

MINUTE ITEM

2/29/68

48. PETITION FOR HEARING BY LUIGI MARRE LAND AND CATTLE COMPANY, A CORPORATION, ET AL., REGARDING STATUTORY COMPLIANCE WITH SUBSTANTIAL IMPROVEMENT REQUIREMENT, GRANTED LANDS, PORT SAN LUIS HARBOR DISTRICT, SAN LUIS OBISPO COUNTY - W.O. 2106D.

The Executive Officer reported that a telegram had been received from Gerald C. Weaver of Crossman and Weaver, Attorneys for the Luigi Marre Land and Cattle Company, et al., specifically requesting that the petitioners be allowed to withdraw their request for the hearing outlined on Calendar Item 47 attached, and that this item be removed from the Commission's agenda.

There being no objection thereto, Calendar Item 47 was withdrawn from the calendar.

Attachment

Calendar Item 47 (3 pages)

47.

PETITION FOR HEARING BY LUIGI MARRE LAND AND CATTLE COMPANY, A CORPORATION, ET AL., REGARDING STATUTORY COMPLIANCE WITH SUBSTANTIAL IMPROVEMENT REQUIREMENT, GRANTED LANDS, PORT SAN LUIS HARBOR DISTRICT, IN SAN LUIS OBISPO COUNTY - W.O. 2106D

Attorneys for Luigi Marre Land and Cattle Company, a corporation, the San Miguelito Park Company, a corporation, San Luis Bay Club, a corporation, and San Luis Obispo Bay Properties, Inc., a corporation, have filed a document entitled "Petition for Hearing" with the Commission. A copy of the petition is on file in the office of the State Lands Commission as Exhibit "A" and by reference made a part hereof. The petition seeks to have the Commission hold a hearing to determine whether the Port San Luis Harbor District has complied with the substantial improvement requirement of Section 1(b), Chapter 302, Statutes of 1957.

Said section, a part of the statutory grant of lands, in trust, by the State to the Port San Luis Harbor District, provides:

"That said lands shall be substantially improved by said district within 10 years of the effective date of this act, without expenses to the State, If the State Lands Commission determines that the district has failed during said 10 year period to improve said lands as herein required, all right, title and interest of said district in and to all lands granted by this act shall cease and said lands shall revert and vest in the State."

At the September 25, 1967, meeting of the Commission, the Commission found ". . . that the Port San Luis Harbor District has complied with the substantial improvement requirement contained in Section 1(b), Chapter 302, Statutes of 1957." A copy of the Calendar and Minute Item regarding said finding is on file in the office of the State Lands Commission as Exhibit "B" and by reference made a part hereof.

It is the petitioners' position that the Commission did not make such a finding but only approved the district's "Progress Review Report". Petitioners further contend that they were not allowed to present any evidence regarding the Commission's required finding.

A review of the events leading up to the Commission's consideration of the matter has shown the following:

In approximately June of 1967, a Division review was commended concerning whether the District had met the requirements set forth in the statutory grant. Meetings were held with Mr. Robert Marre, representing the above petitioners, concerning his assertions as to the status of the development by the District of the granted lands. Other meetings were held between the Division and representatives of the District. A report was requested and received from the District summarizing their administration of the trust lands over the past

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years. Several inspections of the trust lands were made by the Division to ascertain independently what improvements had been made, and an inspection was conducted of the District's books and records.

Based upon the Division study, the following was ascertained:

1. Whereas the only access to the main portion of the harbor when the statutory grant was made was across private property (at one point, tolls were charged the public for access), the District acquired the private roadway and has dedicated it to the public. The District also acquired 22 acres of property abutting the State grant, together with a bridge across San Luis Creek and a pier 1,750 feet long. This purchase came at the end of a long legal battle with the private owner. The purchase price of \$500,000 was borrowed by the District from the California Department of Harbors and Watercraft on a long term basis.
2. The District roadway has been graded and improved, together with the improvement of an old bridge across San Luis Creek, at a cost of \$20,000. (The bridge has now been replaced by a new county bridge).
3. A sea wall or revetment and a land fill of approximately five acres have been completed to provide space for public parking, public restrooms, and a small-boat launching facility. The cost was \$262,000.
4. A rehabilitation program was commenced on the pier with approximately 700 feet completed by August, 1967, at a cost of \$100,000.
5. A public beach of 3,600 linear feet was improved and opened to the public.
6. Throughout the period since the grant, the District has worked with the State and Federal government on a master plan for the development of the harbor. Plans have been modified from time to time. The most recent change in planning was caused by the United States Army Corps of Engineers finding that a deep-water harbor was not feasible. (Recently, a new tentative master plan for an all-weather harbor was agreed upon by the District's consultants, Koebig and Koebig, and the Army Corps of Engineers. Testing of the proposed development plan is being done with a large model of the proposed harbor at the Water Experiment Station in Vicksburg, Mississippi).
7. The area of the State grant was surveyed by the Division and the costs of the survey were paid for by the District.

From the foregoing, it is apparent that substantial improvements have been made by the District.

Following the September action of the State Lands Commission, the Executive Officer notified the Legislature and the District that the District had substantially improved the granted lands in accordance with the statutory directive.

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During the interim, since September, the Division has been informed of the District's purchase of a fireboat and that the District has been allocated \$46,700 by the State Wildlife Conservation Board for the Port San Luis Fishing Access, which will include paved parking areas, sanitary facilities, and two sports fishing docks.

The foregoing review of the record indicates that the Commission has made the finding required by Section 1(a), Chapter 302, Statutes of 1957, and that nothing further remains to be done. Therefore, it would appear that the Petition for Hearing should be denied.

IT IS RECOMMENDED THAT THE COMMISSION: (1) DENY PETITIONERS' PETITION FOR HEARING, AND (2) REAFFIRM AND FIND THAT THE PORT SAN LUIS HARBOR DISTRICT HAS COMPLIED WITH THE SUBSTANTIAL IMPROVEMENT REQUIREMENT CONTAINED IN SECTION 1(b), CHAPTER 302, STATUTES OF 1957.