

MINUTE ITEM

This Calendar Item No. 39
was approved as Minute Item
No. 39 by the State Lands
Commission by a vote of 2
to 0 at its 8/25/83
meeting.

CALENDAR ITEM

39

8/25/83
W 22627
Stevenson
Valentine
SLL 107

REQUEST FOR AUTHORIZATION TO
RECORD EXCHANGE AGREEMENT,
TO CONSTRUCT IMPROVEMENTS ON EXCHANGE PARCEL, AND
TO USE PERFORMANCE BOND AS
SECURITY; PARCEL LOCATED IN CITY OF REDWOOD CITY,
SAN MATEO COUNTY

At its August 1981 and March 1982 meetings, the State Lands Commission approved an exchange of land with Redwood Shores, Inc., affecting certain property in the City of Redwood City, San Mateo County. The parcels which were authorized to be exchanged are depicted in their general location on Exhibit "A", which is attached to and incorporated as part of this calendar item.

The agreement in its approved form requires Redwood Shores to construct certain improvements (a parking lot, gravel road, plant beds, garbage cans) for the public use on the parcel settled in the State. At its March 1982 meeting, the Commission authorized the acceptance of a letter of credit to secure the construction of these improvements. It now appears that Redwood Shores has had difficulty securing a letter of credit for this type of transaction and would prefer to use a performance bond as security. The staff believes a properly worded performance bond would provide adequate security to meet the needs of the State and asks that the Commission approve the use of a performance bond acceptable to the staff if it is necessary.

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CALENDAR ITEM NO. 39 (BOND)

Since March 1982, the staff of this Commission and the attorney for Redwood Shores, Inc. have negotiated at length regarding certain wording changes in the exchange agreement. Although these changes are not substantive, the settlement on the final terms has taken an appreciable period of time. The final form of settlement agreement has been sent out for execution and recordation should follow fairly quickly. The agreement as now worded provides that recordation occur by July 31, 1983. The staff requests that this date be extended to December 15, 1983.

The exchange agreement also provides that the improvements be completed by July 31, 1983, on the parcel the State is to receive. The agreement states that this period may be extended to July 31, 1985, if Redwood Shores has made all reasonable efforts to complete the improvements. As outlined above, Redwood Shores has been negotiating the terms of the agreement so that it may be recorded for work to begin. Redwood Shores asks that the period for completion of the improvements be extended to July 31, 1985, under the terms of the existing agreement.

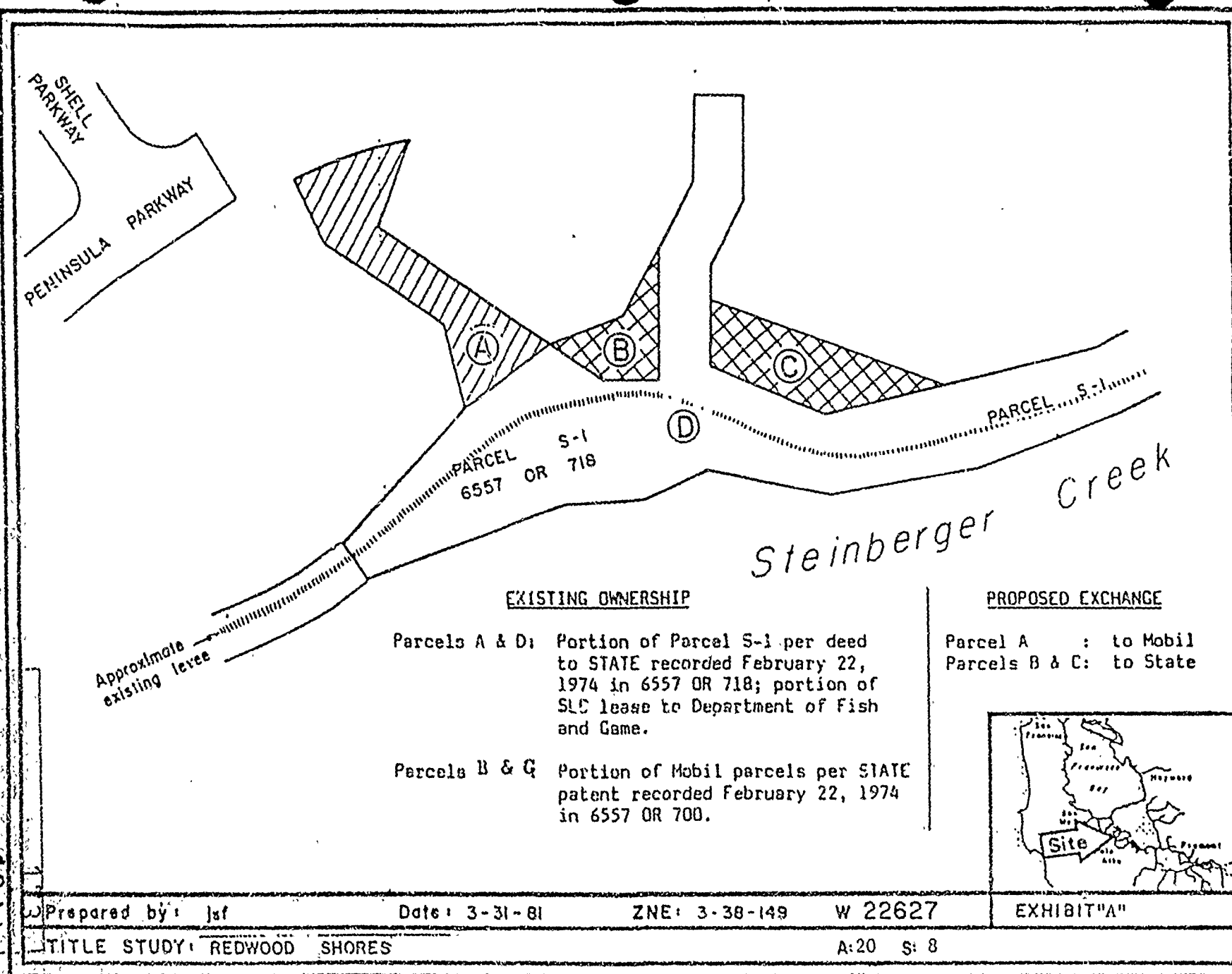
EXHIBITS: A. Map of Exchange Parcels.
 B. Site Map.

IT IS RECOMMENDED THAT:

1. THE STATE LANDS COMMISSION AUTHORIZE THE STAFF TO ACCEPT A PERFORMANCE BOND IN LIEU OF A LETTER OF CREDIT AS SECURITY FOR THE COMPLETION OF THE IMPROVEMENTS REQUIRED BY THE EXCHANGE AGREEMENT BETWEEN THE STATE LANDS COMMISSION AND REDWOOD SHORES, INC.;
2. THE STATE LANDS COMMISSION AUTHORIZE THE AMENDMENT OF THE EXCHANGE AGREEMENT TO EXTEND THE FINAL DATE OF RECORDATION FROM JULY 31, 1983 TO DECEMBER 15, 1983; AND
3. THE STATE LANDS COMMISSION EXTEND THE TIME FOR COMPLETION OF THE IMPROVEMENTS ON THE PARCEL TO BE SETTLED IN THE STATE UNTIL JULY 31, 1985.
4. THE COMMISSION FIND THAT THIS ACTION DOES NOT CONSTITUTE A "PROJECT" AS DEFINED BY SECTION 21065 OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT; THEREFORE, CEQA IS INAPPLICABLE.

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EXHIBIT "



EXISTING OWNERSHIP

Parcels A & D: Portion of Parcel S-1 per deed to STATE recorded February 22, 1974 in 6557 OR 718; portion of SLIC lease to Department of Fish and Game.

Parcels B & C: Portion of Mobil parcels per STATE patent recorded February 22, 1974 in 6557 OR 700.

PROPOSED EXCHANGE

Parcel A : to Mobil
Parcels B & C: to State



SHELL OIL COMPANY
 1974

Prepared by: jaf	Date: 3-31-81	ZNE: 3-38-149	W 22627	EXHIBIT "A"
TITLE STUDY: REDWOOD SHORES			A:20 S: 8	

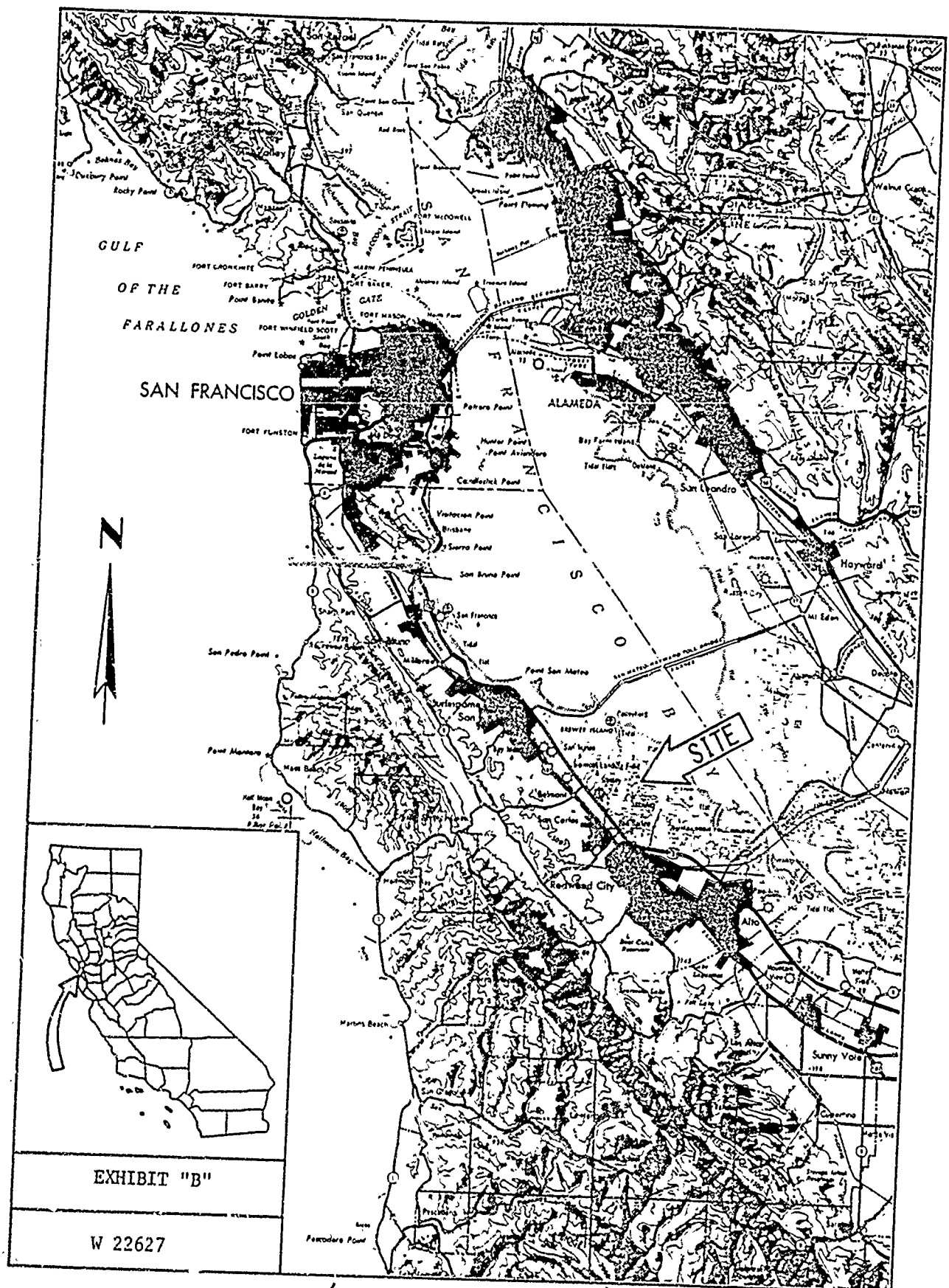


EXHIBIT "B"

W 22627

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