

MINUTE ITEM

1. APPLICATION FOR APPROVAL OF "MEMORANDUM OF AGREEMENT" BETWEEN THE CITY OF MARTINEZ ('CITY'), AND THE STATE OF CALIFORNIA ('STATE'), ACTING BY AND THROUGH: (1) THE ADMINISTRATOR OF THE STATE RESOURCES AGENCY; (2) THE DIVISION OF SMALL CRAFT HARBORS, DEPARTMENT OF PARKS AND RECREATION; (3) THE SMALL CRAFT HARBORS COMMISSION, AND (4) THE STATE LANDS COMMISSION; AND, THE TERMINATION OF LEASE P.R.C. 2545.9; AND, THE APPROVAL OF A 49-YEAR LEASE REPLACING LEASE P.R.C. 2545.9 - W.O. 4986. *PRC 3194.9*

The Executive Officer reported that on Calendar Item 4 attached, the primary difficulties with respect to the proposed term of the lease and the term of the agreement, as originally submitted, which provided for perpetual renewal, had been eliminated in conferences subsequent to the last Commission meeting. He called attention to the fact that the proposed resolution was recommended on the particular bases that it was clearly stated that the State Lands Commission had not been a party in the negotiations resulting in the Memorandum Agreement, and had not been directly involved in the development of the harbor theretofore, whereas the other State agencies and the City of Martinez felt it was essential that the Lands Commission, as the agent for the land owner, be represented; and that the Commission desired to cooperate for the benefit of these other parties.

Assistant Attorney General Willard A. Shank appeared on behalf of the State Resources Agency, answered questions raised by the Commission about the time factor involved, and assured the Commission that the agreement would end in ninety-eight years, at which time a new agreement would have to be negotiated.

UPON MOTION DULY MADE AND UNANIMOUSLY CARRIED, THE FOLLOWING RESOLUTION WAS ADOPTED:

WHEREAS, THE REPRESENTATIVES OF THE CITY OF MARTINEZ AND THE STATE SMALL CRAFT HARBORS COMMISSION, STATE DIVISION OF SMALL CRAFT HARBORS, AND DEPARTMENT OF PARKS AND RECREATION HAVE PROPOSED THE MEMORANDUM OF AGREEMENT (EXHIBIT 1) ON FILE IN THE OFFICE OF THE STATE LANDS COMMISSION, AND HEREBY MADE A PART HEREOF BY REFERENCE, IN ORDER TO PROVIDE FOR DEVELOPMENT OF THE HARBOR AT MARTINEZ; AND

WHEREAS, THE STATE LANDS COMMISSION HAS NOT BEEN A PARTY TO THE NEGOTIATIONS RESULTING IN THE MEMORANDUM OF AGREEMENT, NOR HAS THE STATE LANDS COMMISSION HERETOFORE BEEN DIRECTLY INVOLVED IN THE DEVELOPMENT OF A HARBOR AT MARTINEZ; AND

WHEREAS, THE PARTICIPATION OF THE STATE LANDS COMMISSION IN THE AGREEMENT HAS BEEN FOUND BY THE OTHER PARTIES TO THE AGREEMENT TO BE NECESSARY BECAUSE STATE-OWNED LANDS MUST BE PLACED IN THE PROJECT AREA TO OBTAIN OPTIMUM DEVELOPMENT OF THE HARBOR; AND

WHEREAS, THE STATE LANDS COMMISSION DESIRES TO COOPERATE FOR THE BENEFIT OF THE OTHER PARTIES TO THIS AGREEMENT IN THEIR EFFORT TO PROVIDE FOR FUTURE DEVELOPMENT OF THE HARBOR,

NOW THEREFORE, BE IT RESOLVED THAT THE STATE LANDS COMMISSION HEREBY:

1. APPROVES THE MEMORANDUM OF AGREEMENT WHICH IS ON FILE IN THE OFFICE OF THE STATE LANDS COMMISSION.
2. AUTHORIZES THE EXECUTIVE OFFICER OF THE STATE LANDS COMMISSION TO EXECUTE SAID MEMORANDUM OF AGREEMENT AND TO EXECUTE THE LEASE WHICH IS EXHIBIT "F" TO THE MEMORANDUM OF AGREEMENT ON BEHALF OF THE STATE LANDS COMMISSION.
3. APPROVES THE TERMINATION, BY MUTUAL CONSENT, OF LEASE P.R.C. 2545.9.
4. AUTHORIZES THE EXECUTIVE OFFICER TO EXECUTE THE TERMINATION OF LEASE P.R.C. 2545.9.

Attachment

Calendar Item 4 (4 pages)

CALENDAR ITEM

4.

APPLICATION FOR APPROVAL OF "MEMORANDUM OF AGREEMENT" BETWEEN THE CITY OF MARTINEZ ('CITY'), AND THE STATE OF CALIFORNIA ('STATE'), ACTING BY AND THROUGH: (1) THE ADMINISTRATOR OF THE STATE RESOURCES AGENCY; (2) THE DIVISION OF SMALL CRAFT HARBORS, DEPARTMENT OF PARKS AND RECREATION; (3) THE SMALL CRAFT HARBORS COMMISSION, AND (4) THE STATE LANDS COMMISSION; AND, THE TERMINATION OF LEASE P.R.C. 2545.9; AND, THE APPROVAL OF A 49-YEAR LEASE REPLACING LEASE P.R.C. 2545.9 - W.O. 4986.

The City of Martinez has requested that the State Lands Commission approve a "Memorandum of Agreement" (Exhibit 1), and a lease between the "City" and the "State", a copy of which is attached to the "Memorandum of Agreement" as Exhibit "F" thereto.

On January 6, 1960, the State and the City entered into an agreement whereby Martinez, California, was designated as an acceptable location for a small craft harbor. The agreement provided - - but was not limited to:

1. Lands owned by the State, held by the City under a 49-year use permit, P.R.C. 2545.9, approved by the State Lands Commission at its meeting of March 24, 1960. These lands consist of 34.03 acres of tide and submerged lands more particularly described in Exhibit "A" of the "Memorandum...."
2. Lands owned by the City which consist of approximately 73 acres, more particularly described in Exhibit "C" of the "Memorandum...."
3. The construction on the State lands parcel of a "Marina", and appurtenant facilities in accordance with plans and specifications submitted by J. H. Pomeroy & Company, Inc., acting as engineers for the City.
4. A loan by the State to the City of \$1,300,000 for construction of the marina and appurtenant facilities.

During construction, various difficulties developed, the contractor stopped work on the project, and the marina was left and remains uncompleted.

For several months the State and the City have been meeting to develop a program to complete the harbor and marina, to re-define the rights of the City and the State and to dispose of the claim of the contractor.

It has been estimated that between \$1,200,000 and \$1,500,000 will be required to correct existing difficulties and to complete the small craft harbor according to the remedial report "Methods and Costs of Completing the Small Craft Harbor at Martinez, California", issued August 1963 by Earl & Wright, Consulting Engineers, San Francisco.

Since neither the State nor the City are in a position to furnish the necessary funds for completion of the Small Craft Harbor, a major objective in developing the "Agreement", and the lease contained therein, has been the

CALENDAR ITEM 4. (CONTD.)

creation of a program that would attract a private developer or developers for the purposes of completing the harbor, developing a recreation area, and securing income therefrom.

The parties, other than the State Lands Commission have arrived at an understanding set forth in the "Memorandum of Agreement"; the principal purposes of this Agreement are to provide for development of a harbor at Martinez that will be beneficial to the public and produce income for the State and the City.

To accomplish these purposes, the State and the City have proposed to place various parcels of land separately owned by them into a single project to be held by the City for development under the supervision of a joint committee of the City and State officials.

The "project area" specified in the agreement consists of:

- a. The State lands. See Exhibit "A" of Agreement.
- b. "Other State lands". Exhibit "B" of Agreement.
- c. The City lands. Exhibit "C" of Agreement.
- d. "Other City lands". Exhibit "D" of Agreement.

A map of the project area is attached hereto as Exhibit "E".

RESOLUTION OF THE STATE LANDS COMMISSION

RE: AGREEMENT BETWEEN THE STATE AND THE CITY OF MARTINEZ FOR
DEVELOPMENT OF A HARBOR AT MARTINEZ

WHEREAS, the representatives of the City of Martinez and the State Small Craft Harbors Commission, State Division of Small Craft Harbors, and Department of Parks and Recreation have proposed the Memorandum of Agreement attached hereto (Exhibit 1) in order to provide for development of the harbor at Martinez; and

WHEREAS, the State Lands Commission has not been a party to the negotiations resulting in the Memorandum of Agreement, nor has the State Lands Commission heretofore been directly involved in the development of a harbor at Martinez; and

WHEREAS, the participation of the State Lands Commission in the Agreement has been found by the other parties to the Agreement to be necessary because State-owned lands must be placed in the project area to obtain optimum development of the harbor; and

WHEREAS, the State Lands Commission desires to cooperate for the benefit of the other parties to this Agreement in their effort to provide for future development of the harbor,

NOW THEREFORE, Be It Resolved that the State Lands Commission hereby:

- (1) Approves the Memorandum of Agreement which is attached hereto.
- (2) Authorizes the Executive Officer of the State Lands Commission to execute said Memorandum of Agreement and to execute the Lease which is Exhibit "F" to the Memorandum of Agreement on behalf of the State Lands Commission.

(3) Approves the termination, by mutual consent, of Lease
P.R.C. 2545.9.

(4) Authorizes the Executive Officer to execute the termination
of Lease P.R.C. 2545.9.

I, F. J. Hortig, Executive Officer of the State Lands Commission,
do hereby certify that the foregoing is a full, true, and correct copy of a
resolution adopted by the State Lands Commission at a meeting held at
_____ California, on _____, 1964.

DATED: _____

F. J. HORTIG
Executive Officer
State Lands Commission