### MINUTE ITEM

Was approved as Minute Item No. 27 by the State Lands Commission by a vote of 3 to 0 at its 5/2/89 meeting.

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CALENDAR ITEM

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05/07/84 W 23199 SLL 123 Valentine

COMPROMISE TITLE SETTLEMENT CONCERNING TITLE TO LAND IN SAN MATEO COUNTY

A dispute exists between the State, the City of San Mateo and Home Federal Savings and Loan Association, concerning legal title to approximately eight acres in the City of San Mateo, San Mateo County. Home Federal is the record owner of the real property in question, which lies near Marina Lagoon. The parcel is depicted on the attached Exhibit "A" and described in Exhibit "B".

The property was originally conveyed to the predecessor in interest of Home Federal by a State patent which characterized the property as swamp and overflowed lands. However, evidence exists to indicate that in it its last natural condition, the property was subject to the tides of, and was traversed by sloughs of San Francisco Bay. Staff has therefore taken the position that the effect of che State patent was to convey the underlying fee to the predecessor of Home Federal, reserving to the State at least an easement over the property for public trust purposes. The parcel has been reclaimed and has been removed from the public channels. Approximately 20 years ago the parcel was reconnected to Marina Lagoon by an artificial dredger c.c and a new channel was dredged across the subject parcel. Except for .20 acre the presert-day dredged channel is not coe.tensive with the historic waterway. The dredged channel is separated from Marina Lagoon by a tide gate and the Lagoon is separated from the Bay by a second tide gate.

By Chapter 1099, Statutes of 1976, the Legislature granted all tide and submerged lands within the city limits to the City of San Mateo. The City was granted authority to enter into boundary line agreements and exchanges subject to review and validation by the State Lands Commission.

Home Federal has proposed settlement of this title dispute as follows:

CALENDAR PAGE 158
MINUTE PAGE 876

# CALENDAR ITEM NO. 27 CONT'D

- Home Federal would deposit \$85,000 into the Land Bank Trust Fund, administered by the Commission as trustee, for use in acquisition of other lands more susceptible of use for public trust purposes;
- 2. The City would quitclaim to the State all right, title . I interest it may have in the subject parcel;
- The State would patent to Home Federal all its sovereign public trust ownership in the subject parcel.

Staff has concluded that the effect of connecting the artificial channel on the subject parcel to Marina Lagoon by dredger cut was to create a navigational easement which attaches to the property only for so long as tidewaters remain in the channel, Bchn v. Albertson, 107 Cal. App. 22.738 (1951). This easement does not empower the Commission to prevent Home federal from clrsing the artificial channel off from the tides nor does it expand the State's sovereign ownership. Bohn, supra, 749.

Staff has appraised the subject parcel and reviewed the strength and value of the State's claim. Based on this analysis, staff has concluded that the exchange is in the best interest of the State and that the value of the land and money being transferred to the State by Home Federal is equal to or greater than the value of the State interests being relinquished in the subject parcel.

Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a statutorily exempt project. The project is exempt because it involves settlements of title and boundary problems.

Authority: PRC 21080.11.

EXHIBITS:

A. Plat of Settlement Parcel.

8. Description of Settlement Parcel.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CALIFORNIA ENVIRONMENTAL QUALITY ACT (CEQA) PURSUANT TO

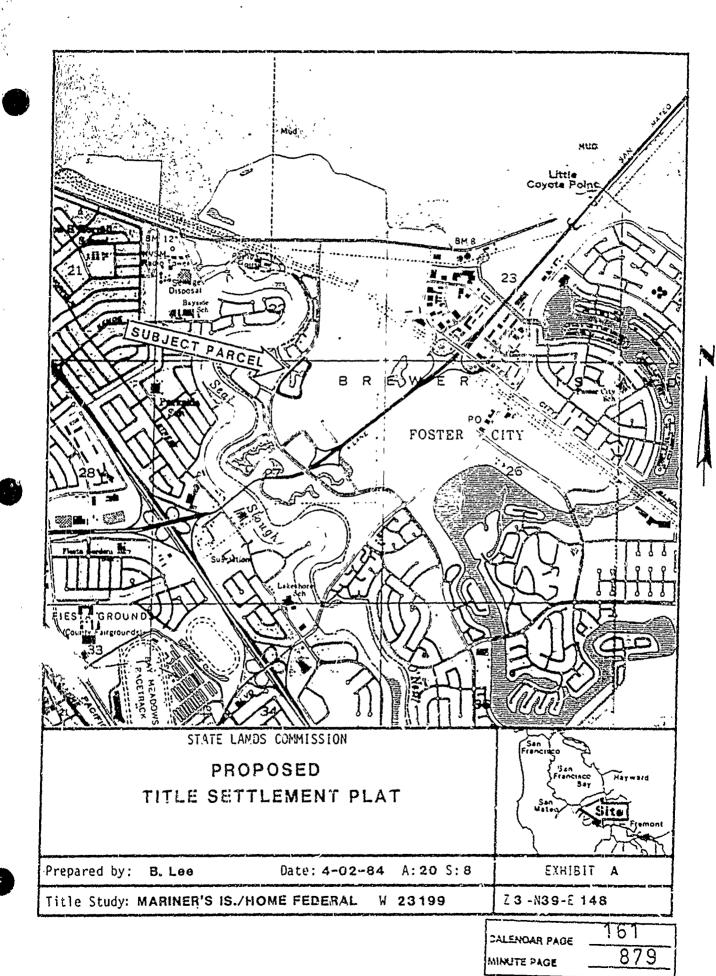
CALENDAR PAGE 159 877

## CALENDAR ITEM NO. 27 CONT'D

14 CAL. ADM. COPE 15061 AS A STATUTORY EXEMPT PROJECT PURSUANT TO PRC 21080.11, SETTLEMENT OF TITLE AND BOUNDARY PROBLEMS.

- 2. APPROVE THE COMPROMISE TITLE SETTLEMENT AGREEMENT, AS OUTLINED ABOVE, A COPY OF WHICH IS ON FILE IN THE OFFICES OF THE STATE LANDS COMMISSION.
- 3. AUTHORIZE THE STAFF TO TAKE ALL ACTIONS NECESSARY TO IMPLEMENT THE COMPROMISE TITLE SETTLEMENT AGREEMENT, INCLUDING INITIATING LITIGATION AND EXECUTING AND RECORDING SUCH DOCUMENTS AS MAY BE APPROPRIATE.
- 4. FIND THAT THE EXCHANGE IS IN THE BEST INTERESTS OF THE STATE, THAT THE TRUST TERMINATION PARCEL IS NO LONGER AVAILABLE OR USEFUL OR SUSCEPTIBLE OF USE FOR PUBLIC TRUST PURPOSES AND THAT THE VALUE OF THE MONEY AND LAND BEING TRANSFERRED TO THE STATE IS EQUAL TO OR GREATER THAN THE VALUE OF THE STATE INTEREST BEING TERMINATED IN THE EXCHANGE PARCEL. P.R.C. 6307.

CALENDAR PAGE 160
MINUTE PAGE 878



#### EXHIBIT "B"

#### DESCRIPTION OF SUBJECT PARCEL

A parcel of land situated in the State of California, County of San Mateo, City of San Mateo, more particularly described as follows:

Parcel "C" as shown on that certain map entitled "MARINERS ISLAND UNIT NO. 4, BEING A SUBDIVISION OF LOTS 2 & 3 BLOCK 4 AND LOT 1 BLOCK 5, MARINERS ISLAND UNIT NO 2 RECORDED IN VOLUME 64 OF MAPS AT PAGES 31 TO 35 INCLUSIVE, LOTS 1, 2, 3, & 4, BLOCK 1, MAPTHERS ISLAND UNIT NO. 3, RECORDED IN VOLUME 67 OF MAPS AT PAGES 19 TO 27 INCLUSIVE, AND ADJOINING ACREAGE BEING A PORTION OF LANDS DESCRIBED IN GRANT DEED RECORDED ON MARCH 30, 1977 IN BOOK 7424 AT PAGE 182, SAN MATEO COUNTY RECORDS, CITY OF SAN MATEO, SAN MATEO COUNTY, CALIF.", filed in the office of the County Recorder of San Mateo County, State of California on April 4, 1979 in Book 99 of Maps at pages 35 to 38 inclusive.

#### END OF DESCRIPTION

Reviewed April 2, 1984 by the Boundary and Title Unit, Leroy Weed, Supervisor.

CALENDAR PAGE 162
MINUTE PAGE 880