MINUTE ITEM

This Calendar Item No. 47as approved as Minute Item No. 47 by the State Lands Commission by a vote of 2to <u>0</u> at its 2/9/82meeting.

CALENDAR ITEM

47

1/28/82 W 22392 Kiley SLL 84

APPROVAL OF COMPROMISE TITLC SETTLEMENT AGREEMENT WITH USONIA, INC., NOVATO, MARIN COUNTY

BACKGROUND:

Usonia, Inc. desires to develop a parcel of land for which it holds record title within the City of Novato, Marin County. After Usonia approached Commission staff about potentia. State title interests within the proposed development, staff conducted an investigation and evaluation of the State's interest therein. Usonia and Commission staff have negotiated a proposed Compromise Title Settlement Agreement, based upon this investigation and evaluation, which would allow the proposed development to take place. In exchange for releasing its title claims to the development area, the State would receive a parcel of land of equal or greater value, which would be accepted as sovereign land and be held subject to the Public Trust for commerce, navigation and fishing. In addition, the existing Novato Creek Flood Control Channel would be impressed with the Public Trust Easement in exchange for undefined State title interests in the former bed of Novato Creek. The existing Novato Creek Flood Control Channel is an artificially dredged and leveed waterway through lands patented as swamp and overflowed.

The area to be developed is now, for the most part, filled, and the entire area except for the channel itself, is separated from tidal waters by the levees along the Flood Control Channel. The southeast portion of the devlopment parcel is swampy during fresh water overflow periods. The Department of Fish and Game will require mitigation for any planned destruction of marsh habitat in this area, and is negotiating separately with Usonia on that subject.

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The major points of the proposed settlement are:

- Usonia would locate and grant by deed to the State a fee interest in a parcel to be approved in the future by the Commission. The value of the interest to be granted will be \$20,000, which reflects the staff appraisal and evaluation of the State's interests in the development parcel.
- Usonia will quitclaim its rights to the State in the existing Novato Creek Flood Control Channel and levees, subject to existing encumbrances accepted in writing by the State.
- 3. The State would relinquish by patent its undefined interest within Tideland Survey No. 146, Marin County.
- 4. The State would quitclaim back to Usonia its rights in the Flood Control Channel, reserving to the State the Public Trust Easement.
- 5. Usonia would provide, without cost to the State, standard CLTA title insurance insuring the State's titles in the exchange parcel and in the Flood Control Channel.
- 6. Release of minerals in the development parcel would be contingent on conveyance of minerals to the State in the exchange parcel.

Staff recommends approval of the settlement as to dollar amount and as to the form of agreement on file at the office of the Commission, with recordation of actual conveyances to occur only after a suitable exchange parcel has been found and approved by the Commission. Usonia has current development plans pending before local authorities in Marin County which cannot proceed until

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the underlying title dispute is resolved. Staff believes the proposed settlement to be in the best interest of the State.

AB 884: N/A.

EXHIBITS:

A. Land Description of Patent Parcel.B. Site Map.

IT IS RECOMMENDED THAT THE COMMISSION:

- 1. FIND THAT THE VALUE OF THE STATE'S INTEREST IN THE PARCEL DESCRIBED IN EXHIBIT "A" IS \$20,000.
- 2. APPROVE AND AUTHORIZE THE EXECUTION OF THE FORM OF COMPROMISE TITLE SETTLEMENT AGREEMENT ON FILE IN THE OFFICE OF THE STATE LANDS COMMISSION IN SACRAMENTO.
- 3. FIND THAT THE PROPOSED EXCHANGE AGREEMENT IS IN SETTLEMENT OF A TITLE AND BOUNDARY DISPUTE AND THAT CEQA IS THEREFORE INAPPLICABLE.
- 4. FIND THAT THE PROPOSED EXCHANGE WILL BE IN THE BEST INTEREST OF THE STATE.

5. DIRECT STAFF TO OBTAIN THE COMMISSION'S APPROVAL OF A PROPOSED EXCHANGE PARCEL PRIOR TO THE RELEACE OF THE STATE'S INTEREST IN THE DEVELOPMENT PARCEL.

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EXHIBIT "A"

PATENT PARCEL

That portion of Tideland Survey No. 146 situate in Section 18, T3N, R6W, MDM in the City of Novato, County of Marin, State of California, described as follows:

Commencing at the southeast corner of that certain parcel of land as described in the deed to Usonia, Inc., recorded December 31, 1979 in Book 3661 of Official Records, at page 550, Marin County Records, said southeast corner being the northeast corner of Parcel One as shown on that certain Parcel Map recorded in Book 9 of Parcel Maps, at page 41, Marin County Records; running thence from said point of commencement North 13° 36' 17" West 215.17 feet and North 03° 08' 57" East 370 feet to the True Point of Beginning, being a point on the southerly boundary of Tideland Survey No. 146; thence, from said True Point of Beginning; North 03° 08' 57" East 125 feet and North 11° 09' 30" East 285 feet to a point on the northerly boundary of Tideland Survey No. 146; thence, along said Tideland Survey northerly boundary, North 84° 30' West to a point on the westerly line of the Usonia, Inc. property; thence, along said property line, South 31° 27' 30' West to a point on the southerly boundary of Tideland Survey No. 146; thence, along said southerly boundary, East to the True Point of Beginning.

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