

MINUTE ITEM

11. APPLICATION OF CITY OF LONG BEACH FOR EXPENDITURE OF TIDELAND OIL REVENUES FOR PORTIONS OF CITY OF LONG BEACH SHORELINE DEVELOPMENT PROJECTS - L.B.W.O. 10,169.

After consideration of Calendar Item 8 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

PURSUANT TO THE AUTHORITY OF CHAPTER 29, STATUTES OF 1956, 1ST E.S., THE COMMISSION APPROVES IN PRINCIPLE THE APPLICATION OF THE CITY OF LONG BEACH TO CONSTRUCT THE PROJECTS DESCRIBED HEREINABOVE, AND SPECIFICALLY TO EXPEND SUBSEQUENT TO OCTOBER 25, 1962, NOT MORE THAN \$2,045,000 FOR RIGHT-OF-WAY ACQUISITION AND NOT MORE THAN \$300,000 FROM THE CITY'S SHARE OF THE TIDELAND OIL REVENUES FOR ENGINEERING-SITE INVESTIGATIONS, DESIGN, CONTRACT ADMINISTRATION AND ADVERTISING, AND SIMILAR PRECONSTRUCTION WORK NECESSARY FOR THE FIRST PHASE OF ITS SHORELINE DEVELOPMENT PROJECT; SUBJECT TO THE CONDITION THAT THE WORK CONFORM IN ESSENTIAL DETAILS TO THE PROPOSED PLANS AND BACKGROUND MATERIAL HERETOFORE SUBMITTED TO THE COMMISSION; AND THAT ALL COSTS HEREIN CONSIDERED ARE FOR EXPENDITURES ON TIDELANDS OR FOR TRUST PURPOSES AS DEFINED BY THE ATTORNEY GENERAL.

IN CONFORMANCE WITH THE REPORTED OPINION OF THE OFFICE OF THE ATTORNEY GENERAL, IT IS ALSO RECOMMENDED THAT THE AUTHORIZATION FOR EXPENDITURE OF NOT MORE THAN \$2,045,000 FOR RIGHT-OF-WAY ACQUISITION BE SUBJECT TO THE CONDITION THAT IF ANY SUBSTANTIAL DIRECT BENEFIT SHOULD ACCRUE TO UPLAND AREAS FROM THE PROJECTS CONSTRUCTED ON THE ACQUIRED RIGHT-OF-WAY, AN APPROPRIATE APPORTIONMENT OF COSTS BETWEEN TIDELAND AND GENERAL MUNICIPAL FUNDS WILL BE EFFECTED.

Attachment
Calendar Item 8 (3 pages)

REVISED

CALENDAR ITEM

8.

APPLICATION OF CITY OF LONG BEACH FOR EXPENDITURE OF TIDELAND OIL REVENUES FOR PORTIONS OF CITY OF LONG BEACH SHORELINE DEVELOPMENT PROJECTS -- L.B.W.O. 10,169.

On August 24, 1962, the City of Long Beach, through the office of the City Attorney, requested State Lands Commission approval of the use of the City's portion of the tideland oil revenues to defray the cost, estimated at \$16,052,000, for portions of the City of Long Beach Shoreline Development projects which have not previously been presented to the Commission.

The referred letter also transmitted a City report entitled, "Proposed Shoreline Improvements between Los Angeles River and Alamitos Avenue". Exhibits "A" and "B" are vicinity and detail sketches based on the City report; Exhibit "C" supplies photographic detail of the site.

The referred City report and supplemental requests describe the following items of proposed construction:

- (1) The basic site, consisting of 10,000,000 cubic yards of fill which includes 3,148,000 cubic yards of fill previously approved in principle by the Commission as a site for the Maritime Museum, estimated at \$8,230,000 (\$5,000,000 previously approved in principle by the Commission);
- (2) Right-of-Way acquisition, of several private properties, estimated at \$2,045,000;
- (3) Roadway construction, providing a connection between Long Beach Freeway on the west and Alamitos Avenue on the east, together with other roadway connections and extensions of existing City streets to provide access to the developments, in the amount of \$1,498,000;
- (4) Utilities, including gas, water, sewer, storm drain, and electrical lines, in the amount of \$1,394,000;
- (5) Parking Lots, including four permanent lots with combined capacity of 3,060 cars and one temporary lot to accommodate world fair visitors with capacity of 2,200 cars, in the estimated amount of \$636,220;
- (6) Landscaping and sprinkler systems, in the amount of \$923,780;
- (7) Maritime Museum (which is the structure as distinguished from the site previously approved by the Commission), in the amount of \$4,800,000;

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- (8) Auditorium approach, which is a reinforced-concrete-structure joining Ocean Boulevard with the second-story balcony of the Auditorium. The portion to be constructed under this proposal, in the estimated amount of \$1,000,000, will extend from the Auditorium to the north side of Seaside Boulevard, with the remaining portion being completed as a separate development;
- (9) Rainbow Lagoon, a 7.4-acre body of still water southerly of the Long Beach Arena, in the amount of \$525,000.

In Opinion No. 61/42, dated June 14, 1961, the Attorney General considers the construction of public beach, picnic ground and landscaped viewing areas, parking lots and necessary access roads on tidelands to be legally proper. The opinion concludes as follows: ". . . the State Lands Commission has the legal power to approve the request of the City for the expenditure of approximately \$5,000,000 to construct and prepare a site for a Commerce and Maritime Museum. This site will be used exclusively for Tidelands Trust purposes. By far the larger portion of the land to be artificially created falls within the definition of 'public park' purposes and while no firm plans have yet been prepared, the proposed museum may qualify as incidental to 'commerce and navigation'. The State Lands Commission must satisfy itself that the proposed facility is reasonably necessary or convenient for the promotion of commerce and navigation. If the Commission approves of the proposed museum in principle, the City must secure advance Commission approval for site construction and, when appropriate, construction of the museum proper. The Commission has the duty also to determine that the engineering plans submitted by the City are reasonable and technically adequate and no approval for the proposed project should be forthcoming until precise plans and specifications with accompanying cost estimates have been submitted to the Commission for review. Naturally, the State Lands Commission has the power to influence the final form of the proposed Commerce and Maritime Museum facility as it will be asked to approve whatever further expenditure of money may be necessary for its final construction. There is no objection to authorizing the City to spend a designated amount of money to hire professional help to prepare the descriptions of the proposed structure."

The portion of the application of the City in the amount of \$695,000 for the purchase of private property on uplands as right-of-way for the westerly portion of a beach road has been considered by the office of the Attorney General, with the conclusion that the property acquisition properly may be regarded as a project reasonably necessary to carry out other permissible trust uses and purposes. Approval of the acquisition should be conditioned to provide that if any substantial benefit to private uplands should accrue from the construction of the new roadway, an apportionment of costs between tidelands and general municipal funds would be required.

In order that the City may recover right-of-way acquisition costs and preliminary costs of engineering, design plans and specifications which will be expended subsequent to the date of Commission approval, it is proposed that the Commission give prior approval in principle to the execution of the project, with specific approval for expenditure from tideland oil revenues to be limited to preconstruction and acquisition costs. After review

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of precise plans and specifications with accompanying cost estimates, as outlined in the opinion of the Attorney General, recommendations on approval of construction costs would be presented to the Commission.

IT IS RECOMMENDED THAT, PURSUANT TO THE AUTHORITY OF CHAPTER 29, STATUTES OF 1956, 1ST E.S., THE COMMISSION APPROVE IN PRINCIPLE THE APPLICATION OF THE CITY OF LONG BEACH TO CONSTRUCT THE PROJECTS DESCRIBED HEREINABOVE, AND SPECIFICALLY TO EXPEND SUBSEQUENT TO OCTOBER 25, 1962, NOT MORE THAN \$2,045,000 FOR RIGHT-OF-WAY ACQUISITION AND NOT MORE THAN \$300,000 FROM THE CITY'S SHARE OF THE TIDELAND OIL REVENUES FOR ENGINEERING-SITE INVESTIGATIONS, DESIGN, CONTRACT ADMINISTRATION AND ADVERTISING, AND SIMILAR PRECONSTRUCTION WORK NECESSARY FOR THE FIRST PHASE OF ITS SHORELINE DEVELOPMENT PROJECT; SUBJECT TO THE CONDITION THAT THE WORK CONFORM IN ESSENTIAL DETAILS TO THE PROPOSED PLANS AND BACKGROUND MATERIAL HERETOFORE SUBMITTED TO THE COMMISSION; AND THAT ALL COSTS HEREIN CONSIDERED ARE FOR EXPENDITURES ON TIDELANDS OR FOR TRUST PURPOSES AS DEFINED BY THE ATTORNEY GENERAL.

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