

MINUTE ITEM

28. PENDING STUDIES OF TIDE AND SUBMERGED LAND GRANTS PURSUANT TO HOUSE RESOLUTION 512 - W.O. 4914.

The points raised and suggestions made in Calendar Item 26 attached were reviewed at some length, with the Commissioners expressing favor of having legislation passed that would require grantees in trust of the State's tide and submerged lands to obtain prior approval of the State Lands Commission before expending monies realized therefrom, with specific reference to income from oil and gas and other minerals developed on said tide and submerged lands.

It was suggested that a meeting of the Commission should be scheduled at which time the staff is to present for consideration a possible agenda on the many problems that exist in connection with tide and submerged land grants.

Attachment

Supplemental Calendar Item 26 (2 pages)

SUPPLEMENTAL CALENDAR ITEM

INFORMATIVE

26.

PENDING STUDIES OF TIDE AND SUBMERGED LAND GRANTS PURSUANT TO HOUSE RESOLUTION 512 - W.O. 4914.

House Resolution 512 (Petris and Kennick, 1963 Session) has been referred to an interim committee on natural resources to study the conditions, provisions, and restrictions in grants of tide and submerged lands, the utilization and development of these lands, the compliance with the provisions of grants, and the establishment of appropriate conditions, trust provisions, and reservations for grants of tide and submerged lands.

On August 29, 1963 (Minute Item 31, page 9219), the Chairman of the State Lands Commission noted the existence of H.R. 512, and directed the staff to prepare a recommended position, including the interests of the State Lands Commission and the Department of Finance. Pursuant to this directive, the staffs of the State Lands Division and of the State Office of Planning have jointly undertaken the accomplishment of this assignment.

The staff of the Lands Division is inventorying the terms under which grants have been made, the degree to which local governments or other recipients have complied with these terms, and other related legal and administrative aspects of the program, all in a historical context. The staff of the Planning Office is focusing on the uses that have been made of granted lands, and on those which are permitted or projected by present local planning and zoning regulations. In addition, the staff is delving into the extent to which planning for these granted lands has been coordinated among the various jurisdictions fronting on the coast and several bays where these lands are situated.

The essence of these combined efforts is to provide a coordinated basis for the State policy respecting the conveyance and use of its tide and submerged lands, and to relate that policy to larger economic and social development objectives.

Preliminary results of the study indicate that a lack of continuity and a marked disparity in administrative authority relating to tide and submerged land grants has developed throughout the years. As one specific example, revenues obtained by virtue of the petroleum resources inherent to the tide and submerged lands granted in trust to the Cities of Los Angeles, Long Beach, Newport Beach and Redondo Beach are distributed differently. Originally, the grant in trust of certain tide and submerged lands to these cities allowed 100 percent of any revenue derived from an exploitation of mineral resources within the granted area to be retained by the grantee. Presently, the City of Long Beach, pursuant to Chapter 29, Statutes of 1956, 1st E.S., shares 50 percent of its oil revenue with and pays 100 percent of its gas revenue to the State. On the other hand, the Cities of Los Angeles, Newport Beach, and Redondo Beach have realized during the fiscal years 1959-1963 alone a total of 2,172,376 dollars in oil and gas revenues, of which no portion has been shared with the State.

SUPPLEMENTAL CALENDAR ITEM 26. (CONTD.)

It is suggested, in view of the recent efforts to develop a more consistent policy with respect to conveyance and use of tide and submerged lands, that the Commission consider recommendations to the Legislature designed to insure a more equitable division of revenues derived from the mineral resources of tide and submerged lands granted in trust which could be incorporated in the future recommendations of the interim committee assigned to study House Resolution 512.