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TRANSCRIPT OF
MEETING
of
STATE LANDS COMMISSION
SACRAMENTO, CALIFORNIA

October 9, 1964

PARTICIPANTS:

THE STATE LANDS COMMISSION:

Hon. Hale Champion, Director of Finance, Chairman

Hon. Glenn M. Anderson, Lieutenant Governor

Hon. Alan Cranston, Controller

Mr. F. J. Hortig, Executive Officer

OFFICE OF THE ATTORNEY GENERAL:

Mr. Willard A. Shank, Assistant Attorney General

APPEARANCE:

Mr. Michael Traynor, Attorney, San Francisco

representing the City of Martinez

FOR APPEARANCES ON LONG BEACH UNIT, EAST WILMINGTON
FIELD, SEE MIMEOGRAPHED PORTION OF TRANSCRIPT.

1 MR. CHAMPION: The meeting will please come to
2 order. Before we get to the subject of paramount interest,
3 we have another matter which was deferred from the last meet-
4 ing and which we promised them we would try to expedite hand-
5 ling. It has to do with the memorandum agreement between the
6 City of Martinez and the State and a number of agencies, on
7 the small craft harbor. Would you please describe the pro-
8 posal, Mr. Hortig?

9 MR. HORTIG: Mr. Chairman, as outlined in the
10 calendar item before you, there is a proposal for an agreement
11 between the City of Martinez, the State of California acting
12 through the Administrator of the State Resources Agency, the
13 Division of Small Craft Harbors, the Department of Parks and
14 Recreation, the Small Craft Harbors Commission, and the State
15 Lands Commission by reason of the fact that the proposal for
16 the development of the small craft harbor at Martinez, it is
17 felt, will require additional area of tide and submerged lands
18 to be authorized for occupancy by the State Lands Commission,
19 in addition to and replacement of an existing use permit for
20 a small craft harbor which the State Lands Commission issued
21 approximately four years ago to the City of Martinez.

22 The primary difficulties with respect to the pro-
23 posed term of the lease and the term of the agreement, as
24 originally submitted, which provided for perpetual renewal,
25 has been eliminated in conferences subsequent to the last
26 Commission meeting. The limitation is now specified at one

1 option to renew for an additional period not to exceed forty-
 2 nine years; and the question as to the possible salability of
 3 the land that was provided for in the original agreement,
 4 which on its face was not legally practicable because of sta-
 5 tutory and constitutional prohibitions against such sale, has
 6 been modified in the proposed form of agreement to provide
 7 that such sale it is understood will be available or possible
 8 only if the State law at the time of the proposed sale pro-
 9 vides authorization for such a transaction.

10 Assistant Attorney General Shank, who participated
 11 in the drafting and representation of the Attorney General's
 12 Office on behalf of all of the State agencies involved, is
 13 with us here today if the Commission has any further questions
 14 as to the nature of the proposed agreement. Before those
 15 questions are raised, it is now the recommendation of the
 16 staff of the State Lands Commission that the resolution, which
 17 follows the calendar item which you have before you, be ap-
 18 proved by the Commission, which would authorize three things:
 19 The approval and execution of the Memorandum of Agreement be-
 20 tween all agencies; the issuance of a new lease for an expanded
 21 area, larger than that currently under permit to the City of
 22 Martinez; and for termination by mutual consent of the exist-
 23 ing permit, which becomes surplusage and would be a duplica-
 24 tion of part of the area being authorized under the new lease.

25 This resolution is recommended on the particular
 26 bases that it is clearly stated that the State Lands Commission

1 has not been a party in the negotiations resulting in this
2 Memorandum Agreement, has not been heretofore directly in-
3 volved in the development of the harbor; whereas other parties
4 of the agreement, being the other State agencies and the City
5 of Martinez, feel it is essential that the Lands Commission,
6 as the agent for the land owner, be represented; and the Com-
7 mission desires to cooperate for the benefit of these other
8 parties. It is recommended that this documentation now be
9 approved.

10 MR. CHAMPION: The reason that this was deferred
11 was because we had certain legal problems with the length of
12 the lease and the renewal option. Those have all been satis-
13 fied and everybody is now in agreement on this? Is that the
14 case, Mr. Shank?

15 MR. SHANK: Yes, sir.

16 MR. CHAMPION: Why don't you come forward, so all
17 the members of the Commission can question you. Governor
18 Anderson, do you have a question?

19 GOV. ANDERSON: Yes, I have a question here on the
20 indeterminate time of the lease, with the forty-nine plus
21 forty-nine plus forever clause. I was just trying to read it
22 here now. It is my understanding this would just give them a
23 forty-nine year lease, plus the option to renew it just once.

24 MR. SHANK: That's right.

25 GOV. ANDERSON: So we are talking about an extent of
26 time of ninety-eight years. It could not go beyond that?

1 MR. SHANK: It could not. It could....

2 GOV. ANDERSON: If at the time the State law permits
3 it.

4 MR. SHANK: The agreement ends in ninety-eight years
5 so there would have to be a new agreement negotiated at that
6 time.

7 GOV. ANDERSON: My next question -- maybe Mr. Hortig
8 can answer it: Senator Miller called me on this and Assembly-
9 man Waldie called me, and I understand they have been working
10 with this. Are they in agreement with these new terms?

11 MR. HORTIG: Yes, they were at a meeting held just
12 this week. Senator Miller attended and concurred in the
13 resolution.

14 MR. CHAMPION: Any further questions?

15 MR. CRANSTON: I move approval.

16 GOV. ANDERSON: Second.

17 MR. CHAMPION: It has been moved and seconded. Is
18 there any further question? (No response) Stands approved.

19 MR. SHANK: Thank you, gentlemen.

20 MR. HORTIG: Mr. Traynor, attorney for the City of
21 Martinez, would like to make a statement, Mr. Chairman.

22 MR. TRAYNOR: I just want to say on behalf of the
23 City of Martinez we very much appreciate the Commission's action
24 taken today. It is a great step in the development of the
25 harbor of the City of Martinez and we look forward to having
26 that development in full.

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With the Chairman's permission, I would like to introduce those who have come here today from the City of Martinez: Mayor Harold De Fraga; Councilman John Costanza; Mr. Bart Viano, Chairman, Waterfront Committee; Councilman John Miller; Councilman Gilbert Travers; City Manager James Emanuel; and City Attorney Francis Hoey.

Thank you very much.

MR. CHAMPION: Thank you very much, and we wish you good luck in getting that mud out of there.

BALANCE OF MEETING CONCERNING LONG BEACH UNIT, EAST WILMINGTON FIELD, HAS BEEN REPRODUCED ON STENCILS.

CERTIFICATE OF REPORTER

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I, LOUISE H. LILLICO, hearing reporter for the Office of Administrative Procedure, hereby certify that the foregoing pages 1 through 5 and pages 1 through 87, reproduced on stencils and containing the proceedings in connection with the Long Beach Unit, East Wilmington Field, contain a full, true and correct transcript of the shorthand notes taken by me in the meeting of the STATE LANDS COMMISSION at Sacramento, California, on October 9, 1964.

Dated: Los Angeles, California, October 16, 1964.

Louise H. Lillico