MINUTE ITEM

Mas approved as Minute Item Mo. <u>74</u> by the State Lands Commission by a vote of <u>2</u> to <u>0</u> at its <u>\$/29/85</u>

CALENDAR ITEM

A 68

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08/29/85 W 22231 W 503.716 AD 33 Scott Hadly Williams

BOUNDARY SETTLEMENT AND LAND EXCHANGE AGREEMENT AD 33 BETWEEN ARNOLD TRAVIS, ET AL AND THE STATE LANDS COMMISSION, COVERING A PORTION OF THE COLORADO RIVER, NORTH OF THE CITY OF BLYTHE, RIVERSIDE COUNTY

APPLICANT:

Arnold Travis, et al 727 Holmby Avenue Los Angeles, California 90024

BACKGROUND:

This title settlement agreement covers an abandoned loop of the Colorado River, which was cut off from the natural river flow in 1919-20, as part of man's attempt to control flooding along this area of the Colorado River. This area has, over the years, been filled and leveled and is now used for farming activities by the Applicant.

In 1977, the Federal Government, on behalf of the Colorado River Indian Tribes, riled suit in the case of the <u>United</u> <u>States of America</u> v. <u>Gerald Aranson, et al</u>, to determine the location of the last natural channel of the river. Both the Applicant and the Commission were parties to that suit. This case has established the location of the median line of the last natural channel for this abandoned loop of the river and established the State's sovereign ownership in the westerly half of this channel. The Applicant wishes to settle by boundary line and exchange agreement all of the ownership the westerly half of the adjudicated channel.

(ADDED 08/28/85)

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LALENDAR ITEM NO. 44 (CONT'D)

CURRENT SITUATION:

Applicant, together with staff of the Commission and the Attorney General's Office, have negotiated a settlement of this title matter which has resulted in a Boundary Settlement and Land Exchange Agreement AD <u>33</u>, copies of which are on file in the Sacramento office of the Commission. The principal terms of the agreement are generally as follows:

- The State will quitclaim to Travis all its right, title and interest existing by virtue of its sovereignty in the area of Travis' upland, including the filled and abandoned channel of the river, but specifically excluding the current water-covered channel of the Colorado River.
- 2. Travis will contribute \$429,000 to the Kapiloff Land Bank Fund. This contribution will be made in the following manner:
 - a) Six equal annual installments of \$71,500 plus accrued interest at the rate of ten percent per annum.
 - b) First payment due on the second anniversary of the recordation of the agreement.
 - c) The payments to be secured by a deed of trust, covering 160 acres of prime farm land. This parcel has a current value of approximately \$500,000.
- 3. Travis may provide a parcel of upland as part of the consideration for this title settlement in accordance with the following and in lieu of all or a portion of the money due the Land Bank Fund:
 - a) The parcel offered is acceptable to the SLC.
 - b) The State and Travis agree as to the fair market value of the parcel offered.
- 4. The State Lands Commission will make the required finding in the agreement which will remove from the subject lands any public trust rights.
- 5. The settlement agreement provide for an escrow to be opened, into which all necessary documents shall be placed, including, but not limited to, the settlement agreement, quitclaim deeds. promissory note and deeds of trust. Both parties shall pay their own escrow costs.

(ADDED 08/28/85)

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6. 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 CEQA as a statutory exempt project. The project is exempt because it involves settlements of title and boundary problems (Authority: P.R.C. 21080.11) and because it involves an action taken pursuant to the Kapiloff Land Bank Act, P.R.C. 8600, et seq. (Authority: P.R.C. 8631).

AB 884: N/A.

EXHIBITS: A. Site Map. B. Plat of Agreement.

IT IS RECOMMENDED THAT THE COMMISSION:

- 1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 AS A STATUTORY EXEMPT PROJECT PURSUANT TO P.R.C. 21080.11, SETTLEMENT OF TITLE AND BOUNDARY PROBLEMS AND P.R.C. 8631, AN ACTION TAKEN PURSUANT TO THE KAPILOFF LAND BANK ACT, P.R.C. 8600, ET SEQ.
- 2. AUTHORIZE THE EXECUTION AND RECORDATION ON BEHALF OF THE COMMISSION OF A TITLE SETTLEMENT AND LAND EXCHANGE AGREEMENT AD <u>33</u> BETWEEN ARNOLD TRAVIS, ET AL AND THE STATE IN SUBSTANTIALLY THE FORM OF THAT AGREEMENT ON FILE IN THE OFFICE OF THE COMMISSION.
- 3. FIND AND DECLARE UPON THE RECORDATION OF THE ABOVE-REFERENCED AGREEMENT AND THE CLOSING OF ESCROW THAT:
 - A) THE PARCEL TO BE CONVEYED TO PRIVATE PARTY HAS BEEN IMPROVED, FILLED, AND RECLAIMED, AND HAS THEREBY BEEN EXCLUDED FROM THE PUBLIC CHANNELS AND IS NO LONGER AVAILABLE OR USEFUL OR SUSCEPTIBLE TO BEING USED FOR NAVIGATION AND FISHING, AND IS NO LONGER, IN FACT, TIDELANDS OR SUBMERGED LANDS. SUCH LAND SHALL BE FREE FROM THE PUBLIC TRUST FOR COMMERCE NAVIGATION AND FISHING.
 - B) THE LANDS, INTERESTS IN LANDS OR FUNDS PAID PURSUANT TO THE KAPILOFF LAND BANK ACT, PRC 8600 ET SEQ., ACQUIRED BY THE STATE PURSUANT TO THIS SETTLEMENT AGREEMENT, ARE GREATER THAN OR EQUAL IN VALUE TO THE LANDS OR INTEREST IN LANDS BEING CONVEYED TO PRIVATE PARTIES.

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- C) THE LANDS, OR INTEREST IN LANDS, BEING CONVEYED TO THE STATE BY PRIVATE PARTIES, PURSUANT TO THIS AGREEMENT, SHALL BE SOVEREIGN LANDS OF THE STATE AND, AS SUCH, ARE SUBJECT TO THE PUBLIC TRUST FOR COMMERCE, NAVIGATION, AND FISHING.
- D) THAT THE SETTLEMENT OF THIS DISPUTE IS IN THE BEST INTEREST OF THE PUBLIC.
- 4. AUTHORIZE THE STAFF OF THE STATE LANDS COMMISSION AND THE OFFICE OF THE ATTORNEY GENERAL TO TAKE ALL FURTHER STEPS NECESSARY TO IMPLEMENT THE TERMS AND PROVISIONS OF THE TITLE SETTLEMENT AND LAND EXCHANGE AGREEMENT AS ON FILE WITH THE COMMISSION, INCLUDING, BUT NOT LIMITED TO, EXECUTION AND ACCEPTANCE OF ALL DOCUMENTS, MAPS, TITLE AND ESCROW INSTRUCTIONS, AND APPEARANCES IN ANY LEGAL PROCEEDINGS BROUGHT CONCERNING THE ABOVE AGREEMENT.

(ADDED 08/28/85)

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