

38. (Sale of Vacant School Land, Application No. 10456, Los Angeles Land District, San Bernardino County - Sidney Smith, Sac. W.O. 176) The Commission was informed that an offer has been received from Mr. Smith of Los Angeles, California, to purchase the S $\frac{1}{2}$ of Section 16, T. 10 N., R. 4 E., S.B.M., containing 320 acres in San Bernardino County.

Mr. Smith has made an offer of \$3,200.00 or \$10.00 per acre. The Assessor of San Bernardino County has assessed the subject land at \$5.00 per acre, thus indicating an appraised value of the land of \$10.00 per acre. An appraisal by the Commission's staff indicates that the offer as made is adequate. The land was advertised for sale with a stipulation that no offer of less than \$3,200.00 would be accepted. Mr. Smith bid \$3,200.00.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the sale of the S $\frac{1}{2}$ of Section 16, T. 10 N., R. 4 E., S.B.M., to the only bidder Mr. Smith at a cash price of \$3,200.00, subject to all statutory reservations, including minerals.

39. (Sale of Vacant School Land, Application No. 10443, Los Angeles Land District, San Bernardino County - Drew E. Tankersley, Sac. W.O. 136) The Commission was informed that an offer has been received from Mr. Tankersley of Newberry, California, to purchase Section 36, T. 9 N., R. 5 E., and Section 36, T. 10 N., R. 5 E., S.B.M., containing 1287.54 acres in San Bernardino County.

Mr. Tankersley has made an offer of \$2,575.08 or \$2.00 per acre. The Assessor of San Bernardino County has assessed the subject land at \$1.25 per acre, thus indicating an appraised value of the land of \$2.50 per acre. The subject lands are slightly rugged to flat desert, of poor quality with very little grass. Grazing possibilities are limited to only a month or two in winter after rains. An appraisal by the Commission's staff indicates that the offer as made is adequate.

The land was advertised for sale with a stipulation that no offer of less than \$2,575.08 would be accepted. Mr. Tankersley bid \$2,575.08.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the sale of Section 36, T. 9 N., R. 5 E., and Section 36, T. 10 N., R. 5 E., S.B.M., to the only bidder Mr. Tankersley at a cash price of \$2,575.08, subject to all statutory reservations, including minerals.

40. (Sale of Vacant School Land, Application No. 10447, Los Angeles Land District, Imperial County - Frank David Butler, Sac. W.O. 151) The Commission was informed that an offer has been received from Mr. Butler of Venice, California, to purchase Section 16, T. 9 S., R. 12 E., S.B.M., containing 640 acres in Imperial County.

Mr. Butler has made an offer of \$1280.00 or \$2.00 per acre. The Assessor of Imperial County has appraised the assessed value of the subject land at \$1.00 per acre thus indicating an appraised value of the land of \$2.00 per acre. An appraisal by the Commission's staff indicates that the offer as made is adequate.

Subject land is practically barren, uneven, alkali land of extremely poor quality. It is possible physically to get water from the Coachella Canal, but highly improbable that such use of the water will be permitted. There is no access to the land except on foot.

The land was advertised for sale with a stipulation that no offer of less than \$1280.00 would be accepted. Mr. Butler bid \$1280.00.

Upon motion duly made and unanimously carried, a resolution was adopted authorizing the sale of Section 16, T. 9 S., R. 12 E., S.B.M., to the only bidder Mr. Butler at a cash price of \$1280.00, subject to all statutory reservations, including minerals.

41. (Policy - S.D. & W.O., 287) The Commission was informed that at the meeting of the State Lands Commission on June 21, 1946, the following resolution was adopted, establishing a uniform policy for the rental of tide and submerged lands for commercial and industrial purposes:

"6. (Survey of Tide and Submerged Land Values for Rental Determination) Upon motion duly made and unanimously carried, a resolution was adopted establishing the following uniform policy for the rental of tide and submerged lands for commercial and industrial purposes:

"1. Appraisal and survey costs to be borne by lease applicant;

"2. Annual rental to be fixed at 6% per year of the appraised value of the land with an increase of 10% of the initial appraised value of the land every 5 years for the term of the lease;

"3. Maintenance of all structures on the demised premises to be assumed by the Lessee;

"4. In the event that tidelands with structures in place are leased by anyone other than the constructor thereof, appraised value of such structures is to be included in the total valuation for the initial rental determination; however, no appreciation in value of structures is to be considered in rental determination during the term of the lease, or any extension thereof;

"5. Minimum annual rental for any lease issued to be \$50.00."

Item 4 deals with cases involving "tidelands with structures in place", in other words, with purprestures. Special treatment is afforded where the lease is issued to "anyone other than the constructor thereof" but nothing is said with reference to leases to be issued to the constructors. Furthermore, the word "constructor" may have been intended to mean "owner." We have been advised by the Attorney General that, from a legal point of view, structures erected upon tide and submerged lands without authority of the State or a legal sub-division thereof are the property of the State.

Numerous attempts have been made by the State Lands Division to bring such purprestures under lease; some have been successful but most have become involved in endless correspondence and conferences without conclusive results. Court action will doubtless be required to establish the rights of the State in many cases. A review of the basic policies of the State Lands Commission and the procedures of the State Lands Division is therefore believed to be appropriate. If the policy that the State owns the purprestures can be and is enforced, the State will eventually become the owner of a variety of piers, groins, pipe lines, and other structures and facilities including possibly railroads and telephone lines and the State Lands Commission will be the agency for their management. Problems of operation, maintenance, disposal and removal will be numerous and burdensome. It is not believed that the intent of the legislator under which the State Lands Commission exists and operates is toward that end.