

6. The State's actions throughout the transaction were in accordance with State laws except for the lack of specific approval of the sale of the property by the State Lands Commission. Authority for this sale was assumed to have been delegated to the Executive Officer who executed the necessary papers.

Upon motion duly made and unanimously carried, a resolution was adopted confirming and approving the action of the Staff of the Division of State Lands on December 22, 1942, in approving the sale to Mr. Harry W. Rosenberg of the NE $\frac{1}{4}$ of NW $\frac{1}{4}$ and the N $\frac{1}{2}$ of NE $\frac{1}{4}$ of Section 4, T. 20 N., R. 7 E., S.B.B. & M., containing 119.96 acres, at a price of \$5.00 per acre and with full mineral reservation to the State; also confirming and approving the execution and issuance of the Certificate of Purchase under date of January 5, 1943, for these same lands.

33. (APPLICATION CRESCENT CITY HARBOR COMMISSION FOR LEASE OF TIDE AND SUBMERGED LANDS - CRESCENT CITY BAY - W.O. 596, W.O. 266, P.R.C. 502) The Commission was informed that it has received an application from the Crescent City Harbor District for a lease of artificially accreted tidelands and submerged lands in the easterly portion of Crescent City Bay and outside of the city limits of the City of Crescent City consisting of approximately 108 acres.

The Crescent City Harbor District was formed pursuant to Statutes of 1931, Chapter 704, and filing therefor made with the Secretary of State on July 6, 1936. Under the law they are empowered to develop, lease and own lands within the county wide district and to levy taxes for maintenance and development therein.

Development of the harbor at Crescent City is needed and the State Lands Commission has been assisting in all matters in getting water development at this point. In view of the fact that the Harbor Commission is now willing to assume the duties of developing the harbor, it is suggested alternatively that the State Lands Commission authorize the Executive Officer to negotiate a lease for the State lands involved as follows:

1. Lease the area to the Harbor Commission at a fixed rate of \$500.00 per year plus 50 per cent of the gross income to the Harbor Commission received from subleases over and above a gross income of \$1,000.00 per year with maximum rental payable thereunder being \$1,500.00 per year.
2. A flat rental of \$1,000.00 per year.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the Executive Officer to negotiate a lease with the Crescent City Harbor District under alternative 1 or 2 above, whichever is found to be most acceptable, said lease not to require a filing fee or deposit and to be for a term of 15 years with privileges of renewal for two ten-year periods on approximately 108 acres of State artificially filled and submerged lands in Crescent City Bay. Lease to require the Harbor Commission to extend to littoral land owners the right to lease land in front of their upland for industrial or commerce purposes, and further require that the Harbor District assume whatever obligation the State may have with respect to the West Coast Steamship Company Application (W.O. 266), for lease heretofore approved by the Commission of a portion of the lands involved in this lease.