TRANSCRIPT OF MEETING of
STATE LANDS COMMISSION
SACRAMENTO, CALIFORNIA
October 9, 1964

PARTICIPANTS:

THE STATE LANDS COMMISSION:

Hon. Hale Champion, Director of Finance, Chairman
Hon. Glenn M. Anderson, Lieutenant Governor
Hon. Alan Cranston, Controller

Mr. F. J. Hortig, Executive Officer

OFFICE OF THE ATTORNEY GENERAL:

Mr. Willard A. Shank, Assistant Attorney General

APPEARANCE:

Mr. Michael Traynor, Attorney, San Francisco
representing the City of Martinez

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FOR APPEARANCES ON LONG BEACH UNIT, EAST WILMINGTON FIELD, SEE MIMEOGRAPHED PORTION OF TRANSCRIPT.
MR. CHAMPION: The meeting will please come to order. Before we get to the subject of paramount interest, we have another matter which was deferred from the last meeting and which we promised them we would try to expedite handling. It has to do with the memorandum agreement between the City of Martinez and the State and a number of agencies, on the small craft harbor. Would you please describe the proposal, Mr. Hortig?

MR. HORTIG: Mr. Chairman, as outlined in the calendar item before you, there is a proposal for an agreement between the City of Martinez, the State of California acting through the Administrator of the State Resources Agency, the Division of Small Craft Harbors, the Department of Parks and Recreation, the Small Craft Harbors Commission, and the State Lands Commission by reason of the fact that the proposal for the development of the small craft harbor at Martinez, it is felt, will require additional area of tide and submerged lands to be authorized for occupancy by the State Lands Commission, in addition to and replacement of an existing use permit for a small craft harbor which the State Lands Commission issued approximately four years ago to the City of Martinez.

The primary difficulties with respect to the proposed term of the lease and the term of the agreement, as originally submitted, which provided for perpetual renewal, has been eliminated in conferences subsequent to the last Commission meeting. The limitation is now specified at one
option to renew for an additional period not to exceed forty-nine years; and the question as to the possible salability of the land that was provided for in the original agreement, which on its face was not legally practicable because of statutory and constitutional prohibitions against such sale, has been modified in the proposed form of agreement to provide that such sale it is understood will be available or possible only if the State law at the time of the proposed sale provides authorization for such a transaction.

Assistant Attorney General Shank, who participated in the drafting and representation of the Attorney General's Office on behalf of all of the State agencies involved, is with us here today if the Commission has any further questions as to the nature of the proposed agreement. Before those questions are raised, it is now the recommendation of the staff of the State Lands Commission that the resolution, which follows the calendar item which you have before you, be approved by the Commission, which would authorize three things: The approval and execution of the Memorandum of Agreement between all agencies; the issuance of a new lease for an expanded area, larger than that currently under permit to the City of Martinez; and for termination by mutual consent of the existing permit, which becomes surplusage and would be a duplication of part of the area being authorized under the new lease.

This resolution is recommended on the particular bases that it is clearly stated that the State Lands Commission
has not been a party in the negotiations resulting in this Memorandum Agreement, has not been heretofore directly involved in the development of the harbor; whereas other parties of the agreement, being the other State agencies and the City of Martinez, feel it is essential that the Lands Commission, as the agent for the land owner, be represented; and the Commission desires to cooperate for the benefit of these other parties. It is recommended that this documentation now be approved.

MR. CHAMPION: The reason that this was deferred was because we had certain legal problems with the length of the lease and the renewal option. Those have all been satisfied and everybody is now in agreement on this? Is that the case, Mr. Shank?

MR. SHANK: Yes, sir.

MR. CHAMPION: Why don't you come forward, so all the members of the Commission can question you. Governor Anderson, do you have a question?

GOV. ANDERSON: Yes, I have a question here on the indeterminate time of the lease, with the forty-nine plus forty-nine plus forever clause. I was just trying to read it here now. It is my understanding this would just give them a forty-nine year lease, plus the option to renew it just once.

MR. SHANK: That's right.

GOV. ANDERSON: So we are talking about an extent of time of ninety-eight years. It could not go beyond that?
MR. SHANK: It could not. It could....

GOV. ANDERSON: If at the time the State law permits it.

MR. SHANK: The agreement ends in ninety-eight years, so there would have to be a new agreement negotiated at that time.

GOV. ANDERSON: My next question -- maybe Mr. Hortig can answer it: Senator Miller called me on this and Assemblyman Waldie called me, and I understand they have been working with this. Are they in agreement with these new terms?

MR. HORTIG: Yes, they were at a meeting held just this week. Senator Miller attended and concurred in the resolution.

MR. CHAMPION: Any further questions?

MR. CRANSTON: I move approval.

GOV. ANDERSON: Second.

MR. CHAMPION: It has been moved and seconded. Is there any further question? (No response) Stands approved.

MR. SHANK: Thank you, gentlemen.

MR. HORTIG: Mr. Traynor, attorney for the City of Martinez, would like to make a statement, Mr. Chairman.

MR. TRAYNOR: I just want to say on behalf of the City of Martinez we very much appreciate the Commission's action taken today. It is a great step in the development of the harbor of the City of Martinez and we look forward to having that development in full.
With the Chairman's permission, I would like to introduce those who have come here today from the City of Martinez: Mayor Harold De Fraga; Councilman John Costanza; Mr. Bart Viano, Chairman, Waterfront Committee; Councilman John Miller; Councilman Gilbert Travers; City Manager James Emanuel; and City Attorney Francis Hoey.

Thank you very much.

R. CHAMPION: Thank you very much, and we wish you good luck in getting that mud out of there.

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BALANCE OF MEETING CONCERNING LONG BEACH UNIT, EAST WILMINGTON FIELD, HAS BEEN REPRODUCED ON STENCILS.

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CERTIFICATE OF REPORTER

I, LOUISE H. LILLICO, hearing reporter for the Office of Administrative Procedure, hereby certify that the foregoing pages 1 through 5 and pages 1 through 7, reproduced on stencils and containing the proceedings in connection with the Long Beach Unit, East Wilmington Field, contain a full, true and correct transcript of the shorthand notes taken by me in the meeting of the STATE LANDS COMMISSION at Sacramento, California, on October 9, 1964.

Dated: Los Angeles, California, October 16, 1964.

[Signature]

LOUISE H. LILLICO