

MINUTE ITEM

This Calendar Item No. 30
was approved as Minute Item
No. 30 by the State Lands
Commission by a vote of 3
to 0 at its 2/24/77
meeting.

CALENDAR ITEM

2/77
W 10327
WMT

30.

PROPOSED EXPENDITURES OF TIDELAND OIL REVENUE FOR A
CAPITAL IMPROVEMENT BY THE CITY OF LONG BEACH

CAPITAL IMPROVEMENT PROJECT:

Construct Shoreline Aquatic Park Marina.

PURPOSE OF PROJECT:

To provide small craft berthing facility and
related facilities.

COST OF THE PROJECT:

A. City Estimate: \$1,389,000

\$1,300,000 from State of
California Department of
Navigation and Ocean
Development (DNOD).

\$ 89,000 Tideland Oil
Revenue Fund (City of
Long Beach share of Tideland
Oil Revenue).

B. Staff Analysis: Reasonable.

STATUTORY AUTHORIZATION:

A. City Reference: Ch. 138/64 1st F.S.,
Sec. 6(d), 6(f) and 6(h).

B. Staff Review: Agreement.

OTHER PERTINENT INFORMATION:

Letter of intent dated January 17, 1977, from
the City Attorney. Feasibility report dated
November 1976. Environmental Impact Report
dated January 15, 1975. City Council Resolu-
tion No. C-21919, DNOD Loan Agreement. State
Lands Commission Calendar Items for June 22,
1961, October 25, 1962 and October 24, 1964.
These are on file in the office of the State
Lands Division.

This is a nondiscretionary action by the
Commission, and its only responsibility is to
determine whether the capital improvement
project as described in the letter of intent
to expend tideland oil revenues is authorized
by any of Subdivisions (a) through (f) of
Section 6, Chapter 138/64, 1st E.S. There are
3 actions the Commission may take: (1) no

A 52, 57, 58

S 27, 31

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action, (2) determination that the project is authorized by any of Subdivisions (a) through (f), or, (3) determination that the project is not authorized by any of Subdivisions (a) through (f). The staff recommends that action (3) not be taken by the Commission, because the construction of a small boat harbor is specifically authorized by Section 6(d) and the rendition of services reasonably necessary to carry out such a project is authorized by Section 6(f). Either action (1) or (2) will allow the City of Long Beach to disburse money from its share of remaining oil revenue on the project.

The major portion of the money for this project is being furnished by a \$1,500,000 loan from the California Department of Navigation and Ocean Development. The repayment provision of this loan provides that the payments of principal and interest are to be taken from gross revenues resulting from the operation of the facilities, and that such gross revenues are the sole security for repayment. Therefore, there would be no future demand on tideland oil revenue for repayment of this loan.

CALIFORNIA ENVIRONMENTAL QUALITY ACT OF 1970, AS AMENDED:

This is a capital improvement project as defined in Ch. 138/64, 1st E.S. Sec. 6(d) and 6(f) and as such is nondiscretionary with respect to the powers and responsibilities of the Commission. For informational purposes, the City has supplied the Division with an Environmental Impact Report, "Shoreline Aquatic Park Harbor".

EXHIBITS: A. Cost Estimate. B. Vicinity Sketch.
 C. Detail Sketch.

IT IS RECOMMENDED THAT THE COMMISSION DETERMINE THAT THE EXPENDITURE PROPOSED BY THE CITY OF LONG BEACH OF \$89,000 FROM ITS SHARE OF TIDELAND OIL REVENUES FOR A PORTION OF THE ENGINEERING AND CONSTRUCTION INSPECTION COSTS CONNECTED WITH THE CONSTRUCTION OF THE PROPOSED SHORELINE AQUATIC PARK MARINA. A SMALL BOAT HARBOR, IS IN ACCORD WITH SECTIONS 6(D) AND 6(F) OF CH. 138/64, 1ST. E.S.; SAID DETERMINATION TO BE SUBJECT TO THE CONDITION THAT THE WORK CONFORM IN ESSENTIAL DETAILS TO THE PLANS AND BACKGROUND MATERIAL HERETOFORE SUBMITTED.