

MINUTE ITEM

17. OFFER TO STATE OF OPTION TO PURCHASE IMPROVEMENTS OF CERTAIN TIDE AND SUBMERGED LANDS, COVERED BY LEASE P.R.C. 398.1, IN NEW YORK SLOUGH AT PITTSBURG, CONTRA COSTA COUNTY, UNITED STATES OF AMERICA - W.O. 3369.

Following presentation of Calendar Item 5 attached, Mr. Carr asked whether other State agencies which might be interested in acquiring the facility had been contacted. Action was postponed to give the staff time to ascertain whether other State agencies would be interested in the acquisition of the facility.

Attachment

Calendar Item 5 (1 page)

CALENDAR ITEM

5.

OFFER TO STATE OF OPTION TO PURCHASE IMPROVEMENTS ON CERTAIN TIDE AND SUB-MERGED LANDS IN NEW YORK SLOUGH AT PITTSBURG, CONTRA COSTA COUNTY, UNITED STATES OF AMERICA - W.O. 3369.

In 1950, subsequent to the dismissal of a condemnation action, the Commission authorized the issuance to the United States of America of right-of-user permit agreement P.R.C. 398.1, covering approximately 2.72 acres of tide and submerged lands in New York Slough at Pittsburg, Contra Costa County, at an annual fee of \$1, for the maintenance and use of an embarkation wharf adjacent to Camp Stoneman.

The permit provides that:

1. Title to improvements remain in the United States.
2. In the event the improvements are to be sold, the State shall have first refusal on the purchase of such improvements at a price determined by the United States.
3. In the event the State declines to purchase the improvements, the United States shall be entitled to sell them to any purchaser of its choice, and the State agrees that it will lease the underlying fee to the buyer of the improvements.
4. The permit is subject to termination by the United States at any time by notice to the State.

Notification has been received that it is the intention of the United States to dispose of the facility at the earliest possible date and that the State may purchase for \$195,000 those improvements located on the State's sovereign lands.

The improvements on State lands consist of a partially covered wooden wharf, approximately 650 feet in length, which is of superior construction and in excellent condition, and a portion of a wood-frame warehouse which was originally a bean-storage structure.

It is the opinion of the staff that it would not be in the best interest of the State to purchase the improvements located on State lands unless it were possible also to acquire the adjacent upland property and the improvements located thereon. If the State were to acquire only the improvements on the State land, and if the purchaser of the adjoining property had no desire for or need of the State's facilities, it would be extremely difficult to find a tenant who could use this property since there would be no right of access over the adjoining upland property. Furthermore, no money has been budgeted to acquire either a part or all of the facility.

IT IS RECOMMENDED THAT THE EXECUTIVE OFFICER BE AUTHORIZED TO ADVISE THE UNITED STATES OF AMERICA THAT THE STATE DOES NOT DESIRE TO PURCHASE THE IMPROVEMENTS LOCATED ON STATE SOVEREIGN LANDS COVERED BY USER PERMIT AGREEMENT P.R.C. 398.1.