

64. AUTHORIZATION FOR EXECUTION OF THE BELMONT SHORE-NAPLES BOUNDARY SETTLEMENT AGREEMENT, LOS ANGELES COUNTY - W.O. 2716.700, BLA NO. 101.

During consideration of Calendar Item 65 attached, the Chairman expressed the appreciation of the Commission to all those who have been helpful in the resolution of the title and boundary problems presented in the Alamitos Bay area, stating that without the cooperation and tremendous effort of all concerned many years of complex and very expensive litigation would have been encountered; and that such litigation, regardless of result, would have resulted in severe hardship and loss to many innocent persons who occupy lands in the affected areas. In particular, the Commission expressed its thanks and appreciation to the City of Long Beach and to the numerous organizations who have cooperated in the resolution of these knotty problems.

Upon motion duly made, seconded, and carried unanimously, the following resolution was adopted:

I. THE COMMISSION:

1. MAKES THE FINDINGS AND DETERMINATIONS REQUIRED BY PARAGRAPHS 5.2 AND 5.5 OF THE BELMONT SHORE-NAPLES BOUNDARY SETTLEMENT AND BY PARAGRAPHS 8.1 AND 8.2 OF THE McGRATH-MACCO BOUNDARY SETTLEMENT AND EXCHANGE; SAID FINDINGS AND DETERMINATIONS REGARDING SAID PARAGRAPHS 5.5 AND 8.1 TO BE EFFECTIVE AT THE TIME AND AS PROVIDED IN THE AFOREMENTIONED RESPECTIVE AGREEMENTS.
2. APPROVES THE BELMONT SHORE-NAPLES BOUNDARY SETTLEMENT AND THE McGRATH-MACCO BOUNDARY SETTLEMENT AND EXCHANGE AND ALL ACTS TO BE PERFORMED BY THE CITY OF LONG BEACH PURSUANT THERETO.

II. AUTHORIZES THE EXECUTIVE OFFICER:

1. TO EXECUTE, ON BEHALF OF THE STATE LANDS COMMISSION OF THE STATE OF CALIFORNIA, THE BELMONT SHORE-NAPLES BOUNDARY SETTLEMENT AND THE McGRATH-MACCO BOUNDARY SETTLEMENT AND EXCHANGE.
2. TO TAKE ALL FURTHER ACTION AND EXECUTE ALL DOCUMENTS, MAPS, OR PLATS NECESSARY OR REQUIRED TO ACCOMPLISH THE TERMS AND PROVISIONS OF THE BELMONT SHORE-NAPLES BOUNDARY SETTLEMENT AND THE McGRATH-MACCO BOUNDARY SETTLEMENT AND EXCHANGE, WITHOUT FURTHER AUTHORIZATION OF THE STATE LANDS COMMISSION.

III. AUTHORIZES THE OFFICE OF THE ATTORNEY GENERAL OF THE STATE OF CALIFORNIA TO REPRESENT THE STATE LANDS COMMISSION IN ANY AND ALL LITIGATION CONCERNING THE BELMONT SHORE-NAPLES BOUNDARY SETTLEMENT AND THE McGRATH-MACCO BOUNDARY SETTLEMENT AND EXCHANGE.

Attachment:

Calendar Item 65 (3 pages)

65.

AUTHORIZATION FOR EXECUTION OF THE BELMONT SHORE-NAPLES BOUNDARY SETTLEMENT AGREEMENT BETWEEN THE CITY OF LONG BEACH, TI CORPORATION (OF CALIFORNIA), TITLE INSURANCE AND TRUST COMPANY, AND THE STATE, AND THE McGRATH-MACCO BOUNDARY SETTLEMENT AND EXCHANGE AGREEMENT BETWEEN THE CITY OF LONG BEACH, SECURITY PACIFIC NATIONAL BANK, MACCO REALTY COMPANY, LOS ANGELES COUNTY FLOOD CONTROL DISTRICT, TITLE INSURANCE AND TRUST COMPANY, AND THE STATE; FOR EXECUTION OF ALL DOCUMENTS AND MAPS NECESSARY TO ACCOMPLISH THE PROVISIONS OF SAID AGREEMENTS; FOR STATE PARTICIPATION IN ANY LITIGATION IN CONFIRMATION OF, OR CONNECTED WITH, THE AFOREMENTIONED AGREEMENTS; AND APPROVAL OF ALL ACTS OF THE CITY OF LONG BEACH AND THE STATE NECESSARY TO ACCOMPLISH THE PROVISIONS OF SAID AGREEMENTS IN ORDER TO CONFIRM, QUIET TITLE AND EXCHANGE THE RESPECTIVE INTERESTS IN LANDS WITHIN THE ALAMITOS BAY AREA OF THE CITY OF LONG BEACH, AS TRUSTEE, AND IN PRIVATE PARTIES AFFECTED BY SAID AGREEMENTS; LOS ANGELES COUNTY - W.O. 2716.700, BLA NO. 101.

Pursuant to the provisions of Chapter 676, Statutes of 1911; Chapter 102, Statutes of 1925; and Chapter 158, Statutes of 1935, as amended and supplemented*, the State of California granted to the City of Long Beach, in trust, all tide and submerged lands located within the boundaries of said City. Said statutes failed to specifically define the boundaries of the lands so conveyed. Due to the interest generated in those lands by the discovery of oil in the northwesterly portion of the City of Long Beach, the boundaries of those lands became of critical importance. Therefore, the Legislature in 1957 passed an act (Chapter 2000, Statutes of 1957) requiring the State Lands Commission to survey, monument, and plat the boundaries of the lands conveyed by the foregoing statutes. Work was begun immediately to determine the boundaries in Long Beach Harbor and along the ocean front of the City of Long Beach. Litigation seeking that determination was commended by the State and ultimately was settled by the Legislature in Section 7, Chapter 138, Statutes of 1964, 1st Extraordinary Session. Specifically excepted from the boundary lines described in the 1964 legislation was the Alamitos Bay Area of the City of Long Beach.

With the settlement of the boundaries reached in the 1964 legislation, immediate attention was directed to the resolution of the remaining problems presented in Alamitos Bay. The resulting investigation was conducted with the cooperation and assistance of the City of Long Beach. That investigation revealed serious difficulties in the Alamitos Bay Area regarding the physical location of the boundaries of Rancho Los Alamitos and of two State tideland patents to private parties issued prior to the State's statutory conveyances, in trust, to the City. Development of the Alamitos Bay Area has proceeded without a resolution of those difficulties, thus presenting a very complex situation in which to determine the City's trust interests. As a result of the matters revealed by the joint investigation, sales of property in the Alamitos Bay Area (which today is a residential area occupied by several thousand individuals) have been impeded and all major construction has been halted.

In the course of the investigation it became apparent that there was no existing authority in the City of Long Beach or in the State to resolve the problems

* See also Chapter 1579, Statutes of 1961

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encountered. Therefore, the Legislature enacted Chapter 1688, Statutes of 1965, which provided the means for the resolution of the aforementioned problems.

With the enactment of this enabling legislation, the affected parties proceeded by negotiation to resolve the difficulties, all recognizing that without a negotiated settlement many years of complex and expensive litigation would be encountered which, regardless of the result of such litigation, might probably not resolve the practical problems presented. All parties, in the course of those negotiations, have expended an aggregate of more than \$200,000 for mapping and other technical work. The result of the negotiations is the above entitled agreements, which, together with a third agreement to be presented for approval within the next several months, will resolve virtually all of the outstanding problems.

The Belmont Shore-Naples Boundary Settlement provides for the confirmation and settlement of title in the settled and subdivided portions of the Alamitos Bay Area described in Section 2(a) of Chapter 1688, Statutes of 1965. This area has been privately occupied for more than thirty years, based on the assumption that there were no title difficulties. The agreement provides for the payment of a sum of money to the City of Long Beach, in trust, to be used for the purposes set forth in the State's statutory grants to the City. In return for the payment, the City and State will quitclaim and confirm the rights of the parties specified in Section 3(a) of Chapter 1688. A copy of said agreement is on file with the State Lands Commission, and is incorporated herein by reference.

The McGrath-Macco Boundary Settlement and Exchange provides for the recognition by the private parties of the City of Long Beach's ownership of lands within the agreement area which passed to the City, in trust, by virtue of the State grants, and also confirms the title of the private parties to the lands included within the aforementioned State Tide Land Patents. The agreement then provides for an exchange of surface interest in certain lands between the City and the private parties, so that the City may better utilize its property for the promotion of commerce, navigation, and fisheries. The exchange will also provide the private parties with contiguous areas of land for private development. The exchange is based upon a square-foot-for-square-foot, dry-land-for-dry-land basis. In addition, the City will receive from the private parties certain lands which have been dredged in the past and are currently submerged. The receipt of the dredged lands, however, was not used in determining the equality of the exchange. Included in the agreement are the City's development plans for trust purposes of the lands it will have confirmed in its ownership, or will receive by virtue of the exchange. These plans are approved by the State Lands Commission with its approval of the agreement. Additionally, the State Lands Commission, pursuant to Section 2(b), Chapter 1688, Statutes of 1965, finds that certain lands to be confirmed in private ownership are no longer submerged or below the line of mean high tide and are no longer necessary or useful for the purposes of commerce, navigation, or fisheries. A copy of said agreement is on file with the State Lands Commission and is incorporated herein by this reference.

Both agreements require Court confirmation.

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The proposed agreements recognize the interests of the City of Long Beach, as trustee of the tide and submerged lands granted to the City by virtue of the aforementioned statutes, and that they resolve the complex legal and practical problems presented in the affected areas. Litigation probably could not result in any more favorable decision for the City of Long Beach or the State. The Office of the Attorney General concurs in these opinions.

IT IS RECOMMENDED THAT:

I. THE COMMISSION:

1. MAKE THE FINDINGS AND DETERMINATIONS REQUIRED BY PARAGRAPHS 5.2 AND 5.5 OF THE BELMONT SHORE-NAPLES BOUNDARY SETTLEMENT AND BY PARAGRAPHS 8.1 AND 8.2 OF THE McGRATH-MACCO BOUNDARY SETTLEMENT AND EXCHANGE; SAID FINDINGS AND DETERMINATIONS REGARDING SAID PARAGRAPHS 5.5 AND 8.1 TO BE EFFECTIVE AT THE TIME AND AS PROVIDED IN THE AFOREMENTIONED RESPECTIVE AGREEMENTS.
2. APPROVE THE BELMONT SHORE-NAPLES BOUNDARY SETTLEMENT AND THE McGRATH-MACCO BOUNDARY SETTLEMENT AND EXCHANGE AND ALL ACTS TO BE PERFORMED BY THE CITY OF LONG BEACH PURSUANT THERETO.

II. AUTHORIZE THE EXECUTIVE OFFICER:

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