

annual rental of \$81.68. The area was incorrectly given, the correct amount being 8.56 acres. Since receiving the application for lease the applicant sold a portion of the adjacent upland, and desires now to reduce the area applied for to approximately 4.2 acres. The 8.56 acres were appraised at \$850, or \$100 per acre, the 4.2 acres now desired having such value as to require the minimum annual rental of \$50, the original application having been received prior to January 1, 1952. The applicant has also requested that it be permitted to pay an additional rental of \$50 annually in lieu of the \$2000 performance bond required by the Commission action, such increased rental to be from February 13, 1952, the annual rental of \$50 only to apply from August 13, 1948 to February 13, 1952.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED RESCINDING THE ACTION OF THE COMMISSION AS SET FORTH IN ITEM 7, PAGE 1420, MINUTES OF AUGUST 29, 1951, AND IN LIEU THEREFOR AUTHORIZING THE EXECUTIVE OFFICER TO ISSUE TO EUREKA SHIPBUILDERS, INC. A LEASE COVERING APPROXIMATELY 4.2 ACRES OF TIDE AND SUBMERGED LAND IN HUMBOLDT BAY FOR A PERIOD OF FIFTEEN YEARS BEGINNING AUGUST 13, 1948, AT AN ANNUAL RENTAL OF \$50, RENTAL TO BE INCREASED ON FEBRUARY 13, 1952, TO \$100 ANNUALLY, THE ADDITIONAL RENTAL BEING IN LIEU OF BOND, WITH A RIGHT OF RENEWAL FOR AN ADDITIONAL PERIOD OF TEN YEARS AT SUCH TERMS AND CONDITIONS AS MAY BE DETERMINED BY THE COMMISSION PRIOR TO RENEWAL.

18. (APPLICATION FOR APPROVAL OF PROPOSED LEASE BY CRESCENT CITY HARBOR DISTRICT TO RIVER TERMINALS COMPANY - P.R.C. 502.) On January 11, 1952, during a brief visit by the Executive Officer to Crescent City, California, on matters pertaining to the tide and submerged land controversy with the United States, he was delivered the originals of three letters prepared on behalf of the Crescent City Harbor District. It is noted that copies of these letters were sent to each member of the State Lands Commission, as well as to the Governor, the Attorney General, and certain members of the State Assembly and Senate.

These letters are in the nature of an appeal from the action taken by the State Lands Commission at its meeting on November 28, 1951, when it adopted a resolution disapproving the request of the Crescent City Harbor District for amendment of Lease P.R.C. 502, and also disapproved a proposed sublease between the Harbor District and the River Terminals Company. Comments with respect to the letters were sent to the members of the State Lands Commission on January 21, 1952. These comments were attached to a brief summary of the letters, which contained conclusions and recommendations by the Executive Officer. The letters from the Crescent City officials requested that the State Lands Commission reconsider the action taken at its meeting on November 28, 1951, and requested that a rehearing of the entire matter be had by the Commission.

It is believed that the briefs of Mr. O'Connor and of Mr. Jordan and the letters of Mr. Lundberg and of Mr. Brinker have contributed nothing of material value to the statements previously made to the State Lands Commission except to indicate that further review of the details of the proposed sublease is advisable.

No evidence has been presented to date which warrants cancellation of Lease P.R.C. 502 between the State Lands Commission and the Crescent City Harbor District.

Information presented relating to malfeasance has been transmitted to the Office of the Attorney General.

The issue as to the control of the uplands is still pending. Information has been received that both the condemnation suit and the one for specific performance on the purchase contract will be tried soon.

It is also believed that the Crescent City Harbor District was too informal in its negotiations looking towards a lease of the Citizens' Dock, and that the taking of formal bids would have been more appropriate.

There was an intimation contained in Mr. Jordan's letter that court action by the Crescent City Harbor District against the State Lands Commission to establish the constitutionality of Sections 12 and 13 of Lease P.R.C. 502 might result. These two sections have to do with protection of any riparian rights the upland owners might have in the premises. Recent informal information is to the effect that this court action has been initiated. This matter was referred to Mr. Walter Bowers, Assistant Attorney General, who wrote an informal opinion under date of January 15, 1952, to the effect that these two sections of Lease P.R.C. 502 were not in violation of the Constitution.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED DEFERRING ACTION ON THIS ITEM UNTIL THE NEXT MEETING OF THE STATE LANDS COMMISSION.

19. (GRAZING LEASE APPLICATION P.R.C. 1234, PLUMAS COUNTY, PASQUALE A. TORRI - S.W.O. 5421.) Application has been received from Pasquale A. Torri of Loyalton, California, for a grazing lease for a term of five years on the E $\frac{1}{2}$  of Section 16, T. 22 N., R. 16 E., M.D.M., containing 320 acres in Plumas County. The Assessor of Plumas County advised that lands contiguous to the subject land are assessed at \$2.25, \$4.50, and \$7.50 per acre. The carrying capacity in animal units on the subject land is 25 to 30 head for the 320 acres (or about 11 acres per animal), according to the applicant, and the land is suitable for grazing only during two spring months in the year. After negotiating with the applicant, he has agreed to the payment of \$125 per year for the subject 320 acres, which the staff considers a satisfactory rental for this type of land.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, A RESOLUTION WAS ADOPTED AUTHORIZING THE ISSUANCE BY THE EXECUTIVE OFFICER OF A FIVE-YEAR GRAZING LEASE FOR THE E $\frac{1}{2}$  OF SECTION 16, T. 22 N., R. 16 E., M.D.M., CONTAINING 320 ACRES IN PLUMAS COUNTY, TO PASQUALE A. TORRI AT AN ANNUAL RENTAL OF \$125, THE APPLICANT TO PAY THE FIRST AND LAST YEARS' RENTALS AT THE TIME OF EXECUTION OF THE LEASE.