19. SUMMARY OF EXCHANGE OF TRUST LANDS AT VALLEJO, PURSUANT TO CHAPTER 895, STATUTES OF 1980.

During consideration of Calendar Item 19 attached, Mr. Lance Kiley, Staff Counsel, summarized the proposed exchange to the Commission. Mr. Kiley pointed out that this exchange will clear up a multitude of title problems which exist over the area in which the State is giving up its interest.

Mr. Ted MacDonell, City Manager, City of Vallejo, appeared. He stated the exchange was an equitable solution and urged its expeditious approval.

Mr. E. Clement Shute, Attorney representing the Mare Island Ferry Company, appeared in opposition to the staff's recommendation. He objected to:

1. The closure of the parking lot which the company has been using because:
   a. it may put the company out of business since there is no alternative parking currently available;
   b. he contends that the parking lot and the ferry operation are consistent with the trust and that therefore the legislation purporting to terminate the trust is defective.

2. Transferring the trust interest to an inland location because he does not believe it is legal under the mandates of the Mansell decision.

Chairman Cory asked the advice of Mr. N. Gregory Taylor, Assistant Attorney General, on the latter question. Mr. Taylor stated his office had not been involved in the negotiations, but they had been consulted. He stated it is appropriate for the Commission to make the findings as outlined in the calendar item; however, he pointed out that there are certain aspects of the transaction which, if reviewed by a court, could come under severe scrutiny. Commission-Alternate Susanne Morgan questioned the basis for making the findings. Mr. Kiley indicated the law was not clear.
CALENDAR ITEM NO. 19

on the issue. However, he stated the Marks v. Whitney decision followed the Mansell decision and stated that recreational use was an appropriate trust purpose. In addition, he stated the golf course was a specified use in the 1963 amendment to the grant statute. Mr. Shute interjected that, in his opinion, as co-counsel with Mr. Taylor in the Mansell case, the farthest thing from the court's mind was to extend the trust to an inland golf course. Mr. Taylor pointed out the Commission tried in the past to find property adjacent to the water, but in this case, it was necessary to go inland in order to find land of equal or greater value, which is the criteria specified in the statute.

Charles Lamoree, Assistant City Attorney, City of Vallejo, appeared and pointed out three things:

1. The potential of litigation arising between the City and the Mare Island Ferry Company as a result of this exchange is not germane to the issues before the Commission.

2. The enabling statute provided that the lands which the State is to receive as part of the exchange be of equal or greater value and did not make the distinction with respect to trust lands or tidelands.

3. The confusion of titles with respect to these lands will be solved.

Mr. Cory asked Mr. Lamoree to speak to the question of the Mare Island Ferry Company being engaged in waterborne commerce and that the parking lot is used to facilitate that purpose. Mr. Lamoree stated that the company's use of the parking lot was for an interim period only, pending the completion of the redevelopment project which initially included a freeway. He stated it was never a question it would be an ancillary use to the navigable process that the company engages in.

During the meeting, Chairman Cory expressed his concerns about two matters which had been recently brought to his attention. One was an article in the Vallejo Independent Press newspaper dated March 30, 1981, in which Mayor Curtola of Vallejo was quoted as saying, "I don't know if you've ever dealt with the State Lands Commission. I'd rather deal with my five year old child". The other concerned an article in the same newspaper dated November 23, 1980, in which Mayor Curtola and Senator Jim Nielsen were pictured with a property owner named George Gianulias who had allegedly physically assaulted a San Francisco Bay Conservation and Development Commission employee while investigating property at White Slough. Mr. Cory asked the Mayor to explain the two articles.
With regard to the former, Mayor Curtola explained that the quote was accurate, but he indicated there was more to the discussion than was printed. He explained that it arose out of a discussion with the Vallejo City Council, after meetings had been held with the staff of the Commission, regarding the proposed exchange with the Board of Directors of the Vallejo Golf Club. They were discussing the amendment of the lease agreement so that they would succeed to the trust if it were placed on their golf club. One council member did not feel the trust should be that far away from the water and felt the Commission was not in agreement with this proposal. The Mayor explained to the councilperson that the problem they were having regarded how the value of the land was to be determined and did not concern the trust. The Mayor went on to explain that a discussion arose with the Commission concerning what is land of equal or greater value and was it the City's interest in the property or was it the value of the property. It was after that discussion that he made the statement it was easier to explain it to a five year old child than to the State Lands Commission. He further explained that the comment arose out of frustration, but he did point out he was not implying that the staff had done anything wrong. He stated he appreciated the legal constraints under which the staff must operate.

With regard to the latter article, Mayor Curtola explained that this incident occurred during a meeting of property owners at White Slough. He stated he had refused to meet with Mr. Gianulias until a week prior to the photograph. At the time he and Senator Nielsen were photographed, Mr. Gianulias walked up uninvited while the picture was being taken.

Mr. Cory stated he realized that frustration is something experienced by all public officials. However, even though he will be the first to criticize an employee for doing something wrong, it goes way beyond the system when an employee is subjected to physical abuse. He stated it was important to clarify the record since the Mayor was photographed with the person apparently inflicting the assault. He also explained it was necessary to clarify the record when derogatory remarks are made about the staff by people with whom the Commission is contemplating entering into an exchange. He stressed that as long as the City understands its obligations under the public trust, he was prepared to make the findings that are outlined in the Calendar Item. He did point out that based on advice from Mr. Taylor, this exchange does represent equal value, but he did not think this meeting was the appropriate forum to determine whether or not it is commensurate with the public trust.

Upon motion duly made and carried, the resolution as presented in Calendar Item 19 was approved by a vote of 3-0.
SUMMARY OF EXCHANGE
OF TRUST LANDS AT VALLEJO
PURSUANT TO CHAPTER 895, STATUTES OF 1980

In 1978, the Commission staff was contacted by City of Vallejo officials regarding a proposal of the City's Redevelopment Agency to build condominiums on land removed from the present day waterfront by Mare Island Boulevard. An initial study by the Commission staff showed that the areas contemplated for development were part of the grant in trust to the City of Vallejo enacted in Chapter 310 of the Statutes of 1913 and therefore could not be put to the use contemplated.

In reaction to the staff's position, the City had a bill introduced which became law as Chapter 895 of the Statutes of 1980. This legislation, in part, finds and declares that two parcels which are described in the attached Exhibit "A", depicted in their general location in the attached Exhibit "B", and referred to throughout this calendar item as TRUST TERMINATION PARCELS:

1. Have been filled;
2. Can no longer be used for commerce, navigation, or fisheries;
3. Have ceased to be tidelands and submerged lands;
4. Have been reclaimed pursuant to and in the course of a highly beneficial public program of harbor development; and
5. Constitute a relatively small part of the total acreage involved.

The Legislation states that the State Lands Commission, as trustee for the State, shall negotiate an exchange of the TRUST TERMINATION PARCELS for lands of equal or greater value. The consequence of the completion of the exchange
is that the public trust for commerce, navigation, and fisheries and the terms, trusts, and restrictions of Chapter 310, of the Statutes of 1913 are lifted from the TRUST TERMINATION PARCELS and are imposed upon the lands designated by the State Lands Commission as being of equal or greater value.

In response to this legislation, the Commission staff has conducted a study of the evidence relating to the sovereign lands titles and interests in the TRUST TERMINATION PARCELS. A number of evidentiary conclusions have been reached, among which are the following:

1. The TRUST TERMINATION PARCELS, in their natural states, included some lands above the ordinary high water mark and subject to no sovereign claim, lands between high and low tides, and historically submerged lands;

2. A survey of what were purportedly tidelands was completed and tidelands patents were issued in 1863, 1867, 1868, and 1869 for certain lands within the TRUST TERMINATION PARCELS;

3. Historic topographic charts and a study completed by the City of Vallejo's consultant in 1923 show that most of the area patented as tidelands was in fact submerged land which could not be sold into private ownership and thus this area now remains subject to a sovereign fee claim. The remainder of the lands within the surveys were in fact tidelands, properly sold, and are currently subject to a public trust easement; and

4. The Legislature, by Chapter 310 of the Statutes of 1913, granted the sovereign lands within the TRUST TERMINATION PARCELS in trust to the City of Vallejo. This grant passed an easement interest in all validly patented tidelands; a fee to submerged lands within the tidelands surveys; and a fee to those sovereign lands outside a tideland survey.

5. The City of Vallejo, standing in the place of the State because of the trust grant, brought an action in 1921 against tidelands patent holders at the Vallejo waterfront to establish that the patents made passed little or no interest because the tidelands surveys contained almost no tidelands. The State was not joined as a party in this suit. Research indicates that the City and some
private parties resolved this dispute by dividing the patented lands in half, the City taking the waterfront part and the private parties the landward part with the Court finding that the portion taken by the private parties was freed from the public trust.

6. In 1965, the City's Redevelopment Agency acquired the remaining private fee interests to all areas within the tidelands patents in the TRUST TERMINATION PARCELS.

7. Now the City of Vallejo, in compliance with its plan for redevelopment, seeks to sell its fee ownership in patented lands within the TRUST TERMINATION PARCELS to private developers to build condominiums and office buildings.

THE PROPOSED EXCHANGE

The City of Vallejo has offered the Lake Chabot Golf Course (described in the attached Exhibit "C" and depicted in its approximate location in the attached Exhibit "D"), which it owns in fee, as an exchange parcel. The only major encumbrance on the Course is a lease until 1996 to the Course's operator, the Vallejo Golf Club.

The staff of the Commission has completed an evaluation and appraisal of the Course and has concluded that:

1. The Course is subject to no existing sovereign lands claims;

2. Golf courses are an enumerated trust use under the amendment to the grant to Vallejo in Chapter 24 of the Statutes of 1963. Chapter 895 of the Statutes of 1980 states that the parcel accepted in exchange will be subject to the original Vallejo grant in 1913 as it was amended in 1963.

3. The Golf Course is not near or adjacent to the physical waterfront. Judicial guidelines are not clear on the nature and location of land to be received in a trust exchange. Since the Legislature has mandated the exchange, any doubt has been resolved by the staff in favor of the exchange.
The City and the Commission staff have negotiated an Exchange Agreement using the golf course as the exchange parcel. The basic terms of the Agreement are as follows:

1. Pursuant to Chapter 895, the State would patent all its interest in the sovereign lands within the TRUST TERMINATION PARCELS.

2. Also under Chapter 895, the State Lands Commission would find that the land within the Lake Chabot Golf Course is of a value equal to or greater than that of the sovereign lands within the TRUST TERMINATION AREA;

3. The City now holds title to the Course by deed. After the exchange, it would have title by virtue of and subject to the legislative grant of 1913.

4. The City would amend the lease with the Golf Club to state that the lease is subject to the public trust, that all income derived from the Course must be used for purposes within the grant to City and that the Golf Club practice no discrimination of any type in the public's use of the Course and its facilities.

The Commission staff has evaluated the proposal and finds that the lands to be acquired are equal or greater in value to the lands and interests given up by the state.

The Commission staff recommends approval of the exchange if it occurs substantially in the form of the Exchange Agreement which is now on file in Commission offices and which is incorporated by reference as a part of this calendar item. If completed, this exchange will permit development at the Vallejo waterfront which the Legislature has supported and will resolve complex and disputable sovereign lands titles within the TRUST TERMINATION PARCELS. The public trust will acquire a prime parcel of recreational property.

EXHIBITS:

A. Description of TRUST TERMINATION PARCELS.
B. Site Map of TRUST TERMINATION PARCELS.
C. Description of Exchange Parcel.
D. Site Map of Exchange Parcel.
IT IS THEREFORE RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE LEGISLATURE HAS DECLARED THAT THE SOVEREIGN LANDS WITHIN THE TRUST TERMINATION PARCELS:
   A. HAVE BEEN FILLED;
   B. CAN NO LONGER BE USED FOR COMMERCE, NAVIGATION, OR FISHERIES;
   C. HAVE CEASED TO BE TIDELANDS AND SUBMERGED LANDS;
   D. HAVE BEEN RECLAIMED PURSUANT TO AND IN THE COURSE OF A HIGHLY BENEFICIAL PUBLIC PROGRAM OF HARBOR DEVELOPMENT;
   E. CONSTITUTE A RELATIVELY SMALL PARCEL OF THE TOTAL ACREAGE INVOLVED; AND


3. APPROVE AND AUTHORIZE THE EXECUTION, ACKNOWLEDGMENT, AND RECORDATION ON BEHALF OF THE COMMISSION OF THE FOLLOWING DOCUMENTS:
   A. THE EXCHANGE AGREEMENT IN SUBSTANTIALLY THE FORM OF AGREEMENT NOW ON FILE IN THE COMMISSION OFFICES AND INCORPORATED AS A PART OF THIS APPROVAL AND AUTHORIZATION BY THIS REFERENCE.
C. A conveyance in which, for the purpose of impressing the golf course with the public trust, city, as holder of proprietary title to the exchange parcel, will remise, release and quitclaim to itself, as trustee by virtue of and subject to the terms, conditions, restrictions and reservations of Chapter 310, statutes of 1913, as modified by Chapter 24, statutes of 1963, all of city's right, title and interest in and to the exchange parcel, excepting therefrom all those interests retained and reserved by the state by virtue of said chapters 310 and 24.

4. Authorize and direct the staff of the State Lands Commission and/or the California Attorney General to take all necessary or appropriate action on behalf of the State Lands Commission to effectuate the proposed settlement agreement; including, but not limited to, the execution, acknowledgment and recordation of documents of title, conveyances, stipulations, escrow instructions, deeds, agreements, certificates of acceptance, consents to recordation and amendments thereof and such other documents as may be reasonable and convenient to carry out the said exchange agreement.

5. Authorize the Office of the Attorney General to appear on behalf of the Commission in any legal proceeding relating to the subject exchange.

6. Find that the proposed agreement is in settlement of title and boundary disputes and that the provisions of CEQA are inapplicable.
PARCEL A

A parcel of land in the City of Vallejo, Solano County, California, described as follows:

COMMENCING at a City of Vallejo monument at the intersection of Kentucky Street and Mare Island Way as said monument is shown on that certain Record of Survey filed in the Solano County Recorder's Office in Book 13 of Surveys at Page 70; thence S 89° 23' 39" W, 24 feet to a point on the westerly boundary line of Mare Island Way; thence along said westerly line on the arc of a curve concave to the southeast with a radius of 723.00 feet, at a radial bearing of S 89° 59' 30" E, through a subtended angle of 32° 01' 43", an arc length of 404.16 feet; thence N 32° 01' 13" E, 306.66 feet; thence leaving said westerly line N 57° 58' 47" W, 31.5 feet to a point on the northerly boundary line of Harbor Way, said point being the TRUE POINT OF BEGINNING; thence along said northerly line on the arc of a curve concave to the southwest with a radius of 334.22 feet, on a radial bearing of S 25° 54' 05" W, through a subtended angle of 10° 12' 28", an arc length of 59.56 feet; thence N 74° 18' 23" E, 202.03 feet; thence along the arc of a curve concave to the northeast with a radius of 270.00 feet on a radial bearing of N 15° 41' 37" E, through a subtended angle of 41° 41' 10", an arc length of 196.44 feet; thence N 32° 37' 13" W, 791.85 feet; thence leaving said northerly line of Harbor Way S 86° 56' 52" E, 710.19 feet; thence along the arc of a curve concave to the southwest with a radius of 40.00 feet, on a radial bearing of S 13° 57' 09" W, through a subtended angle of 68° 12' 35", an arc length of 47.62 feet; thence along the arc of a curve concave to the southwest with a radius of 750.00 feet, on a radial bearing of S 82° 09' 44" W, through a subtended angle of 39° 51' 29", an arc length of 521.74 feet; thence S 32° 01' 13" W, 109.04 feet to the true point of beginning.
PARCEL B

A parcel of land in the City of Vallejo, Solano County, California, described as follows:

COMMENCING at a City of Vallejo monument at the intersection of Kentucky Street and Mare Island Way, as said monument is shown on that certain Record of Survey filed in the Solano County Recorder’s Office in Book 13 of Surveys at Page 70; thence S 89° 23' 39" W, 24 feet to a point on the westerly boundary line of Mare Island Way; thence along said westerly line on the arc of a curve concave to the southeast with a radius of 723.00 feet, on a radial bearing of S 89° 59' 30" E, through a subtended angle of 32° 01' 3"; thence N 32° 01' 13" E, 306.66 feet; thence leaving said westerly line N 57° 58' 47" W, 31.5 feet to a point on the northerly boundary line of Harbor Way; thence along said northerly line on the arc of a curve concave to the southwest with a radius of 334.22 feet, on a radial bearing of S 25° 54' 05" W, through a subtended angle of 10° 12' 28"; an arc length of 59.56 feet; thence N 74° 18' 23" W, 202.03 feet; thence along the arc of a curve concave to the northeast with a radius of 270.00 feet on a radial bearing of N 15° 41' 37" E, through a subtended angle of 41° 41' 10"; an arc length of 196.44 feet; thence N 32° 37' 13" W, 791.85 feet to the TRUE POINT OF BEGINNING; thence continuing along said northerly line of Harbor Way N 32° 37' 13" W, 556.86 feet to a point on the southerly boundary line of the Mare Island Causeway; thence along said southerly line S 68° 40' 15" E 544.00 feet; thence leaving said southerly line S 58° 25' 15" E, 590.00 feet; thence N 86° 56' 52" W, 710.19 feet to the true point of beginning.

END OF DESCRIPTIONS

REVIEWED APRIL 2, 1981 BY TECHNICAL SERVICES UNIT, ROY MINNICK, SUPERVISOR.
TRUST TERMINATION PARCEL 2
EXHIBIT "A"
LAND DESCRIPTION W 22466

A parcel of land in the City of Vallejo, Solano County, California, being a portion of Sections 13, 14, 23 and 24, T3N, R4W, MDM, more particularly described as follows:

COMMENCING at a City of Vallejo monument at the intersection of the center line of Trinity Street with the center line of Florida Street as shown in Book 11 of Parcel Maps, page 70, filed in the Office of the County Recorder of Solano County; thence N 87° 52' 18" W 230.61 feet; thence N 2° 07' 42" E 40.00 feet to the TRUE POINT OF BEGINNING; thence along the following 29 courses:

1. S 13° 21' 36" E 169.96 feet;
2. S 24° 20' 20" E 254.61 feet;
3. Thence along an arc of a tangent curve concave to the north with a radius of 627.90 feet, through a subtended angle of 8° 16' 53", an arc length of 90.76 feet;
4. S 32° 37' 13" E 107.98 feet;
5. Thence along an arc of a tangent curve concave to the south with a radius of 505.50 feet, through a subtended angle of 2° 34' 48", an arc length of 22.76 feet;
6. S 30° 02' 25" E 155.09 feet;
7. Thence along an arc of a tangent curve concave to the north with a radius of 494.50 feet, through a subtended angle of 2° 34' 48", an arc length of 22.27 feet;
8. S 32° 37' 13" E 210.19 feet;
9. Thence along an arc of a tangent curve concave to the south with a radius of 2375.46 feet, through a subtended angle of 4° 51' 30", an arc length of 201.42 feet;
10. S 27° 45' 43" E 330.36 feet;
11. Thence along an arc of a tangent curve concave to the north with a radius of 1797.68 feet, through a subtended angle of 2° 59' 49", an arc length of 94.03 feet;
EXHIBIT "A"

LAND DESCRIPTION W 22466

12. S 30° 45' 32" E 669.97 feet;
13. Thence along an arc of a tangent curve concave to the south with a radius of 889.40 feet, through a subtended angle of 16° 35' 18", an arc length of 257.50 feet;
14. Thence along an arc of a tangent curve concave to the north with a radius of 511.00 feet, through a subtended angle of 34° 58' 03", an arc length of 311.86 feet;
15. S 49° 08' 17" E 413.52 feet;
16. Thence along an arc of a tangent curve concave to the north with a radius of 492.00 feet, through a subtended angle of 38° 44' 01" an arc length of 332.61 feet;
17. S 87° 52' 18" E 10.23 feet;
18. Thence along an arc of a tangent curve concave to the south with a radius of 568.36 feet, through a subtended angle of 12° 30' 45", an arc length of 157.36 feet;
19. Thence along an arc of a tangent curve concave to the north with a radius of 568.36 feet, through a subtended angle of 8° 46' 29", an arc length of 87.04 feet;
20. S 49° 59' 55" E 132.07 feet;
21. S 61° 15' 04" E 293.78 feet;
22. N 2° 07' 42" E 1292.65 feet;
23. N 87° 52' 18" W 480.95 feet;
24. N 2° 07' 42" E 1080.68 feet;
25. N 87° 52' 18" W 480.34 feet;
26. N 2° 07' 42" E 360.15 feet;
27. N 87° 52' 18" W 960.95 feet;
28. N 2° 07' 42" E 360.09 feet;
29. N 87° 52' 18" W 751.09 feet to the true point of beginning.

END OF DESCRIPTION

PREPARED FEBRUARY 24, 1981 BY TECHNICAL SERVICES UNIT. ROY MINNICK, SUPERVISOR.
EXCHANGE PARCEL

EXHIBIT "C"

LAND DESCRIPTION W 22466

A parcel of land in the City of Vallejo, Solano County, California, being a portion of Sections 6 and 7, T3N, R3W, MDM, as shown on 1980-81 Tax Assessor's Map as "Book 52, Page 53, Parcel 27, containing 112.47 acres more or less", a copy of which is attached as Exhibit "D"; a more exact land description of said parcel will be furnished upon review by title company.

END OF DESCRIPTION

PREPARED APRIL 6, 1981 BY TECHNICAL SERVICES UNIT, ROY MINNICK, SUPERVISOR.