MINUTE ITEM This Calendar Item No. $\underline{C28}$ was approved as Minite Item No. $\underline{28}$ by the California State Lands Commission by a vote of <u>3</u> to <u>0</u> at its 12/7/95 meeting.

CALENDAR ITEM

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12/07/95 W 22580 Scott Ludlow

CONSIDER THE APPROVAL OF A LAND EXCHANGE BETWEEN THE CITY OF LOS ANGELES AND ULTRAMAR, INC., COVERING CERTAIN PROPERTIES LOCATED IN THE PORT OF LOS ANGELES

APPLICANT:

City of Los Angeles Harbor Division P. O. Box 151 San Pedro, California 90733-0151 Attn: Jonathon P. Nave Assistant City Attorney

BACKGROUND:

As part of a 1983 title settlement agreement with Union Pacific Land Resources Corporation, the City of Los Angeles received various parcels of property located in the Wilmington District of the City. These parcels were received as sovereign lands subject to the Public Trust for commerce, navigation and fisheries and fall within and became subject to the legislative grant to the City as contained in Chapter 651, Statutes of 1929, as amended. The properties are administered by the Port of Los Angeles (POLA) on behalf of the City.

CURRENT SITUATION:

The POLA has been approached by Ultramar, Inc., a refinery owner, with a request to exchange a parcel of property that was part of the 1983 title settlement. This parcel adjoins the property of Ultramar and is needed by it for the construction of additional refinery improvements required to meet 1996 air quality standards. Ultramar has offered certain real property rights to the POLA in exchange for the subject parcel. The property interests offered by Ultramar to the POLA will be used for improvements

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necessary for the future development of portions of the Port of Los Angeles and include facilitating future rail and motor transportation plans of the POLA. Such improvements will facilitate the promotion and accommodation of the Public Trust, specifically commerce and navigation, in the port.

The POLA and Ultramar have entered into an agreement for the exchange of these property rights and have asked approval by the Commission pursuant to the requirements of Chapter 926, Statutes of 1979, as amended. Based upon an extensive appraisal of the various property interests and after adjustments for costs incurred for by both parties for remediation work on the properties, it is the opinion of the Staff that the value of the property interest acquired by the POLA is equal to or greater than the value of the property being conveyed to Ultramar.

The property conveyed by the POLA to Ultramar has been filled and is no longer available or useful or susceptible of being used for navigation, fisheries and for other trust uses and purposes. The parcel is not tidelands or submerged lands and it has been improved with industrial structures.

STATUTORY AND OTHER REFERENCES:

- A. Chapter 926, Statutes of 1979
- B. Chapter 651, Statutes of 1929

AB 884:

N/A

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Code Regs. 15061), the staff has determined that this activity is exempt from the requirements of the CEQA because the activity is not a "project" as defined by CEQA and the State CEQA Guidelines.

Authority: Public Resources Code Section 21065 and 14 Cal. Code Regs. 15378.

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EXHIBITS:

- A. Location Map
- B. Map of Exchange Parcels

IT IS RECOMMENDED THAT THE COMMISSION:

- 1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. CODE REGS. 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND 14 CAL. CODE REGS. 15378.
- 2. FIND THAT THE LANDS OR INTERESTS IN LANDS TO BE ACQUIRED BY THE CITY ARE OF EQUAL OR GREATER VALUE THAN THE LANDS FOR WHICH THEY ARE TO BE EXCHANGED.
- 3. APPROVE THE EXCHANGE OF PROPERTY AND PROPERTY INTERESTS BETWEEN THE CITY OF LOS ANGELES, ACTING BY AND THROUGH ITS BOARD OF HARBOR COMMISSIONERS, AND ULTRAMAR, INC., A NEVADA CORPORATION, AND FIND THAT SUCH EXCHANGE IS FOR CARRYING OUT THE PURPOSES SET FORTH IN SECTIONS 1 AND 3 OF CHAPTER 651, STATUTES OF 1929, AS AMENDED.
- 4. UPON RECORDATION OF THE EXCHANGE AGREEMENT BETWEEN THE CITY OF LOS ANGELES AND ULTRAMAR, INC., THE COMMISSION FINDS AND DECLARES THAT THE LANDS DEEDED TO ULTRAMAR HAVE BEEN IMPROVED, FILLED, AND RECLAIMED, AND HAVE THEREBY BEEN EXCLUDED FROM THE PUBLIC CHANNELS AND ARE NO LONGER AVAILABLE, USEFUL, OR SUSCEPTIBLE OF BEING USED FOR NAVIGATION, FISHING, AND FOR OTHER TRUST USES AND PURPOSES, AND ARE NO LONGER IN FACT TIDELANDS OR SUBMERGED LANDS, AND THAT SUCH LANDS SHALL THEREUPON BE FREE FROM THE PUBLIC TRUST UPON WHICH THEY ARE HELD.

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