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3 CALENDAR ITEM

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CITY OF LOS ANGELES
REPORT TO LEGISLATURE OF RESOLUTION AND SETTLEMENT
OF PROBABLE CONFLICT WITH GRANTING STATUTE

TRUSTEE: City of Los Angeles
300 City Hall East
Los Angeles, California 90012

LOCATION: Tide and submerged lands in Los Angeles
harbor granted in trust to the City of
Los Angeles.

BACKGROUND: The Legislature included a provision in
the tideland grant statutes to the City
of Los Angeles that the State Lands Commission
report annually to the Legislature "...the
full details of any transaction or condition
reported to the Commission, ...which it deems
in probable conflict with the requirements
of this act, or with any other provision
of law." (Section 11 of Chapter 1046, Statutes
of 1970).

Of 9 grants with this provision, only the
City of Los Angeles, as quoted above, has
had any activity that is reportable in
the 1977 calendar year.

HISTORY: On January 26, 1977, the Commission authorized
the Staff of the Commission and the Attorney
General to commence negotiations with repre-
sentatives of the Los Angeles City Council,
the Los Angeles Board of Harbor Commissioners,
and the Los Angeles City Attorney's Office
in an effort to reach a settlement agreement
regarding some long-standing disputes con-
cerning the management and administration
of tide and submerged lands granted in
trust to the City of Los Angeles and under
the possession and control of the Board
of Harbor Commissioners.

On February 24, 1977, the Commission authorized
the Executive Officer to conduct a public

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hearing regarding the utilization of Harbor Revenue Funds by the City of Los Angeles and to subpoena witnesses and documents for investigation; authorized the Attorney General to file suit against the City of Los Angeles, if necessary, for an accounting of interest monies diverted from the Harbor Revenue Fund and for declaratory relief regarding the amount of surplus harbor revenues, if any, that may be transferred from the Harbor Revenue Fund to the City General Fund as repayment for past expenditures by the City; and authorized staff and the Attorney General to take all action necessary to accomplish these objectives.

These authorizations were continued in effect at the Commission's meeting on March 31, 1977, and staff continued to keep the Commissioners individually informed from time to time as to the status of negotiations.

An agreement was finally reached in June of 1977 which culminated in the adoption and execution of a settlement agreement by the Los Angeles City Council and Board of Harbor Commissioners on June 30, 1977 and July 5, 1977, respectively. The agreement was subsequently approved by the State Lands Commission on July 26, 1977.

REPORT TO LEGISLATURE:

Inasmuch as prior to the execution of the settlement agreement, the City of Los Angeles was in probable conflict with its duties as trustee of the tide and submerged land, the Commission Staff has prepared a report to the Legislature of the disputes involved, the investigations made by the staff, the hearing conducted, and the negotiations which culminated in the resolution of long-standing disputes by execution of the settlement agreement which was approved by the State Lands Commission on July 26, 1977. In that the settlement agreement is a matter of record of the Commission and has been included in the Report to the Legislature, details are not being repeated in this Calendar Item.

CALENDAR ITEM NO. 41. (CONTD)

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE DISPUTE AND SUBSEQUENT SETTLEMENT AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND THE BOARD OF HARBOR COMMISSIONERS OF THE CITY OF LOS ANGELES IS AN ACTIVITY REPORTABLE UNDER SECTION 11 OF CHAPTER 1046, STATUTES OF 1970.
2. AUTHORIZE THE EXECUTIVE OFFICER TO REPORT TO THE CHIEF CLERK OF THE ASSEMBLY AND TO THE SECRETARY OF THE SENATE THE DETAILS OF THE DISPUTE AND SUBSEQUENT OUTCOME BY SETTLEMENT OF THE NEGOTIATIONS ENTERED INTO BY STAFF OF THE COMMISSION AND OFFICE OF THE ATTORNEY GENERAL TO RESOLVE THE PROBABLE CONFLICT FOUND AND REPORTED TO THE COMMISSION PURSUANT TO SECTION 11 OF CHAPTER 1046, STATUTES OF 1970, WHICH WERE IN PROBABLE CONFLICT WITH THE REQUIREMENTS OF SAID ACT, OR WITH ANY OTHER PROVISION OF LAW.