MINUTE ITEM

This Calendar Item No. 16
was approved as Minute Item
No. 16 by the State Lands
Commission by a vote of 2
to 0 at its 9-24-80
meeting.

CALENDAR ITEM

16.

9/80
W 21870
BLA 193
Cook

RESCIND COMMISSION AUTHORIZATION FOR COMPROMISE
TITLE SETTLEMENT CONCERNING SCENIC LANDS PROPERTIES, INC.
PARCEL ALONG PETALUMA CREEK

On November 20, 1979, by Minute Item 21, the Commission approved a compromise title settlement concerning real property adjacent to Petaluma Creek in Sonoma County. The parcel which was the subject of the settlement is depicted on the attached plat marked Exhibit "A".

The State was to receive portions of the subject parcel abutting the creek with public access in exchange for the State's patent clearing the private titles within the remainder of the parcel. The State was also to receive additional exchange land consisting of an undivided 14.25% interest from the Trust for Public Land (TPL) in the Land Bank Parcel in Contra Costa County, depicted on the attached plat marked Exhibit "B", pursuant to the Land Bank and Option Agreement between the State and TPL (approved by the Commission on September 26, 1979 by Minute Item 25 and recorded in Contra Costa County records, Book 9657, page 906, on December 13, 1979), upon payment by Scenic Lands to TPL of the agreed purchase price of $28,500 (at $453 per acre, being the equivalent of about 63 acres).

The agreement required that the State receive title insurance in the amount of $50,000 for the portions of the subject parcel in Sonoma County it was to receive. The subject parcel was subject to a Deed of Trust. The State's escrow instructions required that this encumbrance be removed in order that the State receive clear title.

A 2, 8

S 5

Escrow was scheduled to close by April 15, 1980. The private parties have been unable to obtain a partial reconveyance of the Deed of Trust or otherwise remove the exception. The agreement expressly provides that it is not effective until recordation. As a result, there is no legally binding agreement, and the staff has requested the return of the agreement and other documents submitted to escrow. There are other pending settlements which will need the remaining interests in the Land Bank parcel.

While the agreement is not effective as a result of the private parties' inability to pass clear title, it appears best to clear the record by the Commission rescinding its prior approval and authorizing the cancellation of the agreement and other documents resulting therefrom.

EXHIBITS: A: Settlement Plat
B: Land Bank Parcel Plat

IT IS RECOMMENDED THAT THE COMMISSION:

1. RESCIND ITS APPROVAL AND AUTHORIZATIONS SET FORTH IN ITS MINUTE ITEM NO. 21 OF NOVEMBER 20, 1979;

2. AUTHORIZE THE STATE LANDS COMMISSION STAFF AND/OR THE OFFICE OF THE ATTORNEY GENERAL TO TAKE ALL FURTHER STEPS NECESSARY TO IMPLEMENT THE TRANSACTION DESCRIBED ABOVE, INCLUDING, BUT NOT LIMITED TO, EXECUTION OR CANCELLATION OF DOCUMENTS OF TITLE AND ESCROW INSTRUCTIONS AND APPEARANCES IN ANY LEGAL PROCEEDINGS BROUGHT CONCERNING THE ABOVE TRANSACTION.

3. FIND THAT THIS RESCISSION IS MERELY IN RECOGNITION OF THE INABILITY TO COMPLETE A TITLE SETTLEMENT WHICH WAS IN LIEU OF LITIGATION AND WHICH WAS NOT SUBJECT TO CEQA, AND THAT AS A RESULT THERE IS NO TRANSACTION AND NO PROJECT WITHIN THE MEANING OF SECTION 6371, PUBLIC RESOURCES CODE.

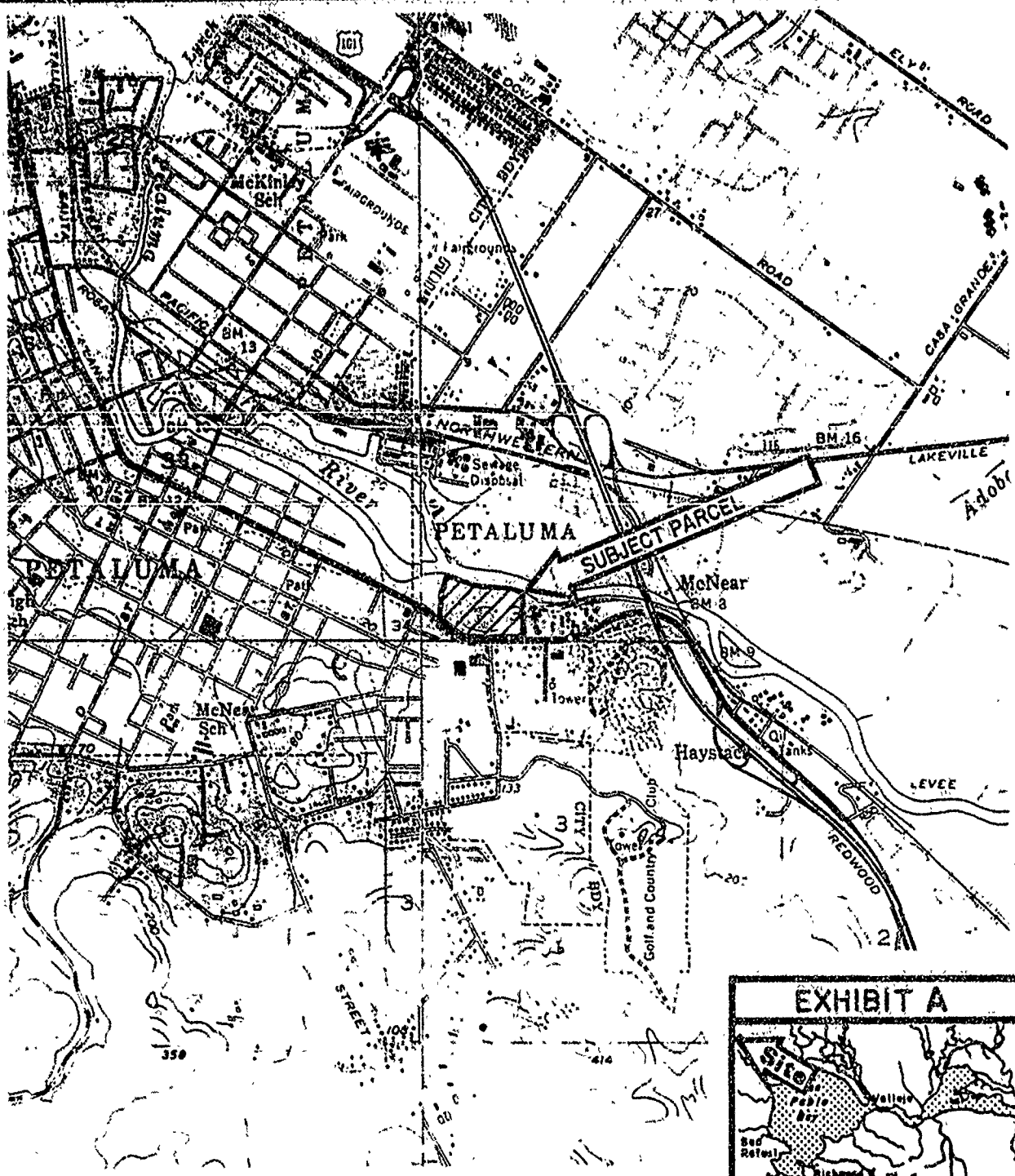
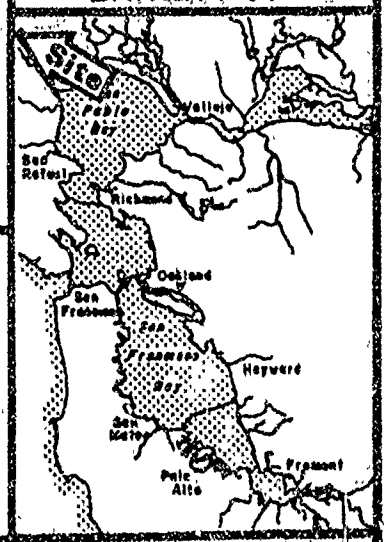


EXHIBIT A



STATE LANDS COMMISSION

PORTION OF U.S.G.S. QUADRANGLES PETALUMA 1953, PETALUMA RIVER 1954 PHOTOREVISED 1968 & 1973

Prepared by: Alexander Date: 11/7/79

Title Study: SCENIC LAND—PETALUMA RIVER W 21870 Z 2-N 20-E 182

CALENDAR PAGE 082

MINUTE PAGE 2092

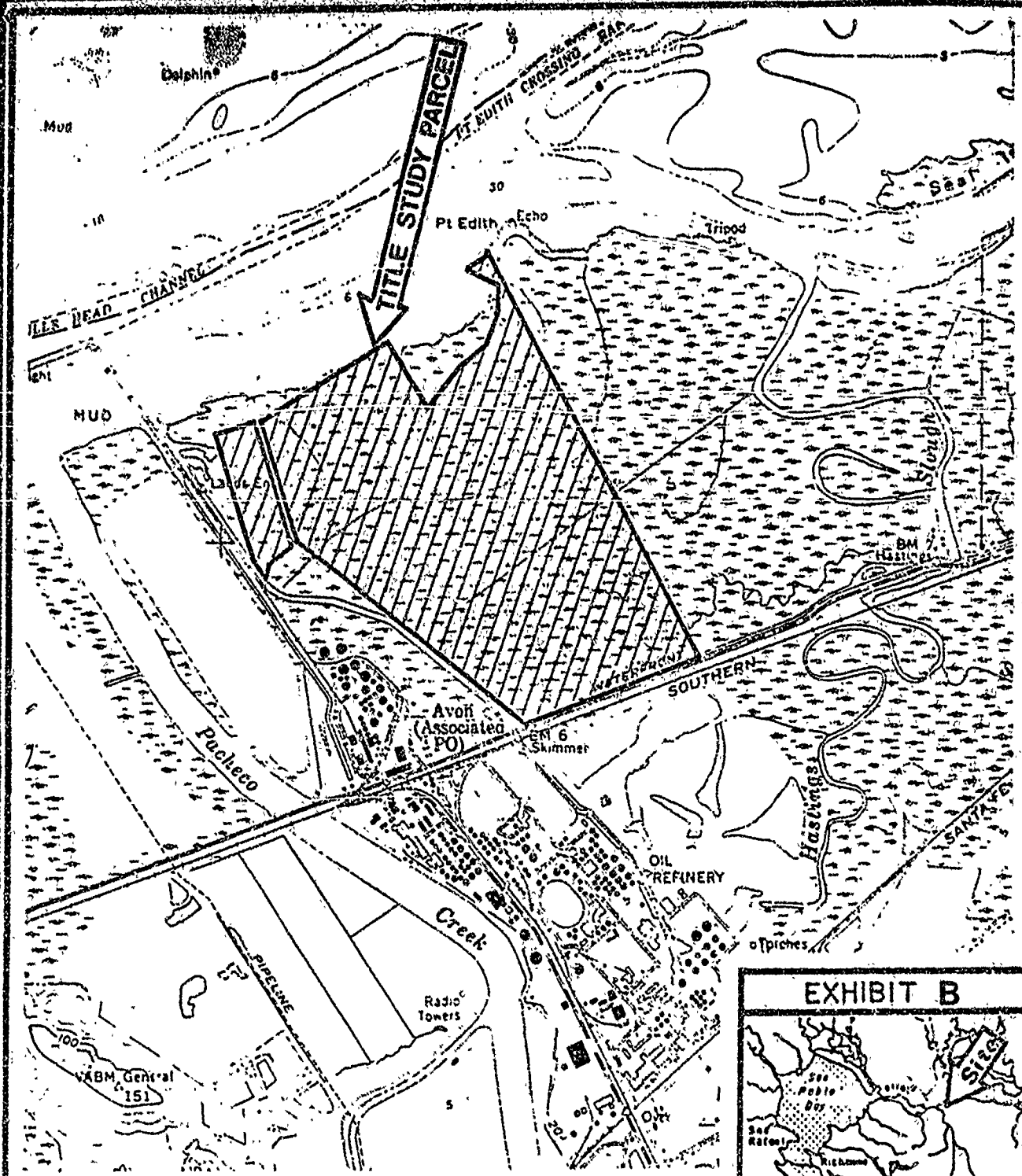


EXHIBIT B

STATE LANDS COMMISSION

PORTION OF U.S.G.S. QUADRANGLES

PORT CHICAGO 1959

PHOTOREVISED 1968

Prepared by: Alexander Date: 4/13/79

Title Study: T.P.L.—KNUDSON PARCEL W 22121

Z 3-N 56-E 154 CALENDAR PAGE 093

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