CONSIDERATION OF SUBSTANTIAL COMPLIANCE
ITY OF REDWOOD CITY

BACKGROUND:
Between 1945 and 1954, the State Legislature enacted four statutes granting State salt marsh, tidelands, submerged and swamp and overflowed lands in the vicinity of Redwood Creek, San Mateo County, in trust to the City of Redwood City. The lands were granted for the establishment, improvement, and conduct of a harbor, for the promotion and accommodation of commerce and navigation. By the 1960's the harbor at the southern end of San Francisco Bay had a significant impact on shipping and commerce for the City, region, and State. The port was dependent on Federal assistance in creating and maintaining the channel and turning basin.

Then under Chapter 2125, Statutes of 1961, the City received a grant of State lands in the vicinity of Deepwater Slough, a small horse-shoe-shaped tidal inlet, slightly more than one mile in length, which connected at two points with Redwood Creek, directly opposite the deep water terminal facilities of the Port of Redwood City. The legal description of lands granted at Deepwater Slough was amended by Chapter 1658, Statutes of 1963. The two most recent statutes provided for the use of the lands for the construction, maintenance, and operation of flood control projects, including the use of lands for the purpose of depositing spoils from dredging operations in connection with channel improvements at Redwood Creek, among other trust uses. State Lands Commission was required to determine whether the City substantially improved the lands as required within 10 years of the effective date of the successive statutes.

OBJECTIVE:
To determine whether or not the City of Redwood City has substantially complied with the terms of the 1961 and 1963 grant statutes. Each statute provided that if the State Lands Commission determined the City failed to improve the lands as required, all right, title, and interest of the City to the lands granted would revert and rest in the State.
REPORT OF INVESTIGATION:
The City submitted two formal reports on its compliance with the 10-year substantial improvement clause of the statutes. In addition, State Lands Division staff made two on-site inspections of the granted lands and reviewed Federal and city reports concerning past development and future plans. All materials regarding this investigation are filed with the Division.

IMPROVEMENTS TO THE GRANTED LANDS:
The City made substantial expenditures in connection with the lands at Deepwater Slough during the 12 years following enactment of the statutes. Congress had authorized the construction and dredging of a new turning basin for deepwater shipping at Redwood Creek in the 1950's, and a federal appropriation providing $800,000 was passed in January, 1964. The City was obligated to provide a spoils disposal area for the receipt of dredging from the work. The City expended $212,700 for the purchase of land enclosed by Deepwater Slough and awarded a contract for $42,000 for necessary dikes and spillways. Additional surveying, maps, and reports brought the total City expenditures in the Deepwater Slough area to $272,000 during the period ending October, 1973. Federal publications also credit the City with meeting requirements for local participation in the channel improvement project. By 1973, total federal cost of improvements at Redwood Creek was given as $1.7 million and the City expenditures on municipally owned and operated shore facilities were given as $1.2 million. City use of the Deepwater Slough grant for the federal project substantially contributed to the statewide interest in navigation and commerce at the port.

CONTINUING COMPLIANCE WITH STATUTORY REQUIREMENTS:
After significant channel development occurred at the harbor, a breach of unknown origin occurred on lands not under the jurisdiction of the City. To protect port lands in vicinity of Deepwater Slough from flooding, and for other development, the City sought permission from environmental regulatory agencies to construct a protective levee, prepared studies, and purchased easements. While regulatory agencies continue to assign port priority to Redwood City, they have made
suggestions on how to mitigate possible adverse environmental impacts on adjacent as well as part lands. City officials are continuing to comply with the requirements of the statutes granting lands in trust and to develop them consistent with environmental laws and regulations.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE STATE LANDS COMMISSION:

1. FIND THAT THE CITY OF REDWOOD CITY HAS SUBSTANTIALLY COMPLIED WITH THE TERMS OF CHAPTER 2125, STATUTES OF 1961, SECTIONS 1(A) AND 1(G), AS AMENDED BY CHAPTER 1658, STATUTES OF 1963.