

MINUTE ITEM

5/27/71
JHS

20. APPROVAL OF EXPENDITURES OF TIDELAND FUNDS BY THE CITY OF LOS ANGELES PURSUANT TO CHAPTER 1046, STATUTES OF 1970 - GRANT 5-4a.

After consideration of Calendar Item 17 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION FINDS THAT THE EXPENDITURE OF APPROXIMATELY 2.8 MILLION DOLLARS IN TIDELAND FUNDS FOR THE PURPOSES OF PHASES II AND III OF THE CAPITAL BEACH IMPROVEMENT PROGRAM OF THE RECREATION AND PARKS DEPARTMENT OF THE CITY OF LOS ANGELES TOTALING \$2,576,400, AND THE EXPENDITURE OF \$250,000 FOR THE DEVELOPMENT AND ESTABLISHMENT OF A TRAM SYSTEM TO SERVICE VENICE BEACH, ARE CONSISTENT WITH THE TRUSTS OF COMMERCE, NAVIGATION AND FISHERIES; ARE IN THE STATE-WIDE INTEREST AND BENEFIT; AND ARE PURSUANT TO THE PROVISIONS OF CHAPTER 651, STATUTES OF 1929, AS AMENDED BY CHAPTER 1046, STATUTES OF 1970.

FURTHER, THE COMMISSION DIRECTS THE STATE LANDS DIVISION TO NOTIFY THE PRESIDENT OF THE CITY COUNCIL OF THE CITY OF LOS ANGELES OF THIS FINDING BY THE COMMISSION.

Attachment:
Calendar Item 17 (2 pages)

CALENDAR ITEM

5/71
GRANT 5-4a
JHS

17.

REQUEST FOR APPROVAL OF EXPENDITURES OF TIDE LAND FUNDS
BY THE CITY OF LOS ANGELES
PURSUANT TO CHAPTER 1046, STATUTES OF 1970

BACKGROUND: Section 5 of Chapter 1046, Statutes of 1970, provides as follows:

Sec. 5. As to the accumulation and expenditure of revenues for any single capital improvement on the granted lands involving an amount in excess of two hundred fifty thousand dollars (\$250,000) in the aggregate, the city shall file with the State Lands Commission a detailed description of such capital improvement not less than 90 days prior to the time of any disbursement therefor or in connection therewith, excepting preliminary planning. The State Lands Commission may within 90 days after the time of such filing, determine and notify the city that such capital improvement is not in the state-wide interest and benefit or is not authorized by the provisions of Section 3 of this act. The State Lands Commission may request the opinion of the Attorney General on the matter and if it does so, a copy of such opinion shall be delivered to the city with the notice of its determination. In the event the State Lands Commission notifies the city that such capital improvement is not authorized, the city shall not disburse any revenue for or in connection with such capital improvement, unless and until it is determined to be authorized by a final order or judgment of a court of competent jurisdiction. The city is authorized to bring suit against the state for the purpose of securing such an order or adjudication, which suit shall have priority over all other civil matters. Service shall be made upon the Executive Officer of the State Lands Commission and the Attorney General, and the Attorney General shall defend the state in such suit. If judgment be given against the state in such suit, no costs shall be recovered against it.

In June 1968, the Standard Oil Company of California paid \$2,513,000.00 for a lease to drill for oil in the submerged land southerly of San Pedro Beach. These funds, having been placed in a special trust account, now total \$2,788,417.00 as a result of investment, and are now held by the City in trust for the State. By letter of March 4, 1971, the President of the City Council of the City of Los Angeles transmitted a request to the State Lands Commission for approval of a program to spend this approximately 2.8 million dollars for Phases II and III of the Recreation and Parks Department's Capital Beach Improvement Program and for the development of a tram system to service portions of Venice Beach not conveniently located near parking lots.

PRESENT STATUS:

The State Lands Division has received supportive material necessary for review of the proposed Beach Improvement Projects, including maps, drawings, and narrative descriptions, and itemized costs of each of the specific projects, including Venice Beach, Will Rogers Beach, Cabrillo Beach, Royal Palms Beach, and Dockweiler Beach.

CALENDAR ITEM 17. (CONTD.)

PRESENT STATUS (contd.):

The specific charge to the State Lands Commission is to determine whether the expenditures for single capital improvements involving an amount in excess of \$250,000 in the aggregate are in the State-wide interest and benefit and are authorized by the specific trust uses specified in the grant. The State Lands Division has reviewed the provisions of Chapter 651, Statutes of 1929, as amended by Chapter 1046, Statutes of 1970, and has determined that the uses as described in the material provided by the City relating to the Capital Beach Improvement Projects are in furtherance of the trusts of commerce, navigation and fisheries; are in the general statewide interest; and are pursuant to the provisions of the grant. Supporting data for these projects can be found in official City files under the headings "Report of the General Manager No. 226 dated October 8, 1970" and "Council File No. 70-4655".

IT IS RECOMMENDED THAT THE COMMISSION FIND THAT THE EXPENDITURE OF APPROXIMATELY 2.8 MILLION DOLLARS IN TIDELAND FUNDS FOR THE PURPOSES OF PHASES II AND III OF THE CAPITAL BEACH IMPROVEMENT PROGRAM OF THE RECREATION AND PARKS DEPARTMENT OF THE CITY OF LOS ANGELES TOTALING \$2,576,400, AND THE EXPENDITURE OF \$250,000 FOR THE DEVELOPMENT AND ESTABLISHMENT OF A TRAM SYSTEM TO SERVICE VENICE BEACH, ARE CONSISTENT WITH THE TRUSTS OF COMMERCE, NAVIGATION AND FISHERIES; ARE IN THE STATE-WIDE INTEREST AND BENEFIT; AND ARE PURSUANT TO THE PROVISIONS OF CHAPTER 651, STATUTES OF 1929, AS AMENDED BY CHAPTER 1046, STATUTES OF 1970.

IT IS RECOMMENDED FURTHER THAT THE COMMISSION DIRECT THE STATE LANDS DIVISION TO NOTIFY THE PRESIDENT OF THE CITY COUNCIL OF THE CITY OF LOS ANGELES OF THIS FINDING BY THE COMMISSION.