MINUTE ITEM

7/25/74 RH

22. CONSIDERATION OF SUBSTANTIAL IMPROVEMENT OF GRANTED TIDE AND SUBMERGED LANDS IN ORANGE COUNTY AT DANA POINT, AS REQUIRED BY CHAPTER 321, STATUTES OF 1961 - G09-00.

After consideration of Calendar Item 20 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION:

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- 1. FINDS THAT THE COUNTY OF ORANGE HAS SUBSTANTIALLY IMPROVED THE LANDS GRANTED TO IT AS REQUIRED BY SUCTION 1(g), CHAPTER 321, STATUTES OF 1961.
- 2. AUTHORIZES THE EXECUTIVE OFFICER TO NOTIFY THE COUNTY OF ORANGE, THE SECRETARY OF THE SENATE, AND THE CHIEF CLERK OF THE ASSEMBLY THAT THE COMMISSION HAS MADE AN INVESTIGATION OF SUBSTANTIAL IMPROVEMENT, AS REQUIRED BY THE GRANT STATUTE, AND FINDS THAT THE COUNTY OF ORANGE HAS SUBSTANTIALLY IMPROVED THE LAND WITHIN THE TERMS OF SECTION $1(g)_{\gamma}$ CHAPTER 321, STATUTES OF 1961.

Attachment: Calendar Item 20 (3 pages)

CALENDAR ITEM

7/74 RH G09-00

20.

CONSIDERATION OF SUBSTANTIAL IMPROVEMENT OF GRANTED TIDE AND SUBMERGED LANDS IN ORANGE COUNTY AT DANA POINT, AS RFQUIRED BY CHAPTER 321, STATUTES OF 1961

GRANTEE: County of Orange.

- LCCATION: Lands granted by Chapter 321, Statutes of 1961, as said lands are shown on a "Plat of the Grant to the County of Orange, Vicinity of Dana Cove" prepared and approved by the State Lands Commission on October 25, 1962, and filed November 21, 1962, as copy 17074 by the Orange County Recorder.
- PURPOSE: Determine whether the lands granted to the County of Orange by Chapter 321, Statutes of 1961, have been substantially improved within the terms and meaning of the statute.

Section 1(g) states:

"That within 10 years from the effective date of this act said lands shall be substantially improved by said county without expense to the State, and if the State Lands Commission determines that the county has failed to improve said lands as herein required, all right, title, and interest in said county in and to all lands granted by this act shall cease and said lands shall revert and vest in the State."

REPORT OF INVESTIGATION:

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On March 3, 1972, the State Lands Division requested from the County such items as photographs, maps, and other graphic materials showing the extent of any improvement made within the tenyear period; a comprehensive detailed statement listing all expenditures and revenues for each of the ten years of the substantial improvement period; a general description of the County's method of accounting for trust funds and disbursements; a list of capital projects showing costs, dates, etc.; a narrative statement outlining any specific problems encountered in the development of the grant and reasons why the County feels the statute has been complied with; and any other pertinent or helpful material. On September 13, 1972, the County submitted a report generally supplying the requested information. Additional data on the grant was received November 30, 1972, as part of a 4-volume report entitled "Land Use and Development, State Lands Granted in Trust to the County of Orange". This data was submitted by the County of Orange in compliance with Section 6374 of the California Public Resources Code.

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An on-site investigation of the lands granted by Chapter 321, Statutes of 1961, was conducted on January 3, 1973. All material gathered or submitted regarding this investigation is filed with the State Lands Division.

FACTS SUPPORTING INVESTIGATION:

Section 1(a) of the subject grant statute requires that said lands shall be held by the County in trust for the uses and purposes and upon the express conditions as follows:

"That said lands shall be used by said county, and its successors, only for the establishment, improvement and conduct of a harbor, and for the construction, maintenance and operation thereon of wharves, docks, piers, slips, quays and other utilities, structures, facilities and appliances necessary or convenient for the promotion and accommodation of commerce and navigation, and for recreational use, public park, parking, highway, playground, and business incidental thereto; . . "

The shoreline in the vicinity of Dana Point was essentially in an undisturbed condition at the time the grant was made in 1961. The one exception was a small public fishing pier and paved parking area in Dana Cove that was completed in 1958.

The granting of the State tide and submerged lands to the County is credited with providing the necessary assurances of control of the lands so that the County could be granted 50 percent federal funding for general navigation features.

The County approved a pay-as-you-go financing plan. The plan permitted a capital accumulation over a 3-year period, which provided the 50 percent local contribution as soon as federal funds were available.

Construction on the project started with the award of a contract by the U. S. Army Corps of Engineers in the summer of 1966, for the construction of harbor breakwaters. In 1968 the Harbor District (which developed the project with assistance from several County departments) awarded its first contract for the interior development of the project. The harbor was substantially improved at the completion of the landfill contract in 1970 and the work was completed without expense to the State. In 1970, the concessionaire lessees started construction of their revenue producing improvements.

For the ten-year period 1961-1971 following enactment of the grant statute, the County reports capital expenditures of

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\$12,783,847 in improvements to the area. Expenditures for operations between 1961 and 1969 were estimated to average \$10,000 per year. In Fiscal Year 1969-70 and Fiscal Year 1970-71, operations cost the County \$90,000 per year.

Between 1960 and June 30, 1970, tidelands income was \$12,393 in total. During the last fiscal year, the substantial improvement period income, which included tidelands share of lease option price, was \$728,000.

Dana Point Harbor has retained much of its picturesque setting by retaining about 50 percent of the bluffs in their existing condition. It was developed on lands owned or acquired by the district in addition to trust lands. There is convenient access by land or water.

The May 1972 boat count in the harbor aerial photo shows 1162 boats in the harbor. The business concessions in operation include boat berthing, trailered boat launching, sports fishing, commercial shops, a motel, restaurants, dry boat storage, a marine fueling station and a yacht club. The public recreation improvements include a public beach, picnic areas and several miles of public walkways. Its commercial and public recreation areas are aesthetically designed. In February 1972, the project received an Engineering Achievement Award presented by the Orange County Engineering Council.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

- 1. FIND THAT THE COUNTY OF ORANGE HAS SUBSTANTIALLY IMPROVED THE LANDS GRANTED TO IT AS REQUIRED BY SECTION 1(g), CHAPTER 321, STATUTES OF 1961.
- 2. AUTHORIZE THE EXECUTIVE OFFICER TO NOTIFY THE COUNTY OF ORANGE, THE SECRETARY OF THE SENATE, AND THE CHIEF CLERK OF THE ASSEMBLY THAT THE COMMISSION HAS MADE AN INVESTIGATION OF SUBSTANTIAL IMPROVEMENT, AS REQUIRED BY THE GRANT STATUTE, AND FINDS THAT THE COUNTY OF ORANGE HAS SUBSTANTIALLY IMPROVED THE LAND WITHIN THE TERMS OF SECTION 1(g), CHAPTER 321, STATUTES OF 1961.

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