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CHAPTER 1099

An act to amend Sections 1 and 5 of, to add Sections 2, 3, 4, 6, 7, 8, 9, and 10 to, and to repeal Sections 2, 3, and 4 of, Chapter 245 of the Statutes of 1933, relating to state lands.

[Approved by Governor September 20, 1976 Filed with  
Secretary of State September 21, 1976 ]

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

**SECTION 1.** Section 1 of Chapter 245 of the Statutes of 1933 is amended to read:

Section 1. The State of California hereby grants to the City of San Mateo, and to its successors, all the right, title, and interest of the state held by virtue of its sovereignty, in and to all the salt marsh, tide, and submerged lands, whether filled or unfilled, within the present boundaries of the city, excepting therefrom any and all portions of such lands which were granted in trust by Chapter 1857 of the Statutes of 1965 to the County of San Mateo, to be held forever by the city, and by its successors, in trust for the benefit of all the people of the state for purposes of commerce, navigation, fisheries, and for other public purposes, including, but not limited to, preservation of such lands in their natural state for scientific study, open space, wildlife habitat, recreational uses, as more particularly provided below, and for the following uses and purposes, and upon the following express conditions:

(a) That the lands shall be used by the city and its successors for only the following uses and purposes in which there is a general public interest:

(1) The establishment, improvement, and conduct of a public harbor, and for the construction, maintenance, and operation of dikes, lagoons, wharves, docks, piers, slips, quays, ways, and streets, and other utilities, structures, and appliances necessary or convenient for the promotion and accommodation of trust uses and purposes.

(2) The development, establishment, and implementation of a shoreline park plan consisting of public open-space parks and facilities, including dikes, ditches, lagoons, pumps, water control structures, a boardwalk, bicycle paths, trails, aquatic playgrounds, adventure playgrounds, picnic areas, specialty shops, restaurants, and other water-oriented and recreational facilities, open to the general public; and for the construction, reconstruction, improvement, repair, maintenance, and operation of all works, buildings, facilities, utilities, structures, and appliances incidental, necessary, or convenient for the promotion and accommodation of any such uses.

(3) The preservation, maintenance, and enhancement of the lands in their natural state, and the reestablishment of the natural state of the lands so that they may serve as ecological units for scientific study, as open space, and as environments which provide food and habitat for birds and marine life and which favorably affect the scenery and climate of the area.

(b) That, except as otherwise provided in this act, the city or its successors shall not, at any time, grant, convey, give, or alienate the lands, or any part thereof, to any individual, firm, or corporation for any purposes whatever; provided, however, that the city or its successors may grant franchises thereon for a period not exceeding 66 years for wharves, docks, quays, and other public uses and purposes, and may lease the lands or any part thereof for a period not

exceeding 66 years for purposes consistent with the trust upon which the lands are held by the state and with the uses specified in this section.

(c) That the lands shall be improved without expense to the state; provided, however, that nothing contained in this act shall preclude expenditures for the development of the lands for any public purpose not inconsistent with the trust upon which the lands are held by the state, or any board, agency, or commission thereof.

(d) That, in the management, conduct, operation, and control of the lands or any improvements, betterments, or structures thereon, the city or its successors shall make no discrimination in rates, tolls, or charges for any use or service in connection therewith.

(e) That the state shall have the right to use without charge any transportation, landing, or storage improvements, betterments, or structures constructed upon the lands for any vessel or other watercraft or railroad owned or operated by the state.

(f) There is hereby reserved to the people of the State of California the right to fish in the waters over the lands and the right of convenient access over the lands to the waters for this purpose, which rights, however, shall be subject to rules of the city that are necessary for facilitating the uses specified in subdivision (a) of this section.

SEC. 2. Section 2 of Chapter 245 of the Statutes of 1933 is repealed.

SEC. 3. Section 2 is added to Chapter 245 of the Statutes of 1933, to read:

Sec. 2. The provisions of Section 6359 of the Public Resources Code shall not apply to this act.

SEC. 4. Section 3 of Chapter 245 of the Statutes of 1933 is repealed.

SEC. 5. Section 3 is added to Chapter 245 of the Statutes of 1933, to read:

Sec. 3. The city may establish the ordinary high-water mark or the ordinary low-water mark of any of the lands hereby granted, by agreement, arbitration, or action to quiet title, whenever the city deems it expedient. Any establishment of an ordinary high-water mark or ordinary low-water mark by arbitration or agreement shall not be effective until approved by the State Lands Commission.

SEC. 6. Section 4 of Chapter 245 of the Statutes of 1933 is repealed.

SEC. 7. Section 4 is added to Chapter 245 of the Statutes of 1933, to read:

Sec. 4. (a) Whenever it shall appear to the city to be expedient for the settlement of boundary and title disputes, and to be in the best interests of the state for the purposes specified in Section 1, and that no substantial interference with the trust uses and purposes would ensue, the city may exchange lands of equal or greater value, whether filled or unfilled, with any state agency, political subdivision, person, or the United States or any agency thereof. In

any such exchange, all right, title, and interest in and to all deposits of minerals, including oil and gas and geothermal resources, in the lands to be received by the city, and the right to prospect for, mine, and remove such deposits from such lands or to authorize persons to prospect for, mine, and remove such deposits, shall be transferred to the state. Any land so acquired shall have the same status as to administration, control, and disposition as the lands for which it was exchanged. No such exchange shall be effective unless and until the State Lands Commission (1) makes a finding that the lands to be acquired by the city and the mineral rights to be transferred to the state are of equal or greater value than the lands and mineral rights for which they are to be exchanged and (2) approves the exchange.

(b) The lands exchanged may be improved, filled, and reclaimed by the grantee, subject to all necessary approvals by local, regional, state, or federal entities. Upon the adoption of a resolution by the State Lands Commission finding and declaring that such lands have been improved, filled, and reclaimed, and have thereby been excluded from the public channels and are no longer available, useful, or susceptible of being used for navigation and fishing and for other trust uses and purposes, and are no longer in fact tidelands or submerged lands, such lands shall thereupon be free from the public trust upon which they are held.

SEC. 8. Section 5 of Chapter 245 of the Statutes of 1933 is amended to read:

Sec. 5. There is hereby excepted and reserved to the state all deposits of minerals, including, but not limited to, all substances specified in Section 6407 of the Public Resources Code, and the right to prospect for, mine, and remove such deposits from the lands granted by this act.

SEC. 9. Section 6 is added to Chapter 245 of the Statutes of 1933, to read:

Sec. 6. On or before January 1, 1980, the city shall submit to the State Lands Commission for its review a general use proposal, which shall constitute a description of what the city intends to do with the granted lands. The general use proposal required by this section should contain information in sufficient detail to enable the State Lands Commission to assure compliance with the terms and conditions of this act by, among other means, advising the city in a timely manner of any proposed uses or actions that may be inconsistent with the trust obligation. The use proposal shall include a description of uses planned or proposed for a period of at least five years and shall include the following information:

(a) A general description of the type of uses planned or proposed for the granted lands and of their location.

(b) A description of the anticipated public benefits to be derived from the planned or proposed uses of the granted lands, including, but not limited to, any benefits in furtherance of the trust uses and purposes upon which the lands are held.

(c) A description of the proposed method of financing the

planned or proposed uses, including estimated capital and annual operating costs and anticipated annual revenues.

(d) An estimated timetable for implementation of the general use proposal or any phase thereof.

(e) A description of how the city proposes to protect and preserve natural and manmade resources in connection with the use of the granted lands.

SEC. 10. Section 7 is added to Chapter 245 of the Statutes of 1933, to read:

Sec. 7. (a) All revenues derived from the use of granted lands shall be expended only for the trust uses and purposes upon which the lands are held.

(b) The city shall, with approval from the State Lands Commission, establish accounting procedures whereby an accurate record of all revenues derived from the use of granted lands and of all expenditures of any such revenues will be maintained. The purpose of this requirement is to provide for the segregation of funds derived from the use of the granted lands in order to assure that they are only expended for the trust uses and purposes upon which the lands are held.

(c) The State Lands Commission may, from time to time, review such records to assure that all revenues derived from the use of the granted lands are used only to complement, support, or otherwise further trust uses and purposes upon which such granted lands are held.

SEC. 11. Section 8 is added to Chapter 245 of the Statutes of 1933, to read:

Sec. 8. On or before September 30, 1980, and every fifth year thereafter, the city shall submit to the State Lands Commission a report regarding the manner in which the lands granted by this act have been utilized during the preceding five-year period ending June 30 of the calendar year in which the report is required to be submitted.

The report required by this section shall include the following information:

(a) A general description of the uses authorized and actually undertaken on the granted lands during the period covered by the report.

(b) A list of all the owners and holders of leases, permits, and franchises granted or issued by the city, which list shall specify, as to each such owner or holder the following information:

(1) A description of the specific use made of the granted lands.

(2) The consideration provided in each lease, permit, franchise, or other use agreement or authorization, and a statement of the consideration actually received by the city.

(c) A description of any restrictions or conditions imposed by the city during the period covered by the report on the use of the granted lands, and a description of the location of the lands to which such restrictions or conditions apply.

SEC. 12. Section 9 is added to Chapter 245 of the Statutes of 1933, to read:

Sec. 9. The city shall demonstrate good faith in carrying out, and shall make reasonable efforts to implement, the provisions of the general use proposal required by this act and any amendments thereto. If the State Lands Commission determines that the city has substantially failed to improve, restore, preserve, or maintain its granted lands in a manner consistent with the provisions of the general use proposal, or if the city demonstrates unreasonable delay in preparing and adopting a general use proposal for such granted lands, the State Lands Commission shall recommend to the Legislature that all right, title, and interest of the city in and to all lands held by virtue of this act be terminated and that all such right, title, and interest revert to the state and be returned to state administration.

SEC. 13. Section 10 is added to Chapter 245 of the Statutes of 1933, to read:

Sec. 10. The State Lands Commission shall, from time to time, institute a formal inquiry to determine that the terms and conditions of this act, and amendments thereto, have been complied with, and that all other applicable provisions of law concerning these granted lands are being complied with in good faith by the city.

SEC. 14. No appropriation is made by this act, nor is any obligation created thereby under Section 2231 of the Revenue and Taxation Code, for the reimbursement of any local agency for any costs that may be incurred by it in carrying on any program or performing any service required to be carried on or performed by it by this act.