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CHAPTER 1130

An act to amend Sections 1, 2, 5, and 6 of Chapter 651 of the Statutes of 1929, relating to tidelands and submerged lands of the City of Los Angeles.

[Approved by Governor September 30, 2002. Filed with  
Secretary of State September 30, 2002.]

*The people of the State of California do enact as follows:*

SECTION 1. Section 1 of Chapter 651 of the Statutes of 1929, as amended by Section 1 of Chapter 926 of the Statutes of 1979, is amended to read:

Sec. 1. There is hereby granted to the City of Los Angeles, hereinafter called "city," a municipal corporation of the State of California, and to its successors, all the right, title and interest of the State of California, held by the state by virtue of its sovereignty, in and to all tidelands and submerged lands, whether filled or unfilled, situated below the line of mean high tide of the Pacific Ocean, within the present boundaries of the city, or of any harbor, estuary, bay or inlet within those boundaries, except as hereinafter provided, to be forever held by the city, and by its successors, in trust for the following uses and purposes, and upon the following conditions:

(a) The lands shall be held by the city, and by its successors, in accordance with the applicable provisions of this act, for purposes in connection with, or for the promotion and accommodation of, commerce, navigation, and fishery, and for those purposes specified in Section 3 of this act.

(b) Except as otherwise provided in this act, the city, or its successors, shall not grant, convey, give or alien the lands, or any part thereof, to any individual firm or corporation for any purpose whatsoever; provided that the city, or its successors, may grant franchises and permits thereon for limited periods, but not to exceed 50 years, for purposes in connection with, or for the promotion and accommodation of, commerce, navigation, fishery, and for any purpose specified in Section 3 of this act, and may lease the lands, or any part thereof for limited periods, but not to exceed 50 years, for any and all purposes which shall not interfere with the trusts upon which the lands are held by the State of California.

(c) The tide and submerged lands shall be improved by the city without expense to the state, and any harbor constructed thereon shall always remain a public harbor for all purposes of commerce and navigation, and the State of California shall have, at all times, the right to use, without charge, all wharves, docks, piers, slips, quays, and other improvements constructed by the city on the lands, or any part thereof, for any vessel or other watercraft, or railroad, owned or operated by the State Of California.

(d) In the management, conduct or operation of any such harbor, or of any of the utilities, structures or appliances constructed in connection therewith, no discrimination in rates, tolls, or charges, or in facilities, for any use or service in connection therewith shall ever be made, authorized, or permitted by the city, or by its successors.

There is reserved in the people of the State of California the absolute right to fish in the waters, with the right of convenient access to the waters over the lands for those purposes. The grant herein made shall not include those tidelands or submerged lands within those certain areas known as the Westgate addition acquired by the City of Los Angeles by annexation on June 14, 1916, or the Santa Monica canyon addition acquired by the City of Los Angeles by annexation on April 28, 1925, or the Venice addition acquired by the City of Los Angeles by consolidation on November 25, 1925.

SEC. 2. Section 2 of Chapter 651 of the Statutes of 1929, as added by Chapter 1046 of the Statutes of 1970, is amended to read:

Sec. 2. The city shall establish a separate tidelands trust fund or funds in such manner as may be approved by the Department of Finance and the city shall deposit in the fund or funds all moneys received directly from, or indirectly attributable to, the granted tidelands in the city, other than those portions of the tidelands described in Section 651 of Article VI of the Charter of the City of Los Angeles. An annual statement of financial condition and operations, to conform with such requirements as the Department of Finance may prescribe, shall be submitted to the Department of Finance each year by the city on or before September 30th of each year for the preceding fiscal year.

SEC. 3. Section 5 of Chapter 651 of the Statutes of 1929, as added by Chapter 1046 of the Statutes of 1970, is amended to read:

Sec. 5. As to the accumulation and expenditure of revenues for any single capital improvement on the granted lands, other than those portions of the tidelands described in Section 651 of Article VI of the Charter of the City of Los Angeles, involving an amount in excess of two hundred fifty thousand dollars (\$250,000) in the aggregate, the city shall file with the State Lands Commission a detailed description of the capital improvement not less than 90 days prior to the time of any disbursement therefor or in connection therewith, excepting preliminary planning. The State Lands Commission may, within 90 days after the time of filing, determine and notify the city that the capital improvement is not in the statewide interest and benefit or is not authorized by Section 3 of this act. The State Lands Commission may request the opinion of the Attorney General on the matter, and if it does so, a copy of that opinion shall be delivered to the city with the notice of its determination. If the State Lands Commission notifies the city that the capital improvement is not authorized, the city may not disburse any revenue for, or in connection with, the capital improvement, unless and until it is determined to be authorized by a final order or judgment of a court of competent jurisdiction. The city may bring suit against the state for the purpose of securing that order or adjudication, which suit shall have priority over all other civil matters. Service shall be made upon the

Executive Officer of the State Lands Commission and the Attorney General, and the Attorney General shall defend the state in the suit. If the judgment is against the state in the suit, no costs shall be recovered against it.

SEC. 4. Section 6 of Chapter 651 of the Statutes of 1929, as added by Chapter 1046 of the Statutes of 1970, is amended to read:

Sec. 6. At the end of every third fiscal year, beginning June 30, 1972, that portion of the city tideland trust revenues derived from the granted tidelands, other than those portions described in Section 651 of Article VI of the Charter of the City of Los Angeles, in excess of two hundred fifty thousand dollars (\$250,000) remaining after current and accrued operating costs and expenditures directly related to the operation or maintenance of tideland trust activities have been made, shall be deemed excess revenue; provided that any funds deposited in a reserve fund for future capital expenditures or any funds used to retire bond issues for the improvement or operation of the granted lands shall not be deemed excess revenue. Capital improvements of the granted lands for purposes authorized by this act may be considered as expenditures for the purpose of determining net revenues; provided, however, that if made after January 1, 1971, they may be so considered only if made in accordance with Section 5 of this act.

The excess revenue, as determined pursuant to Section 5 of this act shall be divided as follows: 85 percent to the General Fund in the State Treasury, and 15 percent to the city to be deposited in the trust fund and used for any purpose authorized by Section 3 of this act.