

**CALENDAR ITEM  
C38**

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B. Dugal

**AS TRUSTEE OF THE KAPILOFF LAND BANK FUND, APPROVE THE TRANSFER  
OF UP TO \$400,000 OF FUNDS IN THE KAPILOFF LAND BANK FUND TO THE  
GREATER VALLEJO RECREATION DISTRICT**

**PARTIES:**

California State Lands Commission, as the Kapiloff Land Bank Trustee and the Greater Vallejo Recreation District

**BACKGROUND:**

Beginning in 1951, Unocal has operated a marine terminal on sovereign lands in San Pablo Bay in conjunction with its upland refinery at Rodeo in Contra Costa County. The first lease from the Commission to Unocal for the marine terminal expired in 1986. On March 2, 1992, the Commission approved the issuance of an interim lease to Unocal for the continued use and maintenance of the marine terminal until an Environmental Impact Report (EIR) could be completed. A condition of the Commission's approval of the interim lease, included entering into a negotiated settlement with Unocal to settle a dispute as to the amount of back rent owed for the period of April 2, 1986 to September 1, 1991. Pursuant to that agreement, Unocal agreed to pay \$200,000 annually allocated as follows, \$100,000 as annual rent, which was offset by any amount already paid by Unocal as rent and \$100,000 per year which was to be placed in a special trust account. The funds placed in the special trust account could only be used for the promotion and enhancement of public trust purposes and resources in the local shoreline area and that such public trust purposes could include, but not be limited to, additions to the Bay Trail or the East Bay Shoreline Park system.

Unocal fulfilled its obligations under the settlement and \$500,000 was placed in the special trust account (Kapiloff Land Bank Fund (Fund)). The interim lease was subsequently assigned to Tosco Corporation effective April 1, 1997. The Commission ultimately certified the Final EIR and subsequently approved the issuance of new 30-year Industrial Lease to Tosco beginning September 1, 2001.

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**THE GREATER VALLEJO RECREATION DISTRICT  
AND GLEN COVE WATERFRONT PARK:**

The Greater Vallejo Recreation District (District) is a “Special Service District” that has served the residents of Vallejo since 1944. As a Special Service District, the District operates separately, but in partnership with the city of Vallejo. The District operates 25 public parks, four community centers and manages over 1,000 acres of public land.

The District proposes to make public access improvements to the existing Glen Cove Waterfront Park (Park). The Park is a 15-acre site located in southern Vallejo and is on the north side of the Carquinez Strait and is on the southern edge of the Glen Cove residential development. The Park is dedicated to the public and is open to public use for waterfront access, fishing, regional and local trails and picnics. The Park is also a crucial link in three regional trail systems that will connect public open space and park lands on both sides of Carquinez Strait, and around the San Francisco Bay and Sacramento/San Joaquin Delta. The proposed recreational elements proposed by the District are geared toward establishing the San Francisco Bay Trail, the Bay Area Ridge Trail and the California Delta Trail connections along with amenities to enhance access to the waterfront and provide a staging area for trail users. The new and improved trail system at the Park will also connect to the adjacent Benicia State Recreation Area.

If approved by the Commission, the Funds transferred to the District could only be used for the implementation, purchase, and construction of water orientated public access improvements associated with the Park. With the Funds, the District proposes the following elements:

- **Shoreline Protection** - Installation of rip rap along the eroding shoreline,
- **Public Use Facilities** - Fixtures such as picnic tables, drinking fountain and steel benches overlooking the water,
- **Trails** - American with Disabilities Act (ADA) compliant trail to the water, improvements to the existing waterfront trail including new bike and hiking paths to the shoreline, repairs to the beach stairs and installation of new railings,
- **Vegetation Management/Habitat Restoration** – Native landscape will be established in order to maximize surface water retention and filtration, and
- **Landscaping and Erosion Control** – Storm water pollution prevention measures will be installed to improve water quality which currently drains into the Bay.

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**OTHER PERTINENT INFORMATION:**

1. The city of Vallejo is the owner of the upland property. The District has a right to use the upland property for the Glen Cove Waterfront Park via a lease from the city of Vallejo.
2. As Glen Cove Waterfront Park is within the same local shoreline area as the Unocal marine terminal and as the District proposes to construct improvements that will promote and enhance public trust purposes and the trail improvements will connect to the Bay Trail, the Bay Ridge Trail, and ultimately the California Delta Trail, staff proposes that the Commission, as trustee of the Kapiloff Land Bank Fund, authorize the expenditure of a portion of the funds received from Unocal Corporation for the Glen Cove Waterfront Park Improvement Project.
3. The District has estimated that the overall cost to complete all of the improvements to the Park is \$1,024,928. Staff recommends that not more than \$400,000 be transferred from the Fund to the District. The District has also applied for other grants to obtain additional funding and will use Park Development funds to fill any shortfalls that may occur.
4. The District prepared and adopted on September 27, 2007, an Environmental Impact Report and adopted mitigation measures for the proposed improvements to the Glen Cove Waterfront Park.
5. Letters supporting the transfer of funds for the Glen Cove Waterfront Park have been received from Senator Patricia Wiggins, 2<sup>nd</sup> Senate District, Assemblymember Noreen Evans, 7<sup>th</sup> District, Assemblymember Lois Wolk, 8<sup>th</sup> District, and John F. Silva, Chairman Solano County Board of Supervisors.
6. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), the staff has determined that this activity is exempt from the requirements of the CEQA because it involves an action taken pursuant to the Kapiloff Land Bank Act, Public Resources Code, sections 8600, et seq.

Authority: Public Resources Code section 8631.

7. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

**APPROVALS OBTAINED:**

City of Vallejo

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**FURTHER APPROVALS REQUIRED:**

United States Department of the Interior, Fish and Wildlife Service, Army Corps of Engineers, California Department of Fish and Game, and the Regional Water Quality Control Board

**EXHIBIT:**

A. Site Map

**PERMIT STREAMLINING ACT DEADLINE:**

N/A.

**RECOMMENDED ACTION:**

IT IS RECOMMENDED THAT THE COMMISSION:

**CEQA FINDING:**

FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 AS A STATUTORILY EXEMPT PROJECT PURSUANT TO PUBLIC RESOURCES CODE SECTION 8631, AN ACTION TAKEN PURSUANT TO THE KAPILOFF LAND BANK ACT, PUBLIC RESOURCES CODE SECTIONS 8600, ET SEQ.

**SIGNIFICANT LANDS INVENTORY FINDING:**

FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET SEQ.

**AUTHORIZATION:**

AUTHORIZE THE EXECUTIVE OFFICER TO TRANSFER UP TO \$400,000 FROM THE KAPILOFF LAND BANK FUND TO THE GREATER VALLEJO RECREATION DISTRICT FOR THE IMPLEMENTATION, PURCHASE, AND CONSTRUCTION OF WATER ORIENTATED PUBLIC ACCESS IMPROVEMENTS ASSOCIATED WITH THE GLEN COVE WATERFRONT PARK IMPROVEMENT PROJECT AS DESCRIBED ABOVE.