

STAFF REPORT

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CONSIDER SPONSORING STATE LEGISLATION IN THE SECOND HALF OF THE 2017-18 LEGISLATIVE SESSION THAT WOULD GRANT AND CONVEY IN TRUST TO THE SAN DIEGO UNIFIED PORT DISTRICT LAND IN THE CITY OF CHULA VISTA PURSUANT TO A LAND EXCHANGE AGREEMENT THE COMMISSION APPROVED IN DECEMBER 2010

SUMMARY:

This legislative proposal relates to a land exchange between the Commission, the San Diego Unified Port District (Port), and North C.V. Waterfront L.P. that the Commission approved in 2010 ([Calendar Item 48, December 10, 2010](#)). The proposed legislation would grant the Port sovereign land in the city of Chula Vista that the Commission acquired in the 2010 land exchange. The grant would be subject to the terms and conditions in the Port's existing statutory trust grant and the common law Public Trust Doctrine.

BACKGROUND AND DISCUSSION:

The Port was created in 1962 to manage and hold in trust certain tide and submerged lands within San Diego Bay. The Port is the State's trustee of Public Trust lands within San Diego Bay granted to it by the Legislature pursuant to Chapter 67, Statutes of 1962, First Extraordinary Session, as amended (Port Act or the Port's statutory grant). When the Port's statutory grant took effect, lands within the Bay that had been previously granted to the cities of San Diego, Chula Vista, Coronado, and National City were transferred to the District. Lands originally granted to Imperial Beach along the Pacific Ocean were also transferred to the Port. The lands are to be used for Public Trust purposes that benefit the statewide public, including commerce, navigation, fisheries, and recreation.

In 2010, the Commission approved a land exchange agreement between the Port, the Commission, and North C.V. Waterfront L.P., in which Pacifica Hospitality Group, Inc., was the sole general partner. As part of the exchange, the State, acting by and through the Commission, accepted a grant deed from North C.V. Waterfront L.P. for the final Public Trust parcel in Chula Vista, including approximately 97 acres to be used as open space, public access, and as seasonal wetlands.

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When the Commission approved the land exchange agreement, it authorized a lease to the Port for the Public Trust parcel that the Commission acquired in the land exchange. The land exchange agreement requires that staff and the Port pursue legislation to include the State's interests in the final Public Trust parcel in the Port's statutory trust grant. The lease will terminate when the lands are legislatively granted to the Port.

Staff requests that the Commission sponsor legislation that will grant the State's right, title, and interest in the Public Trust land in the city of Chula Vista to the Port. The proposed legislation would also terminate the lease issued by the Commission to the Port and would require the Port to hold, manage, and operate the Public Trust parcel in trust for the benefit of the statewide public.

STAFF RECOMMENDATION:

Staff recommends that the Commission sponsor legislation in the second half of the 2017-2018 legislative session to legislatively grant the specified land in the city of Chula Vista to the Port to hold and manage in trust subject to the same terms, trusts, and conditions as the tidelands and submerged lands the Port holds pursuant to the Port Act.

RECOMMENDED ACTION:

It is recommended that the Commission:

Sponsor legislation in the second half of the 2017-2018 legislative session to grant the specified sovereign land in the city of Chula Vista to the San Diego Unified Port District to hold and manage in trust subject to the same terms, trusts, and conditions as the tidelands and submerged lands the Port holds pursuant to the Port Act.