CONSIDER A LEASE TO THE CALIFORNIA DEPARTMENT OF PARKS AND RECREATION AND THE DEPARTMENT OF FISH AND GAME

APPLICANTS:
California Department of Parks and Recreation (DPR)
1416 - 9th Street
Sacramento, CA 95814-0001

California Department of Fish and Game (DFG)
1416 - 9th Street
Sacramento, California 95814-2090

AREA, TYPE LAND AND LOCATION:
A total of approximately 2000+ or - acres of public trust lands located in the central and southerly portions of Morro Bay, San Luis Obispo County.

Area 1 - (To be managed by DPR) - All ungranted and unsold tide and submerged lands, excluding those legally conveyed pursuant to Tideland Surveys 2 and 13 (San Luis Obispo County) lying easterly of a line running south from White Point, the area more particularly described in Exhibit "A" (Area 1).

Area 2 - (To be managed by DFG) - All sovereign land interests in tide and submerged lands both within Tideland Locations (TLL) 131 and 220 and northerly thereof (excepting therefrom those lands patented pursuant to Tideland Survey (TLS) 221 lying within the SE/4, T 30 S, R 10 E, MDM and presently owned by DPR) northerly thereof [(excepting
therefrom those lands patented pursuant to Tideland Survey 221 lying within the SE/4, T30S R10E, MDM, and presently owned by the Department of Parks and Recreation lying westerly of a line running south from White Point, the area more particularly described in Exhibit "A" (Area 2), San Luis Obispo County.

LAND USE:
Area 1 - To be included in the California Department of Parks and Recreation Morro Estuary Natural Preserve.
Area 2 - To be included within a California Department of Fish and Game Wildlife Area or Ecological Reserve.

TERMS OF PROPOSED LEASE:
Initial period:
Twenty-five (25) years beginning May 1, 1992.

CONSIDERATION:
The public use and benefit; with the State reserving the right at any time to set a monetary rental if the Commission finds such action to be in the State’s best interest.

BASIS FOR CONSIDERATION:

APPLICANT STATUS:
State agencies. DPR is the owner of adjacent land.

PREREQUISITE CONDITIONS, FEES AND EXPENSES:
Filing fee has been received.

STATUTORY AND OTHER REFERENCES:
A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.
B. Cal. Code Regs.: Title 3, Div. 3; Title 14, Div. 6.

AB 884:
N/A

OTHER PERTINENT INFORMATION:
1. This activity involves lands identified as possessing significant environmental values pursuant to P.R.C. 6370, et seq. Based upon the staff's
consultation with the persons nominating such lands and through the CEQA review process, it is the staff’s opinion that the project, as proposed, is consistent with its use classification.

2. Morro Bay is one of the California coast’s largest wetland estuaries. A need exists for the protection and onsite management of the significant natural resources within and adjacent to Morro Bay. The State Lands Commission (SLC) lacks the on-site presence for the day-to-day enforcement necessary to protect these resources. Staff of the Commission approached DFG and DPR regarding an agreement for the cooperative management of the resources of Morro Bay. DPR and DFG both have on-site personnel who can capably manage and administer the area in a manner benefiting the public in compliance with State laws. DFG currently administers mariculture leases, enforces hunting regulations and is responsible for the protection of threatened and endangered species within the bay. DPR has substantial holdings surrounding the Bay within Morro Bay State Park and Montana del Oro State Park. DPR has designated a significant portion of Morro Bay State Park as a natural preserve. This is DPR’s most stringent designation for the protection of specific natural resources. A portion of the tidelands and marsh in and contiguous to the natural preserve area is within SLC jurisdiction. DPR desires to manage the entire area to ensure that the resource values are being adequately protected. DPR also proposes to develop and implement a wetlands management plan involving sensitive species management, sediment and flood control, restoration of degraded area, and pollution abatement. Any such plan must be reviewed and concurred with by the SLC before any grading or other construction activities will be allowed on the lease premises. The SLC will retain jurisdiction over the public trust easement within TLS 2, 13 and that portion of TLL 221 with fee ownership vested in DPR.

In addition, it should be understood that the location of the boundaries of the tidelands conveyed by tideland patents in central and southern Morro Bay have never been fixed by agreement or litigation. Therefore, the
common boundary between tidelands and uplands as well as the possibility of unsold submerged lands within the perimeter survey description of those tideland surveys remain unresolved.

3. DPR and DFG have entered into an agreement which describes proposed respective jurisdictional responsibilities of each agency within the area of Morro Bay (Exhibit "C"). DFG proposes to manage the portions of Morro Bay as described in Exhibit "A" (Area 2) for protection of wildlife and habitat. The proposed lease will be subject to the continuation of some limited existing mariculture leasing by DFG within Area 1 along the line separating areas 1 and 2. This lease does not authorize any physical modifications of the affected area without the express authorization of the SLC.

EXHIBITS:
A. Land Description
   Area 1 - Department of Parks and Recreation management area
   Area 2 - Department of Fish and Game management area
B. Site Map
C. Memorandum of Understanding between DPR and DFG
D. Location Map

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THIS ACTIVITY WILL INVOLVE LANDS IDENTIFIED AS POSSESSING SIGNIFICANT ENVIRONMENTAL VALUES OF STATEWIDE INTEREST AND THAT ENTERING INTO A LEASE WITH THE DEPARTMENT OF PARKS AND RECREATION FOR MANAGEMENT OF THIS AREA IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED FOR THE LAND AND WILL HELP TO PROTECT THE IDENTIFIED ENVIRONMENTAL VALUES PURSUANT TO P.R.C. 6370, ET SEQ.

2. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. CODE REGS. 15061, 15316, AND 15313 AS A CATEGORICALLY EXEMPT PROJECT, CLASS 16, TRANSFER
OF LAND IN ORDER TO CREATE PARKS, AND CLASS 13, ACQUISITION OF LANDS FOR FISH AND WILDLIFE CONSERVATION PURPOSES INCLUDING PRESERVATION OF FISH AND WILDLIFE HABITAT, 2 CAL. CODE REGS. 2905(G)

3. AUTHORIZE ISSUANCE OF A LEASE OF THE STATE'S SOVEREIGN LAND INTERESTS IN THE LANDS DESCRIBED IN EXHIBIT "A", FOR A TWENTY-FIVE-YEAR PERIOD BEGINNING MAY 1, 1992; 1) TO THE CALIFORNIA DEPARTMENT OF PARKS AND RECREATION FOR PUBLIC PURPOSES INCLUDING RESOURCE PROTECTION AND INCLUSION IN THE DEPARTMENT OF PARKS AND RECREATION'S MORRO ESTUARY NATURAL PRESERVE AND 2) TO THE DEPARTMENT OF FISH AND GAME FOR CONSERVATION AND MANAGEMENT OF THE STATE'S WILDLIFE AND MARINE RESOURCES AS PART OF A DEPARTMENT OF FISH AND GAME WILDLIFE AREA OR ECOLOGICAL RESERVE; IN CONSIDERATION OF THE PUBLIC USE AND BENEFIT, WITH THE COMMISSION RESERVING THE RIGHT AT ANY TIME TO SET A MONETARY RENTAL IF IT FINDS SUCH ACTION TO BE IN THE STATE'S BEST INTEREST; THE LEASE SHALL REQUIRE THE SUBMITTAL OF A MANAGEMENT PLAN BY THE DEPARTMENT OF PARKS AND RECREATION AND DEPARTMENT OF FISH AND GAME TO THE COMMISSION BY JULY 1, 1994; FAILURE TO PRESENT SUCH PLAN SHALL BE GROUNDS FOR TERMINATING THIS LEASE.
EXHIBIT "A"

AREA "1"

W 24095
W 24300

LAND DESCRIPTION

All that tide and submerged land within Morro Bay in and adjacent to Morro Bay State park, San Luis Obispo County, California, lying Easterly of the following described line:

COMMENCING at the United States Coast and Geodetic Survey Triangulation Station "WHITE" which is a 4 inch brass disk set in concrete located on the Westerly side of White Point near the Easterly shore of Morro Bay, from which United States Coast and Geodetic Survey Triangulation Station "TUB 2", which is a 4 inch brass disk set in 12 inch concrete cylinder up 20 inches, located near the Southerly end of Morro Bay on the Easterly shore bears South 21°37'55" West 11,245.08 feet, both of the above recited stations and the accessories thereto being described in detail in the publications of the National Geodetic Survey (formerly United States Coast and Geodetic Survey); thence South 71°06'41" West 272.45 feet to the point identified by index number 36 on Sheet 2 of 4 of that certain Record of Survey filed August 27, 1970 in Book 17 of Licensed Surveys at Page 41, Records of said County and the TRUE POINT OF BEGINNING of the line to be described herein, said point marking an angle point on the general Easterly line of Tidelands Survey No. 13 and being marked by a 4 inch brass cap set in concrete according to said Record of Survey; THENCE South 02°24'05" East 5533.72 feet to a 2 inch brass disk set in concrete filled 4 inch vitrified clay pipe and stamped "LEASE BOUNDARY REF. MON. NO.1 1990" and the end of the herein described line, from which a 2 inch iron pipe with County Surveyor's tag set in monument well marking the intersection of the centerlines of Pasadena Drive and Bay Street as said streets are shown on the "MAP OF TRACT NO. 40" filed May 7, 1946 in Volume 5 of Maps at Page 59, records of said County, bears South 77°33'42" East 230.55 feet and also from which a 2 inch iron pipe with County Surveyor's tag set in monument well marking the intersection of the centerlines of Pasadena Drive and Santa Ysabel Avenue as said streets are shown on said Tract No. 40 bears South 11°40'19" West 572.63 feet.

EXCEPTING the tidelands and submerged lands located within the limits of Tide Lands Surveys #2 and #13.

END OF DESCRIPTION
EXHIBIT "A"
AREA "2"

LAND DESCRIPTION

All that tide and submerged land within Morro Bay, San Luis Obispo County, California, adjacent to, and lying Westerly of the following described line:

COMMENCING at the United States Coast and Geodetic Survey Triangulation Station "WHITE" which is a 4 inch brass disk set in concrete located on the Westerly side of White Point near the Easterly shore of Morro Bay, from which United States Coast and Geodetic Survey Triangulation Station "TUB 2", which is a 4 inch brass disk set in 12 inch concrete cylinder up 20 inches, located near the Southerly end of Morro Bay on the Easterly shore bears South 21°37'55" West 11,245.08 feet, both of the above recited stations and the accessories thereto being described in detail in the publications of the National Geodetic Survey (formerly United States Coast and Geodetic Survey); thence South 71°06'41" West 272.45 feet to the point identified by index number 36 on Sheet 2 of 4 of that certain Record of Survey filed August 27, 1970 in Book 17 of Licensed Surveys at Page 41, Records of said County and the TRUE POINT OF BEGINNING of the line to be described herein, said point marking an angle point on the general Easterly line of Tidelands Survey No. 13 and being marked by a 4 inch brass cap set in concrete according to said Record of Survey; THENCE South 02°24'05" East 5533.72 feet to a 2 inch brass disk set in concrete filled 4 inch vitrified clay pipe and stamped "LEASE BOUNDARY REF. MON. NO.1 1990" and the end of the herein described line, from which a 2 inch iron pipe with County Surveyor's tag set in monument well marking the intersection of the centerlines of Pasadena Drive and Bay Street as said streets are shown on the "MAP OF TRACT NO. 40" filed May 7, 1946 in Volume 5 of Maps at Page 59, records of said County, bears South 77°33'42" East 230.55 feet and also from which a 2 inch iron pipe with County Surveyors tag set in monument well marking the intersection of the centerlines of Pasadena Drive and Santa Ysabel Avenue as said streets are shown on said Tract No. 40 bears South 11°40'19" West 572.63 feet.

EXCEPTING the tidelands and submerged lands whether filled or unfilled Granted under Chapter 1076 of the Statutes of 1947, amended by Chapter 1874, Statutes of 1957, and amended by Chapter 70, Statutes of 1960.

ALSO EXCEPTING THEREFROM the tidelands and submerged lands within Section 14, Township 30 South, Range 10 East, M.D.M.

END OF DESCRIPTION
EXHIBIT "B"

DEPICTION OF LEASE BOUNDARIES APPROXIMATE
EXHIBIT C

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
DEPARTMENT OF PARKS AND RECREATION
AND THE
DEPARTMENT OF FISH AND GAME

WHEREAS, the Department of Fish and Game, hereinafter referred to as "the Department", and the Department of Parks and Recreation, hereinafter referred to as "Parks", wish to lease certain lands located in Morro Bay, San Luis Obispo County, described in the attached Exhibit "A" and incorporated herein by reference, and

WHEREAS, both agencies are desirous of providing optimum use and enjoyment of the Bay as well as protecting the Bay's resources; and

WHEREAS, Parks and the Department recognize the Statewide significance of the natural resources of the property and Parks desires to add a portion of the property to the California State Park System for protection and enhancement purposes, and the Department desires to add a portion of the property to either the State Department of Fish and Game's Wildlife Area or Ecological Reserve Systems;

WHEREAS, both agencies agree that certain properties in the Bay would best be managed by Parks to insure continued preservation and restoration of the wetland ecosystem and to provide increased public park use opportunities; and

WHEREAS, both agencies agree that certain properties in the Bay would best be managed by the Department consistent with its legislative mandates, to provide wildlife resource protection, enhancement and utilization; and

WHEREAS, the subject lands are sovereign tide and submerged lands under the jurisdiction of the California State Lands Commission, hereinafter referred to as "the Commission";

NOW THEREFORE, BE IT RESOLVED that Parks and the Department agree to the following conditions, subject to obtaining a joint lease from the Commission for management of the subject lands:

1. Parks shall have primary management jurisdiction of all sovereign public trust State lands in Morro Bay described in Exhibit A, Area 1, which is east of a line that extends from White Point south to a point off Baywood Park identified as "dance"; said line being shown on the attached Exhibit B; both Exhibits A and B being incorporated herein by reference. Said lands shall be managed in accordance with the Morro Bay State Park General Plan, approved June, 1988.

2. The Department shall have primary management jurisdiction of all sovereign public trust State lands in Morro Bay described in Exhibit A, Area 2.

3. The mean high tide line along the east side of Mortana de Oro State Park shall serve as the west boundary of the Department's management jurisdiction area.
4. Notwithstanding paragraph 5, Parks stipulates there will be no imposition of the Park's 1000-foot buffer jurisdiction zone on any of the Department's jurisdictional boundary lines referenced in this MOU.

5. The Department stipulates to a 1000-foot closure of the discharge firearms from a point beginning at the south entrance of the exist Morro Bay State Park marina continuing northerly along the shoreline to the city limits of the City of Morro Bay.

6. Parks acknowledges and accepts the existence of a Department approved mariculture lease operation located partially within their management jurisdiction area and is agreeable to proposed changes in the length of the lease term and in the mariculture tract areas, as shown on the attached Exhibit C, provided the tract area does not extend further into Parks' management jurisdiction area.

7. Both agencies are desirous of improving water quality and discouraging live-aboard discharges in the Bay. To this end, both agencies agree to cooperatively engage in resource protection enforcement activities, to the extent possible, over the entire proposed lease area described in Exhibit A.

Donald W. Murphy, Director
Department of Parks and Recreation

W. John Schmidt, Executive Director
Wildlife Conservation Board
Department of Fish and Game

4-14-92

4-9-92
EXHIBIT "A"

AREA "1"

All that tide and submerged land within Morro Bay in and adjacent to Morro Bay State park, San Luis Obispo County, California, lying Easterly of the following described line:

COMMENCING at the United States Coast and Geodetic Survey Triangulation Station "WHITE" which is a 4 inch brass disk set in concrete located on the Westerly side of White Point near the Easterly shore of Morro Bay, from which United States Coast and Geodetic Survey Triangulation Station "TUB 2", which is a 4 inch brass disk set in 12 inch concrete cylinder up 20 inches, located near the Southerly end of Morro Bay on the Easterly shore bears South 21°37'55" West 11,245.08 feet, both of the above recited stations and the accessories thereto being described in detail in the publications of the National Geodetic Survey (formerly United States Coast and Geodetic Survey); thence South 71°06'41" West 272.45 feet to the point identified by index number 36 on Sheet 2 of 4 of that certain Record of Survey filed August 27, 1970 in Book 17 of Licensed Surveys at Page 41, Records of said County and the TRUE POINT OF BEGINNING of the line to be described herein, said point marking an angle point on the general Easterly line of Tidelands Survey No. 13 and being marked by a 4 inch brass cap set in concrete according to said Record of Survey; THENCE South 02°24'05" East 5533.72 feet to a 2 inch brass disk set in concrete filled 4 inch vitrified clay pipe and stamped "LEASE BOUNDARY REF. MON. NO.1 1990" and the end of the herein described line, from which a 2 inch iron pipe with County Surveyor's tag set in monument well marking the intersection of the centerlines of Pasadena Drive and Bay Street as said streets are shown on the "MAP OF TRACT NO. 40" filed May 7, 1946 in Volume 5 of Maps at Page 59, records of said County, bears South 77°33'42" East 230.55 feet and also from which a 2 inch iron pipe with County Surveyor's tag set in monument well marking the intersection of the centerlines of Pasadena Drive and Santa Ysabel Avenue as said streets are shown on said Tract No. 40 bears South 11°40'19" West 572.63 feet.

AREA "2"

All that tide and submerged land within Morro Bay, San Luis Obispo County, California, adjacent to, and lying Westerly of the following described line:

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EXCEPTING the tidelands and submerged lands whether filled or unfilled Granted under Chapter 1076 of the Statutes of 1947, amended by Chapter 1874, Statutes of 1957, and amended by Chapter 70, Statutes of 1960.