance of the cemetery, including those moneys received for the interment of a spouse or child, to be deposited in this fund.
- 6) Makes proposals for the construction, placement, or donation of monuments and memorials to the cemetery subject to review by a specified advisory committee and subject to final approval by the Secretary.
- 7) Authorizes the cemetery administrator to accept donations of personal property to be used for the maintenance, beautification, or repair of the cemetery. Requires cash donations to be

⁵ AB 1453 (Quirk-Silva, Chapter 646, Statutes of 2014).

⁶ Approximately 30 percent of the former MCAS El Toro has been converted to Orange County Great Park located within and owned by the City of Irvine. The Great Park is a non-aviation reuse of the decommissioned base focusing on various recreational park uses.

deposited into the Southern California Veterans Cemetery Donations Fund; a continuously appropriated fund created by this bill, and would require the cash donations to be expended for the maintenance, beautification, and repair of the cemetery, as specified. By creating a continuously appropriated fund, the bill would make an appropriation.

- 8) Declares the intent of the Legislature to appropriate funds in the annual Budget Act to support CalVet in carrying out the provisions of this bill. Specifies that if no appropriation is made for these purposes, CalVet would not be required to comply with the provisions of this bill.
- 9) Requires CalVet to apply to the Veterans Cemetery Grants Program for a grant of not more than an unspecified amount, which amount represents 100% of the estimated cost for designing, developing, constructing, and equipping the cemetery.
- 10) Declares the intent of the Legislature to prohibit the expenditure of money appropriated to CalVet until the department has received the following: Written approval of the grant request, and a commitment from the federal Veterans Cemetery Grants Program that the funds appropriated under the grant are available for expenditure by the state, except as specified.

Project History and Timeline

The City of Irvine maintains a web site⁷ that includes a project history and timeline⁸. The following information is drawn primarily from that source.

2014

On March 11, 2014, the Irvine City Council adopted Resolution No. 14-27, which, in part, supported the passage of AB 1453 and expressed the City Council's strong interest in providing land to develop a State Veterans Cemetery. The City Council also established an Ad Hoc State Veterans Cemetery Committee to consider this matter.

In June and July 2014, the Ad Hoc State Veterans Cemetery Committee met to consider information regarding potential sites and the process required to establish a State Veterans Cemetery, and received comments from members of the public.

Later in July the Irvine City Council adopted Resolution No. 14-92 expressing its intent to convey the ARDA Transfer Site to the State for the purposes of creating the Southern California Veterans Memorial Park and Cemetery, subject to all necessary and appropriate studies, procedures and agreements with the State and Federal governments.

AB 1453 is passed by the Legislature (August 25) and signed by the Governor (September 27).

2015-2016

On January 1, 2015, AB 1453 went into effect. In response, CalVet developed a pre-application to

⁷ City of Irvine web site on Southern California Veterans Cemetery:

http://legacy.cityofirvine.org/cityhall/citymanager/proposed_southern_california_state_veterans_cemetery/default.asp

⁸ City of Irvine Project History and Timeline:

http://legacy.cityofirvine.org/cityhall/citymanager/proposed_southern_california_state_veterans_cemetery/background___proposed_state_veterans_cemetery.asp

USDVA requesting federal Veterans Cemetery Grant Funds to design, develop, construct and equip the cemetery. Using the \$500,000 allocated in AB 1453, CalVet hired consultants to assist with the pre-application, determining burial rates, developing a concept plan and developing cost estimates.

On April 12, 2016, the Irvine City Council voted to reaffirm its 2014 actions to support the establishment of a State Veterans Cemetery on a 125-acre, City-owned ARDA site, and to aggressively pursue support at the State and Federal levels. This action was taken after considering a request for a land swap. To read the Staff Report: April 12, 2016 Staff Report

On June 28, 2016, CalVet informed City staff that it submitted its pre-application to USDVA requesting Federal grant funds for the SCVC on the ARDA Transfer Site. For any questions, please contact CalVet.

CalVet informed City staff that it submitted its pre-application to USDVA requesting Federal grant funds for the SCVC on the ARDA Transfer Site. The next step is for USDVA to evaluate all proposals received.

On July 25, 2016 CalVet shared a letter from USDVA concerning the pre-application for the cemetery. The USDVA had accepted CalVet's application as meeting the initial requirements for funding consideration and indicated it would consider a maximum \$10 million grant. The USDVA did state that a larger grant request was unsustainable for its cemetery grant program (typically \$45 - \$46 million annual program nationwide).

The USDVA FY 2017 Grant Priority List was released in early October 2016 ranking the SCVC at 74 out of 101 proposed state veteran cemetery projects. The Priority List confirmed that the project is eligible for \$10 million from USDVA and listed it in Group 2, as there are no funds allocated for architecture/engineering and likely because further discussion is needed for a more sustainable grant request.

2017

On April 4, 2017 the Irvine City Council voted to pursue a dual track option as follows:

- 1) Authorizing the City Manager to take all necessary steps, in cooperation with CalVet and USDVA to accelerate processing and final approvals for expedited construction of the SCVC, at the ARDA Transfer Site. The goal of commencing cemetery operations was identified to begin on or before Veterans Day (November 11th) 2019.

Directing the City Manager to deploy all appropriate resources authorized and specified in the Veterans Cemetery motion adopted by the City Council on April 12, 2016. Additionally, to convey to the Governor's office, CalVet, and appropriate members of the State Legislature, the City's offer to guarantee local funding of up to \$40 million.

- 2) Staff was directed to pursue simultaneously the understanding of the offer from FivePoint Communities; and to match State Funds, up to and including the \$38 million in City funds, that would be appropriated in the upcoming budget cycle. The FivePoint offer comprises

125 acres on Bake Parkway that are being used for strawberry fields and has no buildings on it. It is referred to as either the “Bake Parkway Site” or “Strawberry Fields Site.”

On May 23, 2017 the City Council took action to receive and file the preliminary analysis of a land exchange, provided in this Staff Report.

On June 6, 2017 the Council adopted Resolution 17-39 to:

- 1) Pursue a mutually satisfactory land exchange of the City-owned ARDA site for the Heritage Fields’ owned Strawberry Fields/Bake Parkway Site (formerly District 2); and
- 2) Convey up to 125 acres of the Bake Parkway site (after exchange) to the State to create the SCVC. City staff immediately proceeded to implement this direction. Both parcels are on the former Marine Corps Air Station El Toro, just outside the boundaries of the Orange County Great Park, about equal in size.

On September 26, 2017 at a Special Meeting, the City Council voted to:

- 1) Dedicate the entire 125-acre alternative Strawberry Fields/Bake Parkway Site to CalVet immediately upon its transfer to the City, for use only as a Veterans’ Cemetery and interim agriculture uses;
- 2) Direct the proposed land swap with Heritage Fields be completed;
- 3) Grant authority to staff to finalize the document consistent with the direction provided at the meeting (including making the document available on the City’s website for five to seven days prior to execution, which was done); and
- 4) Authorize execution of the agreement by the Mayor upon completion.

During its Regular Meeting on that same day, the Council approved a Zone Change, which is necessary for the land exchange of the City-owned ARDA site for the Strawberry Fields/Bake Parkway private property owned by Heritage Fields.

On October 10, 2017, the Council adopted Ordinance No. 17-08 approving a Zone Change required for the Land Exchange Agreement to facilitate a State Veterans Cemetery. Shortly thereafter, advocates for the original ARDA site began a campaign to hold a referendum on the Ordinance.

On January 9, 2018, the Council received and filed the Orange County Registrar of Voters certification that sufficient petition signatures were received. Additionally, the City Council scheduled the referendum to be presented to the qualified voters of the City at a special election to be consolidated with the Statewide Primary Election on June 5, 2018.

Recent State Actions/Status

The FY 17-18 State Budget:

- 1) Authorizes CalVet to acquire, study, design, develop, construct, and equip a state-owned and state-operated SCVC at the Strawberry Fields/Bake Parkway site.
- 2) Allocates \$5 million to the SCVC Master Development Fund, including \$500,000 for CalVet to complete site studies, a concept plan and Phase I cost estimates for the Strawberry Fields/Bake Parkway Site.

CalVet, with the assistance of the Department of General Services, continues its evaluation of the new site for a Federal pre-grant application.

CalVet indicates it will submit a pre-application requesting federal Cemetery Grant funds for the Strawberry Fields/Bake Parkway Site. According to CalVet, it intends to submit the pre-grant application by the July 1, 2018 deadline.

Expected Availability of Federal Cemetery Grand Funds

Summary of Total Budgetary Resources for NCA Programs					
(dollars in thousands)					
	2017 Actual	2018 President's Budget	2018 Current Estimate	2019 Request	Increase (+) Decrease (-)
Operations and Maintenance.....	\$286,193	\$306,193	\$306,193	\$315,836	+\$9,643
Major Construction.....	137,000	255,900	255,900	117,200	-138,700
Minor Construction.....	56,890	97,950	97,950	171,820	+73,870
Grants for Construction of Veterans Cemeteries.....	45,000	45,000	45,000	45,000	0
Facilities Operation Fund.....	207	150	165	165	0
National Cemetery Gift Fund.....	546	1,500	1,000	1,000	0
Compensation and Pension:					
Headstones & Markers.....	68,099	76,615	76,615	77,403	+788
Graveliners & OBR Reimbursements.....	33,421	27,118	27,118	24,294	-2,824
Casket & Urn.....	1,049	921	488	495	+7
Total Budgetary Resources.....	\$628,405	\$811,347	\$810,429	\$753,213	-\$57,216

Source: USDVA Annual Budget Submission to Congress FY 2019, Volume III, Benefits and Burial Programs and Departmental Administration.⁹

⁹