

**CALENDAR ITEM
C59**

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S	3	D. Frink

CONSIDER A COMPROMISE TITLE SETTLEMENT AND LAND EXCHANGE AGREEMENT BETWEEN THE CALIFORNIA STATE LANDS COMMISSION AND BAYWOOD, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY, RESOLVING TITLE TO CERTAIN REAL PROPERTY LOCATED IN AND ADJACENT TO THE PETALUMA RIVER, CITY OF PETALUMA, SONOMA COUNTY

PARTIES:

The parties to the proposed “Compromise Title Settlement and Land Exchange Agreement Regarding Certain Real Property Location in and Adjacent to the Petaluma River, City of Petaluma, Sonoma County” (Agreement) are the State of California, acting by and through the California, and Baywood, LLC, a limited liability company licensed to do business in the State of California (each individually a “Party” and collectively the “Parties”).

INTRODUCTION:

Baywood owns the fee title to 19.57 acres of land located at the terminus of Casa Grande Road, south of Lakeville Highway and north of the Petaluma River in the city of Petaluma. The property is irregularly shaped and the Public Trust Parcel is adjacent to the current channel of the Petaluma River (see Exhibit A). Baywood, LLC proposes to develop a portion of the Trust Termination Parcels while quitclaiming the Public Trust Parcel, approximately 6 acres, to the State of California to be used for public open space and passive recreation. Additionally, Baywood, LLC proposes to grant an easement (Public Access Parcel) along the northern extent of the Trust Termination Parcels to the Public Trust Parcel.

The purpose of the proposed Agreement is to settle a title dispute concerning certain lands (Subject Property) located adjacent to the historic channel of the Petaluma River. This Agreement will eliminate any uncertainty about the Commission’s property interests in certain portions of the Subject Property and remove any obstacles for exercising the Public Trust easement on that parcel. In exchange for confirming the State’s ownership in Public Trust Parcels A and B, the Commission will terminate any sovereign claims it has to other, currently

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landward, portions of the Subject Property (Trust Termination Parcels), allowing Baywood to own the property free from a cloud on the title by the State.

Pursuant to the proposed Agreement, the Commission would quitclaim any sovereign interest in the Public Trust Parcel, and in exchange, Baywood, LLC would quitclaim any property interest in the Trust Termination Parcels A and B. Additionally, Baywood, LLC would grant an access easement across the northern Trust Termination Parcels (Public Access Parcel), to create a pedestrian path for the public to access the Public Trust Parcel and the Petaluma River.

BACKGROUND:

Title and Boundary History

Before statehood, the United States held lands beneath tidal or navigable waters in a territory in trust for a future state. Upon admission into the Union, these lands were passed to the state under the Equal Footing Doctrine of the Constitution of the United States to be held in trust for the people of the state. (*Shively v. Bowlby* (1894) 152 U.S. 1, 57-58; *Illinois Central Railroad v. Illinois* (1894) 146 U.S. 387, 437.) Consequently, when California became a state on September 9, 1850, it received in trust for the people of California all right, title, and interests in previously ungranted tidelands and submerged lands within its boundaries for Public Trust purposes, including but not limited to commerce, navigation, and fisheries.

Depending upon whether the water body is tidally influenced, the State either has fee ownership or a Public Trust easement over property adjacent to navigable waters up to the ordinary high water mark. (Civil Code sections 670, 830; *State v. Superior Court (Lyon)* (1981) 29 Cal.3d 210; *State v. Superior Court (Fogerty)* (1981) 29 Cal. 3d 240.)

An exception was made under the Equal Footing Doctrine for any land grant (Rancho Land) made by the Mexican government prior to the execution of the Treaty of Guadalupe Hidalgo in 1848, which was executed between Mexico and the United States to end the Mexican-American War. To implement these provisions of the treaty, the United States Congress passed an act in 1851 setting up a procedure for claiming what has become known as Rancho Land. Under this procedure, individuals who had received Rancho Land from the Mexican government could submit a claim to a federal board. If the board found the claim valid, it would issue a United States patent for the property. Because the federal government agreed to uphold these grants prior to statehood and California failed to assert Public Trust interests during the patent proceedings, Rancho Land is generally excluded from being subject to the Public Trust

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easement. See *Summa Corp. v. California ex rel. State Lands Commission (Summa)* (1984) 466 U.S. 198.

The proposed Agreement is not new to the Commission. The Commission unanimously approved a title settlement and land exchange agreement for the Subject Property with similar terms in 1995 ([Calendar Item C49, December 7, 1995](#)). Baywood Partners, Inc., the predecessor-in-interest, never executed the 1995 agreement due to a legal dispute regarding ownership of the uplands parcel. In 2002, the Parties worked toward resolving the title dispute again. However, litigation involving the owners of the upland parcel halted discussions. Now that the ownership dispute has been resolved between the corporate entities, the current owner, Baywood, LLC wishes to revive the compromise and title settlement agreement to facilitate future development on the Subject Property.

The Subject Property includes approximately 19.57 acres located at the terminus of Casa Grande Road, south of Lakeville Highway and north of the Petaluma River in the city of Petaluma, County of Sonoma. The Trust Termination Parcels, Public Trust Parcel, and the Public Access Parcel are shown for reference purposes on the attached Exhibit A.

Specifically, the key terms to the proposed Agreement provide that:

1. The Commission shall quitclaim any remaining sovereign interests in the Trust Termination Parcels (Exhibit B, attached) to Baywood.
2. Baywood shall quitclaim its interests in the Public Trust Parcel (Exhibit C, attached) to the Commission.
3. Baywood shall grant an 8-foot-wide public access easement (also referred to as the Public Access Parcel), to allow members of the public to access the Public Trust Parcel from Casa Grande Road as a means of accessing the Petaluma River (Exhibit D, attached).
4. Baywood shall fully indemnify the State for any liability arising from the Trust Termination Parcels, including any liability associated with hazardous waste or materials which may be present on the Trust Termination Parcels.
5. Mineral interests in the Subject Property are being exchanged as part of the Agreement.

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Over half of the Subject Property includes lands located within the 66,622-acre Rancho known as Rancho Petaluma, which was granted to Mariano Guadalupe Vallejo by Mexican Governor Jose Figueroa in 1834 as Rancho Land prior to the transfer of California from Mexico to the United States. This Rancho, known as Rancho Petaluma, was surveyed by the United States in 1857 and again in 1860. The United States issued a patent for Rancho Petaluma to Mariano Guadalupe Vallejo on November 19, 1874. There is no evidence in the record that California asserted any interest, Public Trust or otherwise, during the patent proceedings for Rancho Petaluma. Thus, the State is precluded from asserting any jurisdiction over the Rancho portion of the Subject Property pursuant to the United States Supreme Court decision in *Summa*.

The 1860 USGS topographic chart T-818 shows the historic channel of the Petaluma River was significantly different from its present course. The river had an irregular path with numerous loops (sometimes referred to as oxbow loops) all along its path. Historically, the southwestern portion of the Subject Property, identified as Public Trust Parcel in Exhibit A was almost entirely the original channel of the Petaluma River. This land was and is undeniably sovereign land of California. However, when the Petaluma River was dredged and straightened to enhance commercial activities and navigation, a straight channel was cut across the historic loop, and the property upland of the new channel, including state sovereign land, was filled, reclaimed and converted to other uses, all while in private ownership. Evidence supports the finding that the majority of the southwestern portion of the Subject Property overlies the historic channel of the Petaluma River and is sovereign land of the State.

Overlapping the proposed Public Trust Parcel and the proposed Trust Termination Parcels (see Exhibit A) of the Subject Property is an approximately 4.579-acre strip of land, running from the northeast to southwest, located waterward and adjacent to the Rancho Petaluma boundary. Historically, this parcel was regularly inundated by water from the Petaluma River to a degree, but it is not clear whether it was tidelands or swamp and overflow lands. A tideland survey known as Tideland Survey 20, dated 1869, depicts this strip of land, waterward of the Rancho boundary, as tidelands; however, the record shows that there were errors in this survey. The errors do not invalidate the survey, but do call into question its accuracy for establishing the boundary between State-owned sovereign lands and privately held uplands. Other historic documents also suggest that this portion of the Subject Property was tidelands. Moreover, Tideland Survey 20 was used to issue a patent for this portion of the Subject Property to Daniel White in July 1870. As such, the State likely retains a Public Trust easement over this portion of the property; however, there is no evidence

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that the State has ever sought to enforce the Public Trust easement at this location. Presently, this portion of the Subject Property is significantly removed from the waterfront and there is no evidence that it has been used for water dependent activities in recent history.

Additionally, a swamp and overflow patent was issued to John Crane, by the State, in 1862. Two small subunits of the Subject Property are identified as swamp and overflow lands as Lot 1 of the 1857 Swamp and Overflow Survey 13. The Deputy U.S. Surveyor also referred to this area as swamp and overflow land. These small units, sized approximately 0.251 acres and 0.349 acres are located along the northern side of the Public Trust Parcel, along the outer edge of the historic riverbed. While the State patented these portions as swamp and overflow, there is also evidence that these lands may have been tidelands, including:

1. The federal government did not list or patent these portions as swamp and overflow to the State.
2. These portions are demarcated as salt marsh on a U.S. Township Plat map.
3. These portions are listed as tidelands on a U.S. Master Title Plat.
4. The Bureau of Land Management denied a request to list these portions as Swamp and Overflow in 1974 because the area was designated as salt marsh.

Baywood LLC's position was, and is, that it has absolute title to all lands included as part of the proposed Agreement by virtue of them having been unqualifiedly included within the descriptions in State patents issued prior to the insertion of the prohibition of the sale or alienation of tide and submerged lands into the 1879 California Constitution and issued prior to the 1870 or 1872 Curative Acts of the State Legislature curing any defects which may have existed in the State patents. The proposed Agreement is based upon this position.

Historically, the northern portion of the Subject Property included a tallow factory where animal fat was rendered. Evidence of such industrial uses can still be found on the Subject Property today with remnant debris and some trace hazardous materials. Pursuant to the Settlement, Baywood wishes to develop the northern portion of the Subject Property into residential uses and quitclaim the southern portion to the State for Public Trust consistent uses.

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LEGAL REQUIREMENTS:

Pursuant to Public Resources Code section 6307, the Commission is authorized under certain limited circumstances to terminate the State's Public Trust interests and enter into a compromise title settlement and land exchange agreement. The Commission, in order to comply with article X, section 3 of the California Constitution and to approve the proposed Agreement, must make the following requisite findings pursuant to Public Resources Code section 6307:

1. The exchange is for one or more of the following purposes:
 - a. To aid in reclamation or flood control;
 - b. To enhance the physical configuration of the shoreline or trust land ownership;
 - c. To enhance public access to or along the water;
 - d. To enhance waterfront and nearshore development or redevelopment for Public Trust purposes;
 - e. To preserve, enhance, or create wetlands, riparian or littoral habitat, or open space; and/or
 - f. To resolve any boundary or title disputes.
2. The lands or interests in lands to be acquired in the exchange will provide a significant benefit to the Public Trust;
3. The exchange does not substantially interfere with public rights of navigation and fishing;
4. The monetary value of the lands or interests in lands received by the trust in exchange is equal to or greater than that of the lands or interests in land given by the trust in exchange;
5. The lands or interests in land given in exchange have been cut off from water access and are no longer in fact tidelands or submerged lands or navigable waterways and are relatively useless for Public Trust purposes; and
6. The exchange is in the best interests of the State.

Further, the Commission may release the mineral rights in the lands or interests in lands given in an exchange if it obtains the mineral rights in the lands or interests in lands it receives in exchange (Public Resources Code Section 6307(d)).

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STAFF ANALYSIS AND RECOMMENDATION:

Authority:

Public Resources Code sections 6005, 6216, 6301, 6307, and 21080.11.

Public Trust and State's Best Interests Analysis:

Commission staff analyzed all the evidence available concerning the site in question, including the title history, title reports, historic use reports, surveys, survey instructions, maps, applicable case law and other useful information in order to determine the best evidence of the location of the boundary between State sovereign lands and privately-owned uplands. Staff relied upon the best evidence available of the historic location of the Petaluma River, Rancho Petaluma, and adjacent tidelands or swamp and overflow lands. Staff also reviewed all available evidence to explain why the course of the Petaluma River changed over time. Combined, this evidence provides the basis for the proposed compromise title settlement and land exchange. Commission staff also conducted an independent analysis of the Subject Property, including reviewing appraisals, environmental documents, including environmental assessments, soil reports, and other relevant documents.

Staff recommends the Commission approve the proposed Agreement for several reasons. The approval of this Agreement will settle a long-standing title dispute at the Subject Property. As mentioned earlier, essentially the same title settlement agreement was approved by the Commission in December 1995, but was never executed for reasons beyond the Commission's control. Following are the analyses pertaining to the requisite findings under Public Resources Code section 6307.

Purposes of the exchange.

The purposes of the exchange provided for in the Agreement are to: 1) enhance public access and recreation to and along the water; 2) enhance the physical configuration of the trust land ownership; 3) to preserve open space; and 4) resolve a title dispute. Currently, the Trust Termination Parcels are not adjacent to the Petaluma River and only the southwestern toe of the Public Trust Parcel is adjacent to the river, extending landward to the Trust Termination Parcels. The Public Access Parcel (Easement) runs along the western side of the Trust Termination Parcels from Casa Grande Road to the northern point of the Public Trust Parcel. Between the Easement and the Public Trust Parcel, which is physically located along the river, the Agreement provides for better direct and continuous access

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to the Petaluma River than the Trust Termination Parcels. Since the privately owned Public Trust Parcel is already improved with a walking path, obtaining a Public Trust easement, held by the Commission, across the Trust Termination Parcels would ensure that the public has the right to use the walking path and would enhance public access to the river.

As the result of artificial changes to the course of the Petaluma River, the Trust Termination Parcels are not contiguous with other sovereign land interests. In contrast, the Public Trust Parcel is adjacent to sovereign land ownership within the Petaluma River. If the Agreement is approved, there will no longer be a gap in sovereign ownership. Additionally, the proposed Agreement will also resolve a title dispute between Baywood and the Commission of whether there is a valid Public Trust easement over the Trust Termination Parcels.

Interests in land to be acquired will provide a significant benefit.

The Public Trust Parcel (see Exhibit A) holds significant Public Trust resource potential. The area is zoned as open space and will provide direct access to the Petaluma River for the public. The Agreement includes an easement to ensure the public can access the Public Trust Parcel and the Petaluma River through the Trust Termination Parcels.

The Public Trust Parcel and the Easement provide significant benefits to the Public Trust because the parcel provides public access to and recreation along the Petaluma River. The Public Trust Parcel has been improved with a walking path that continues along adjacent property that allows the public access through open space areas and along the river. The Public Trust Parcel and the Easement enhance the physical configuration of the trust land ownership because there will now be public access, across privately held land, to the portion of the property that is actually located adjacent to the current channel of the Petaluma River.

Through the Settlement Agreement Commission staff will work with Baywood, LLC or its successor in interest to develop a lease over a portion of the Public Trust Parcel prior to developing the Trust Termination Parcels. This lease will be for improvement and maintenance of public access to the Petaluma River. Commission staff intends to collaborate with the applicant, local governments or other open space management organizations to ensure that the Public Trust Parcel's potential is fully utilized and maintained.

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Exchange does not interfere with public rights of navigation and fishing and enhances public access.

The Trust Termination Parcels have been filled and reclaimed and are no longer covered with water. The parcels are also not adjacent to the current channel of the Petaluma River. Termination of the Public Trust easement in the Trust Termination Parcels would not interfere with any navigation or fishing rights because it is not possible to participate in either activity in the Trust Termination Parcels. The Public Trust Parcel, however, will allow the public to access the water and engage in navigation, water-related recreation, and fishing.

Monetary value of lands or interests in lands received by the trust is greater than lands given by the trust.

In the interest of settlement, the Parties have conducted independent studies and evaluations of their respective factual legal positions relating to the disputed title and boundary claims. Appraisals and property interest evaluation studies reviewed and completed by Commission staff have shown that the monetary value of the lands and interests being exchanged into the Public Trust are greater than the monetary value of the lands and interests being exchanged out of the Public Trust.

Since litigation of this matter would be costly and require a significant amount of staff time with uncertain results, the Parties to the Agreement consider it expedient, necessary, and in the best interests of the State and Baywood to resolve this dispute through a title settlement and land exchange agreement, in order to avoid such costs and uncertainties.

Lands or interests in land given in exchange have been cut off from water access and are no longer tidelands or submerged lands and are relatively useless for trust purposes.

First, more than 75 percent of the proposed Trust Termination Parcels (see Exhibit A) are within Rancho Petaluma and are outside of State ownership or State Lands Commission jurisdiction.

Second, the proposed Trust Termination Parcels are significantly landward of the current channel of the Petaluma River. Therefore, the potential Public Trust uses of the proposed Trust Termination Parcels are remote.

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Third, the costs of cleaning up waste and debris from the tallow plant, and other subsequent industrial uses, to make the Trust Termination Parcels useful for Public Trust purposes would be burdensome to the State

Fourth, the Trust Termination Parcels have been filled and reclaimed and do not currently provide water access. The Trust Termination Parcels are no longer tidelands, submerged lands or a navigable waterway because they are physically separated from the current Petaluma River and are no longer covered with or connected to water.

Finally, the 13.66-acre Trust Termination Parcels (A and B) were previously the site of the Darling Delaware Royal Tallow factory which was constructed in 1941 and operated until 1964 (after the original factory, at a different location, was closed), after which it became a transfer station. The building was completely closed in 1994 and demolished in 2008. The Trust Termination Parcels are fenced off and do not currently provide any Public Trust purposes. The recent history of these parcels indicates that they have remained in private ownership and have been used for light to moderate industrial activities. Throughout this history, these parcels have remained relatively useless for trust purposes.

Exchange is in the best interests of the state.

Through the proposed Agreement, as described above, the Commission will receive the approximately 6-acre parcel of land adjacent to the current channel of the Petaluma River free of any other ownership claims. Any interests the State may have in the Trust Termination Parcels will be quitclaimed, thereby lifting any cloud on title that currently exists. The proposed Agreement will ensure that the public has a permanent right to use the property and the associated walking path that passes through the property, by transitioning the Public Trust Parcel and the Easement out of private ownership and into State ownership. For the reasons previously discussed, the proposed Agreement is in the best interests of the State because it resolves a long-standing boundary and title dispute at no expense to the State and enhances public access to and along the Petaluma River.

As described in the preceding paragraphs, the facts support each of the necessary findings the Commission must make, including that this staff report and the proposed Agreement evaluate the Public Trust needs at this location and that the Agreement is in the best interests of the State. Commission staff and the Attorney General's Office have reviewed the

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proposed Agreement and believe all necessary legal elements have been met. Staff therefore recommends that the Commission approve the Agreement, in substantially the form on file at the Commission's Sacramento Office and authorize its execution and the execution and recordation of all documents necessary to implement it.

OTHER PERTINENT INFORMATION:

1. The State, acting by and through the Commission, is authorized under Division 6 of the Public Resources Code, and specifically pursuant to section 6307 of such code, to enter into title settlement and land exchange agreements.
2. The proposed action is consistent with Strategy 1.3 of the Commission's Strategic Plan to protect, expand, and enhance appropriate public use and access to and along the State's inland and coastal waterways.
3. Commission staff recommends that the Commission find this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a statutorily exempt project because it is an exchange and settlement of title and boundary problems by the Commission.

Authority: Public Resources Code section 21080.11 and California Code of Regulations, title 14, section 15282, subdivision (f).

4. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq., but such activity will not affect those significant lands. Based upon staff's consultation with the persons nominating such lands and through the CEQA review process, it is staff's opinion that the project, as proposed, is consistent with its use classification.

EXHIBITS:

- A. Subject Property Location and Site Map
- B. Land Description of Trust Termination Parcels
- C. Land Description of Public Trust Parcel
- D. Land Description of the Public Access Parcel

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RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the Compromise Title Settlement and Land Exchange Agreement and all activity associated with it is exempt from the requirements of CEQA, pursuant to California Code of Regulations, title 14, section 15061 as a statutorily exempt project pursuant to Public Resources Code section 21080.11 and California Code of Regulations, title 14, section 15282, subdivision (f), settlement of title and boundary problems and to exchanges or leases in connection with those settlements.

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 section 6370 et seq.

AUTHORIZATION:

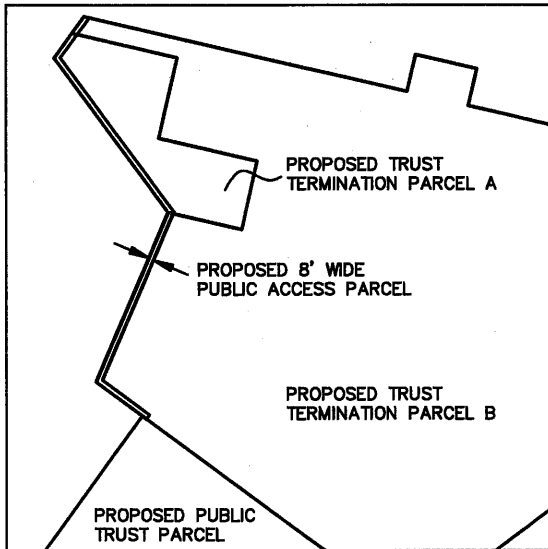
1. Find that, with respect to the proposed Compromise Title Settlement and Land Exchange Agreement:
 - a. The purposes of the exchange, provided for in the Agreement, are to: 1) enhance public access and recreation to and along the Petaluma River; 2) enhance the physical configuration of the trust land ownership; 3) to preserve open space; and 4) resolve the title dispute.
 - b. The Public Trust Parcel provides significant benefits to the Public Trust by enhancing public access to and along the Petaluma River.
 - c. The exchange provided for in this Agreement does not substantially interfere with public rights of navigation and fishing, but rather will enhance the public's rights of access and navigation on the Public Trust Parcel and adjacent trust lands.
 - d. The monetary value of the Public Trust Parcel and the Public Access Parcel to be conveyed to the State is greater than the value of the State interest in the Trust Termination Parcels to be quitclaimed by the State to Baywood, LLC.

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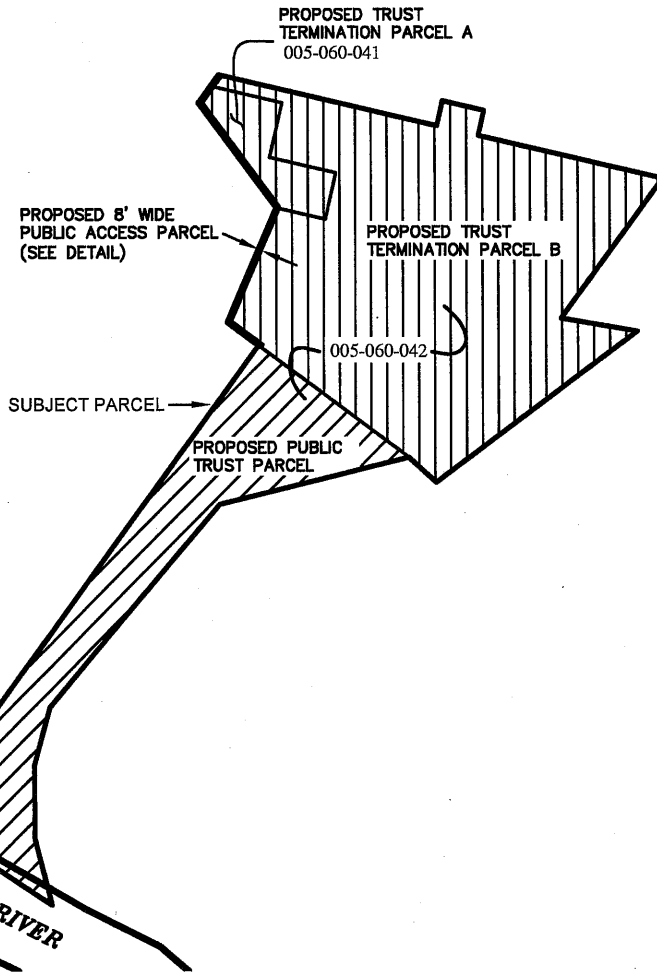
- e. The Trust Termination Parcels are cut off from water access and are no longer in fact tidelands or submerged lands or the bed of a navigable waterway, by virtue of being filled or reclaimed, and are relatively useless for Public Trust purposes.
 - f. This Agreement is in the best interests of the State by resolving a long-standing boundary and title dispute at no expense to the State and by enhancing public access to and along the Petaluma River.
 - g. This Agreement shall release any and all Public Trust claims as well as any claim of sovereign ownership from the Trust Termination Parcels that are being released by the State to Baywood, LLC, and shall impose Public Trust obligations on the Public Trust Parcel that is being received by the State from Baywood, LLC.
 - h. To the extent that there are mineral rights present in any of the exchange parcels, those rights shall be transferred with the corresponding surface estate.
2. Find that the lands to be conveyed to the State of California, acting by and through the Commission, are to be accepted as Public Trust lands for the benefit of the people of the State of California, to be held by the State of California for Public Trust purposes.
 3. Approve and authorize the execution, acknowledgement, and recordation of the Compromise Title Settlement and Land Exchange Agreement and associated deeds and acceptances on behalf of the Commission, in substantially the form of the copy of such agreement on file with the Commission.
 4. Authorize and direct the Executive Officer, or her designee, and/or the California Attorney General to take all necessary or appropriate action on behalf of the Commission, including execution, acknowledgement, acceptance, and recordation of all documents as may be necessary or convenient to carry out the Compromise Title Settlement and Land Exchange Agreement, including documents approving the relocation, replacement, or expansion of the public access easement; and to appear on behalf of the Commission in any legal proceedings relating to the subject matter of the Agreement.

NO SCALE

SITE



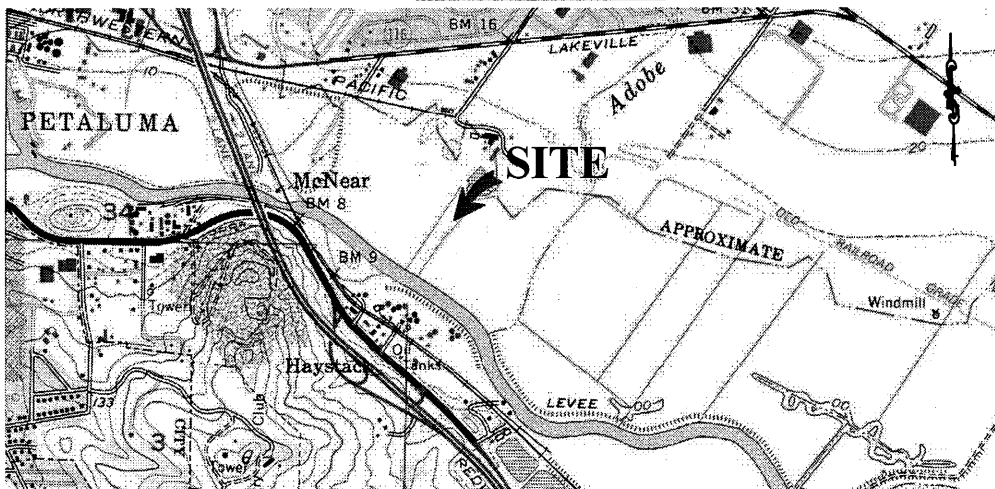
DETAIL - NOT TO SCALE



TITLE SETTLEMENT AGREEMENT, PETALUMA RIVER

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit A

W 24562
 BAYWOOD, LLC.
 APN 005-060-041 & 042
 TITLE SETTLEMENT
 AGREEMENT
 SONOMA COUNTY



This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

EXHIBIT B

W24562

**LAND DESCRIPTION
(TRUST TERMINATION PARCELS)**

PARCEL "A"

All of that real property situated in the City of Petaluma, County of Sonoma, State of California described as follows:

A portion of Parcel Two as described in the Deed from Royal Tallow to Darling-Delaware Corporation, filed January 31, 1966 in Book 2185, Page 217, Official Records of Sonoma County, and shown as Parcel 1 on Parcel Map No. 92, filed in Book 232 of Maps at Page 27, Sonoma County Records.

Commencing at a 1" iron pipe tagged LS 2757 marking an angle point in the westerly line of Parcel 2 as shown on said Parcel Map No. 92 filed in Book 232 of Maps at Page 27, Sonoma County Records, from which the most westerly corner of said Parcel 2 bears S 36°10'50" W 1356.76 feet, said point also being the northwesterly corner of Parcel Three as described in the Deed from Royal Tallow to Darling-Delaware Corporation, filed January 31, 1966, Book 2185, Page 217, Official Records of Sonoma County, and the northwesterly corner of the "Public Trust Parcel" as described in this agreement; thence from said angle point along the westerly line of Parcel 2 of said Parcel Map the following two courses: N 53°49'10" W 90.90 feet; N 23°15'50" E 291.66 feet to a ¾" iron pipe tagged LS 2757 lying on the southerly line of Parcel 1 as shown on Parcel Map No. 92, and being the TRUE POINT OF BEGINNING; thence along the boundary of Parcel 1, also being the boundary of the herein described Parcel A, the following seven courses;

N 36° 38' 30" W	304.84 feet;
N 36° 10' 50" E	48.63 feet;
S 76° 59' 12" E	172.23 feet;
S 13° 00' 48" W	130.95 feet;
S 76° 59' 12" E	160.98 feet;
S 13° 00' 48" W	111.11 feet;
N 76° 59' 12" W	120.00 feet to the true point of beginning.

APN 005-060-041

09/09/16

TRUST TERMINATION PARCELS...CONTINUED

PARCEL "B"

All of that real property situated in the City of Petaluma, County of Sonoma, State of California described as follows:

A portion of Parcel 2 as shown on Parcel Map No. 92, filed in book 232 of Maps at Page 27, Sonoma County Records, said parcel also being a portion of Parcel Two and all of Parcel One as described in the Deed from Royal Tallow to Darling Delaware Corporation, filed January 31, 1966 in Book 2185, Page 217, Official Records of Sonoma County, and all of Parcels One and Two as described in the deed from Royal Tallow to Darling-Delaware Corporation filed January 31, 1966 in Book 2185, Page 219, Sonoma County Records.

BEGINNING at a 1" iron pipe tagged LS 2757 marking an angle point in the westerly line of Parcel 2 as shown on said Parcel Map No. 92, from which the most westerly corner of said Parcel 2 bears S 36°10'50" W 1356.76 feet, said point also being the northwesterly corner of Parcel Three as described in the Deed from Royal Tallow to Darling-Delaware Corporation, filed January 31, 1966, Book 2185, Page 217, Official Records of Sonoma County, and the northwesterly corner of the "Public Trust Parcel" as described in this agreement; thence from said angle point northerly along the westerly boundary of Parcel 2 of said Parcel Map the following two courses: N 53°49'10" W 90.90 feet; N 23°15'50" E 291.66 feet to a ¾" iron pipe tagged LS 2757 lying on the westerly boundary of Parcel 1 as shown on Parcel Map No. 92, thence along the common line of said Parcel 1 and Parcel 2 the following five courses:

- S 76° 59' 12" E 120.00 feet;
- N 13° 00' 48" E 111.11 feet;
- N 76° 59' 12" W 160.98 feet;
- N 13° 00' 48" E 130.95 feet;
- N 76° 59' 12" W 172.23 feet to the westerly line of Parcel 2 as

shown on said Parcel Map No. 92; thence N 36° 10' 50" E 32.63 feet to the northerly line of said Parcel 2; thence along the northerly line of said Parcel 2 the following five courses;

- S 76° 59' 12" E 528.57 feet;
- N 13° 00' 48" E 60.00 feet;
- S 76° 59' 12" E 100.00 feet;
- S 13° 00' 48" W 60.00 feet;
- S 76° 59' 12" E 445.45 feet to the northeast corner of Parcel 2

per said Parcel Map No. 92; thence along the easterly boundary of Parcel 2 the following four courses:

EXHIBIT B
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TRUST TERMINATION PARCELS...CONTINUED

S 36° 10' 50" W 404.76 feet;
S 80° 26' 00" E 181.24 feet;
S 53° 23' 10" W 590.70 feet;
N 47° 26' 00" W 87.43 feet; thence leaving the easterly

boundary of Parcel 2, westerly along the northeasterly line of Parcel Three as described in the Deed from Royal Tallow to Darling-Delaware Corporation, filed January 31, 1966 in Book 2185, Page 217, Official Records of Sonoma County, said line also being the northeasterly boundary of the "Public Trust Parcel" described within this agreement, N 53° 49' 13" W 440.50 feet to the point of beginning.

The Basis of Bearing for Parcels "A" and "B" is the same as that shown on Parcel Map No. 92, filed in Book 232 of Maps at Page 27, Sonoma County Records.

APN 005-060-042Ptn

END OF DESCRIPTION

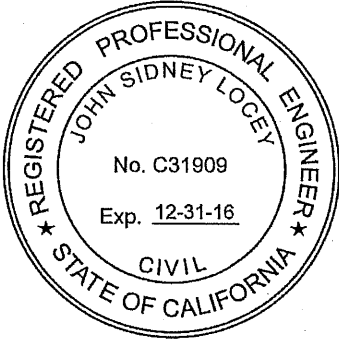


EXHIBIT C

W24562

LAND DESCRIPTION
(PUBLIC TRUST PARCEL)

All of that real property situated in the City of Petaluma, County of Sonoma, State of California described as follows:

A portion of Parcel 2 as shown on Parcel Map No. 92, filed in Book 232 of Maps at Page 27, Sonoma County Records, said parcel also being all of Parcel Three as described in the Deed from Royal Tallow to Darling-Delaware Corporation filed January 31, 1966 in Book 2185, Page 217, Official Records of Sonoma County.

BEGINNING at a 1" iron pipe tagged LS 2757 marking an angle point in the westerly line of Parcel 2 as shown on said Parcel Map No. 92, from which the most westerly corner of said Parcel 2 bears S 36° 10' 50" W 1356.76 feet, said point also being the northwesterly corner of Parcel Three as described in the Deed from Royal Tallow to Darling-Delaware Corporation filed January 31, 1966, Book 2185, Page 217, Official Records of Sonoma County; thence leaving said westerly line S 53° 49' 13" E 440.50 feet to an angle point in the easterly line of said Parcel 2; then southerly along said easterly line the following five courses;

- S 76° 10' 30" W 460.00 feet;
- S 40° 26' 50" W 620.00 feet;
- S 14° 56' 50" W 140.00 feet;
- S 0° 23' 10" E 170.00 feet;
- S 14° 33' 10" E 160.00 feet; thence continuing along the

prolongation of the easterly line of Parcel 2, S 14° 33' 10" E to the centerline of the present channel of the Petaluma River, thence northwesterly along the centerline of the present channel of the Petaluma River to the intersection with the southerly prolongation of the westerly line of Parcel 2 as shown on Parcel Map No. 92; thence northerly along the prolongation of the westerly line of Parcel 2, N 36° 10' 50" E to a point which bears S 36° 10' 50" W from a 1" iron pipe tagged LS 2757 marking an angle point in the westerly line of Parcel 2 as shown on Parcel Map No. 92; thence continuing northerly along the westerly line of Parcel 2, N 36° 10' 50" E 1356.76 feet to the point of beginning.

The Basis of Bearing is the same as that Shown on Parcel Map No. 92, filed in Book 232 of Maps at Page 27, Sonoma County Records.

APN 005-060-042Ptn.

END OF DESCRIPTION



EXHIBIT D

W24562

**LAND DESCRIPTION
(PUBLIC ACCESS PARCEL)**

All of that real property situated in the City of Petaluma, County of Sonoma, State of California being a portion of Parcel One and Parcel Two as described in the Deed from Royal Tallow to Darling Delaware Corporation, filed January 31, 1966 in Book 2185, Page 217, Official Records of Sonoma County, and a portion of Parcel 1 and Parcel 2 as shown on Parcel Map No. 92, filed in Book 232 of Maps at Page 27, Sonoma County Records, being a strip 8 feet wide, the easterly line of which is parallel with and 8 feet distant from the westerly line of Parcel 1 and a portion of the westerly line of Parcel 2 of said Parcel Map No. 92, the easterly line of said strip being more particularly described as follows:

Commencing at a 1" iron pipe tagged LS 2757 marking an angle point in the westerly line of Parcel 2 as shown on said Parcel Map No. 92, from which the most westerly corner of said Parcel 2 bears S 36°10'50" W 1356.76 feet, said point also being the northwesterly corner of Parcel Three as described in the Deed from Royal Tallow to Darling-Delaware Corporation, filed January 31, 1966, Book 2185, Page 217, Official Records of Sonoma County, and the northwesterly corner of the "Public Trust Parcel" as described in this agreement; thence leaving said westerly line S 53°49'10" E 8.00 feet to the TRUE POINT OF BEGINNING; thence along the easterly line of the public access the following five courses:

N 36°10'50" E	8.00 feet;
N 53°49'10" W	92.53 feet;
N 23°15'50" E	289.90 feet;
N 36°38'30" W	303.54 feet;
N 36°10'50" E	78.80 feet to the northerly line of Parcel 2 as

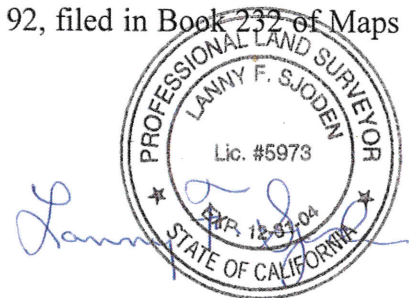
shown on said Parcel Map No. 92, said point is the terminus of the of the easterly line of the Public Access Easement and bears S 76°59'12" E 8.70 feet from the most northerly corner of Parcel 2.

The Basis of Bearing is the same as that shown on Parcel Map No. 92, filed in Book 232 of Maps at Page 27, Sonoma County Records.

APN 050-060-41,42

END OF DESCRIPTION

08/02/02



9-18-02