

MINUTE ITEM

This Calendar Item No. 37
was approved as Minute Item
No. 33 by the State Lands
Commission by a vote of 2
0 at its 12-16-80
meeting.

CALENDAR ITEM

33

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Horton

CONSIDERATION OF PROPOSED RENEGOTIATED
LEASE FOR AN EXISTING PIER ON GRANTED LANDS
UNDER THE CONTROL OF CITY OF CARPINTERIA

TRUSTEE: City of Carpinteria
P. O. Box 278
Carpinteria, California 93013

LOCATION: Granted tide and submerged lands located
within the boundaries of the City of Carpinteria,
Santa Barbara County. The existing pier
lies within a described corridor 300 feet
wide, running 1000 feet southwesterly of
the mean high water line of the Pacific
Ocean.

APPROVAL REQUIRED FOR RENEGOTIATED LEASE:

Section 6.5 of Chapter 1044, Statutes of
1968, as amended by Chapter 697, Statutes
of 1978, requires the City to obtain written
approval from the State Lands Commission
before authorizing a capital outlay project,
lease or agreement for port facilities,
except for piers of which a substantial
portion is devoted to recreational and
fishing uses. The present agreement was
first executed by Standard Oil Company
of California and the County of Santa Barbara
in November 1965. The State Lands Commission
and several other reviewing State agencies
had no objection when the company applied
for and secured a permit from the United
States Corps of Engineers to construct
a steel pile pier on the leased State lands.
Use of the pier and related facilities
has been and will continue to be for the
service and supply of Standard's off-shore
oil, gas, and hydrocarbon leases. However,
Chevron USA and the City of Carpinteria,
which are successors in interest to the

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original parties, recently negotiated a lease amendment. On October 31, 1980, the City Manager submitted the proposal to the State Lands Commission for approval prior to seeking final approval by the City Council.

REPORT OF INVESTIGATION:

The lease amendment of October 1980, provides for an increase in annual rental from \$2,000 to \$24,000, provision for rental adjustments every five years, and a 35-year extension of the present lease term. A lease amendment of December 1965 had permitted renegotiation under certain circumstances so as to reflect the true value of leases of tide and submerged lands.

In its "Report on the Use, Development, and Administration of Granted Tidelands and Submerged Lands" submitted to the Legislature in January 1976, the State Lands Commission recommended trustees for State lands must, at the minimum, establish lease and permit rates which are reasonably consistent with those charged for land of similar location and value or for uses of similar nature. The present lease amendment represents a reasonable effort by the City to maximize its revenue from the granted lands. There is no change in use and responsible State agencies have had opportunity to comment on the project originally and during the development of the City's Coastal Plan adopted this year.

The Coastal Plan summarizes past efforts of the City to assure public access to the beach and tide and submerged lands and promote recreational uses. It lists a number of future projects for ensuring protection of environmentally significant lands. There are additional specifics about support facilities needed to handle and serve day visitors drawn to the City's

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beach from such points as San Joaquin County and San Fernando Valley, and other tourists and residents. The projects to be implemented are consistent with the provisions of the grant statute and will benefit the statewide, or at least the regional, public.

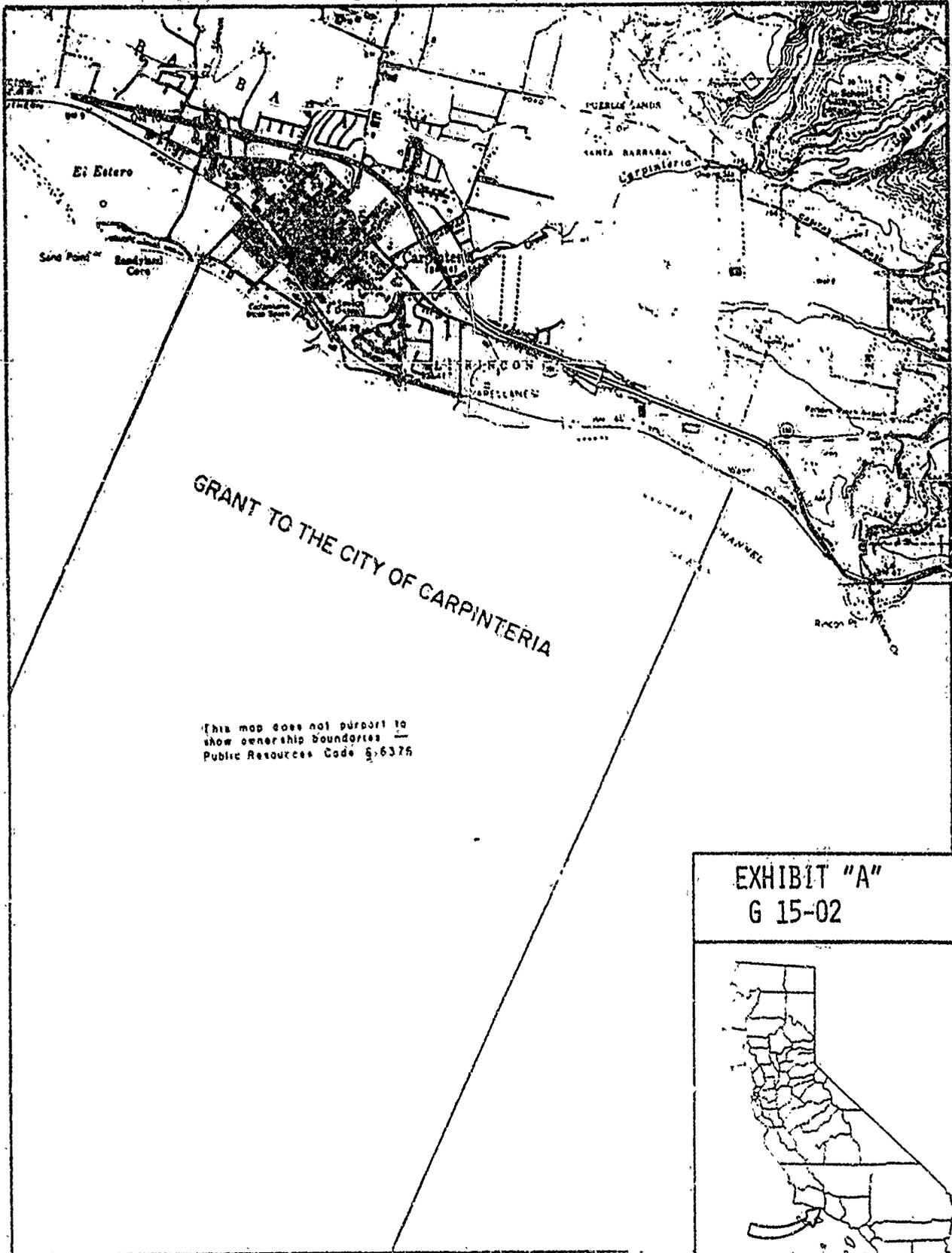
Increased funds will be needed to complete the work planned for tide and submerged lands and adjacent access and support facilities.

Should the City accumulate an amount of excess revenues of \$250,000 in its tidelands trust fund after current and accrued operating costs and expenditures for trust activities, it would be obligated to return 85 percent to the General Fund in the State Treasury. The remaining 15 percent would be retained by the City in the trust fund to be used for purposes authorized by the grant. The City is required to submit an annual financial report on the trust fund to the State Lands Commission, and has reported in that fashion.

EXHIBIT: A. Site Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE RENEGOTIATION OF THE TERMS OF A LEASE FOR AN EXISTING PIER AT CARPINTERIA, SANTA BARBARA COUNTY, IS IN THE BEST INTERESTS OF THE STATE, CONFORMS TO PROVISIONS OF SECTION 6.5 OF THE GRANT STATUTE AND THAT ANY REVENUES GENERATED AS A RESULT WILL BE ALLOCATED IN ACCORDANCE WITH THE PROVISIONS OF SECTION 10 OF THE GRANT STATUTE.



(This map does not purport to show ownership boundaries — Public Resources Code § 6375)

EXHIBIT "A"
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