

KAPILOFF LAND BANK REPORT Fiscal Year 2001-2002

This complies with the annual reporting requirement pursuant to Section 8618 of the Public Resources Code. It is a summary description of title settlements and other transactions entered into by the California State Lands Commission (CSLC) to meet the objectives of the Kapiloff Land Bank Act. This report reflects transactions from July 1, 2001 through June 30, 2002.

BACKGROUND

The Kapiloff Land Bank Act (Act) was introduced by Assemblyman Lawrence Kapiloff and enacted by the legislature in 1982. The Act is an extension of CSLC authority as set forth in Public Resources Code Section 6307, enacted to facilitate settlements of title to real property with cash payments where exchange parcels are not readily available and to facilitate mitigation through the pooling of such payments. The State holds and administers the acquired lands as sovereign lands of the legal character of tidelands and submerged lands.

ACQUISITION OF PROPERTY WITH LAND BANK FUNDS

There were no acquisitions of property made during fiscal year 2001-2002.

DEPOSITS INTO LAND BANK FUND

Moneys received into the land bank fund are subject to use restrictions as set forth in Public Resources Code Section 8613 - Moneys in the fund shall be available for expenditure by the trustee to purchase outstanding interests in tide and submerged lands; lands which have been or may be converted to wetlands, or adjoining or nearby lands where the public use and ownership of the land is necessary or extremely beneficial for furtherance of public trust purposes. Furthermore, if a deposit is made into the land bank for purposes of mitigation (by a non-public agency) the moneys donated are subject to a statutory trust limiting its use exclusively to the identified mitigation.

SPECIAL MITIGATION AND MANAGEMENT PROJECTS

Bolsa Chica

Bolsa Chica consists of 880 acres of lowlands located in Orange County adjacent to the Pacific Ocean and 327 acres of historic wetlands acquired by the California State Lands Commission in 1973 in settlement of long-standing land title claims. The parcel will be transformed into a full tidal basin with the remainder into wetlands. The primary source of funding has come from the Ports of Los Angeles and Long Beach in return for mitigation credits necessary for port expansion. \$325,806 was expended during fiscal year 2001-2002. The standing balance is \$63,216,405.39.

KAPILOFF LAND BANK REPORT
Fiscal Year 2001-2002
Page 2

Oliver East

As part of a settlement of title to 121 acres of land in the City of Hayward, Alameda County, \$394,000 has been deposited into the Kapiloff fund.

City of Newport Beach

Pursuant to Chapter 728, Statutes of 1994 and Chapter 317, Statutes of 1997, the city of Newport Beach has deposited \$374,936.34 for the fiscal year into the Kapiloff Land Bank Fund for costs related to the administration of Granted Trust Lands.

Burlingame

In 1999, \$200,000, from a lease settlement issue, was deposited into Kapiloff Land Bank Fund for the purpose of clean up and improvement for marketing the State owned parcel, known as the Anza Parcel located adjacent to San Francisco Bay, in the City of Burlingame, San Mateo County. \$65,793.22 has been expended for marketing consultants during fiscal year 2001-2002.

Shellmounds – Chevron

Mitigation monies from Chevron to determine the composition of the mounds located at the bottom of the four oil platforms (4H Platforms) formerly operated by Chevron. Monies received into the account for the fiscal year totaled \$43,937.90; all of which was expended.

UC Davis

Mitigation monies received from Los Angeles Department of Water and Power's (LADWP) effort to reduce and mitigate dust emissions at Owens Lake. Monies received into the account for the fiscal year totaled \$168,919.01.

Santa Ana River

District Court case based on two federal condemnation parcels. On January 7, 2002, the District court entered judgment pursuant to the stipulation of the parties involving lands that include the historic bed of the Santa Ana River. Under the terms of the judgment, the United States revested any public trust interest in the State and its tidelands grantee, the City of Newport Beach, and agreed to pay just compensation for the underlying fee title. Monies received into the account for the fiscal year totaled \$58,950.00 [\$54,450 in the 8.07 acre case, and \$4,500 in the 0.10 acre case.]