MINUTE ITEM

This Calendar Item No. 17 was approved as Minute Item No. 17 by the State Lands Commission by a vote of 3 to 0 at its 8/25/83 meeting.

CALENDAR ITEM
17 A

2/24/83
G 05-07
Horn

APPROVAL OF A
PROPOSAL BY THE CITY OF REDONDO BEACH
TO EXPEND TIDELANDS TRUST FUNDS
FOR THE ACQUISITION OF
PRIVATELY-OWNED LANDS TO BE DEVELOPED AS PART OF
ITS HARBOR CENTER REDEVELOPMENT PROJECT

BACKGROUND: Under Chapter 57, Statutes of 1915, as amended by Chapter 1555 of the Statutes of 1971, the Legislature granted certain tide and submerged lands to the City of Redondo Beach. The lands were granted for such purposes as a harbor and related activities, marine oriented commercial and industrial uses, public recreation and many other specific uses.

Among other things, the grant requires that the State Lands Commission approve any capital expenditure by the City which exceeds $250,000. The City has now applied to the Commission to utilize approximately $3.5 million of tidelands trust revenues to finance the public portion of the Harbor Center Redevelopment Project. Specifically, the trust revenues would be used to acquire privately owned lands outside of but in close proximity to the existing granted lands area. The funds would also be used to pay relocation benefits and other associated legal, consulting and miscellaneous costs.

Inasmuch as the Commission approved a similar request by the City at its April 1981 meeting, the City is aware that any acquisition

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of lands or development utilizing trust revenues become assets of the trust, with the land taking on the legal character of tidelands. The City has also filed a resolution with the Commission setting forth its intentions to utilize tidelands trust revenues for such acquisition and recognizing that such lands would become assets of the trust.

THE PROJECT: The City, through its redevelopment agency, is proposing to rehabilitate a blighted area adjacent to King Harbor, known as the Triangle Neighborhood Shopping Center. The City attempted to attract private development companies to the area with little success. Its current plan is to develop a portion of the triangle area with a 353-suite hotel facility together with typical hotel amenities and a community meeting hall. The hotel (Hometels Development Corporation) facility will be constructed on privately owned lands. Adjacent to the hotel, on lands proposed for acquisition by the City will be a parking lot and open landscaped area. If necessary, the City may lease the parking lot site to the hotel developer.

In 1978, Gruen Associates produced a report for the City entitled "Long-Range Planning Program, King Harbor". In this study it was pointed out that development in the project area would "become the geographical focal/access point of the entire Harbor area, as well as the key to the future financial viability of the Harbor". The City believes that the Hometels development at the site would provide a needed complement to the tidelands area at King Harbor.

A final EIR was prepared for the Triangle property area by the City wherein it certified that the project would not be detrimental to the environment.

AB 884: N/A.

FACTS AND FINDINGS:

1. Based upon a staff review of the City's financial records it appears that the

City has sufficient revenue and plans for maintaining the existing granted lands areas.

2. Public parking areas and open landscaped areas are statutorily authorized uses of the Redondo Beach granted lands.

3. A public parking facility will directly benefit the granted lands and enhance the public's ability to use and enjoy the tidelands.

4. If excess revenues are used, as proposed by the City, to acquire privately owned lands together with incidental expenses connected therewith, and if trust revenues are utilized to construct a parking structure, both the land and parking structure will become assets of the trust, taking on the legal character of tidelands, subject to all statutory and constitutional restrictions relating to tidelands and trust assets.

EXHIBITS: A. Site Map.
B. Parcel Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT THE CITY OF REDONDO BEACH THROUGH ITS ENVIRONMENTAL PLANNING COORDINATOR CERTIFIED AN EIR FOR THE HOTEL AND PARKING LOT PROJECT ON OCTOBER 21, 1982, AND THAT THE EIR SUBSTANTIALLY COMPLIES WITH CEQA, AND THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.

2. FIND THAT THE CITY OF REDONDO BEACH HAS SUFFICIENT EXCESS REVENUES FOR THE ACQUISITION PROJECT.

3. FIND THAT PUBLIC PARKING AND/OR OPEN LANDSCAPED AREAS ARE ALLOWABLE USES OF THE CITY'S GRANTED LANDS AND THE REVENUES GENERATED THEREFROM.

4. FIND THAT, IF THE CITY OF REDONDO BEACH USES TRUST REVENUES FOR THE ACQUISITION OF ANY LANDS WITHIN THE TRIANGLE PROJECT, INCLUDING THOSE LANDS PROPOSED FOR

PRIVATE DEVELOPMENT, ALSO INCLUDING ANY COSTS ASSOCIATED WITH SUCH ACQUISITION OR THE CONSTRUCTION OF PARKING FACILITIES ON SUCH LANDS, IT IS UNDERSTOOD THAT SUCH LANDS TOGETHER WITH ANY STRUCTURES LOCATED THEREON SHALL BECOME ASSETS OF THE TRUST AND SUBJECT TO ALL THE PROVISIONS OF THE CITY'S TRUST GRANT, AS AMENDED.

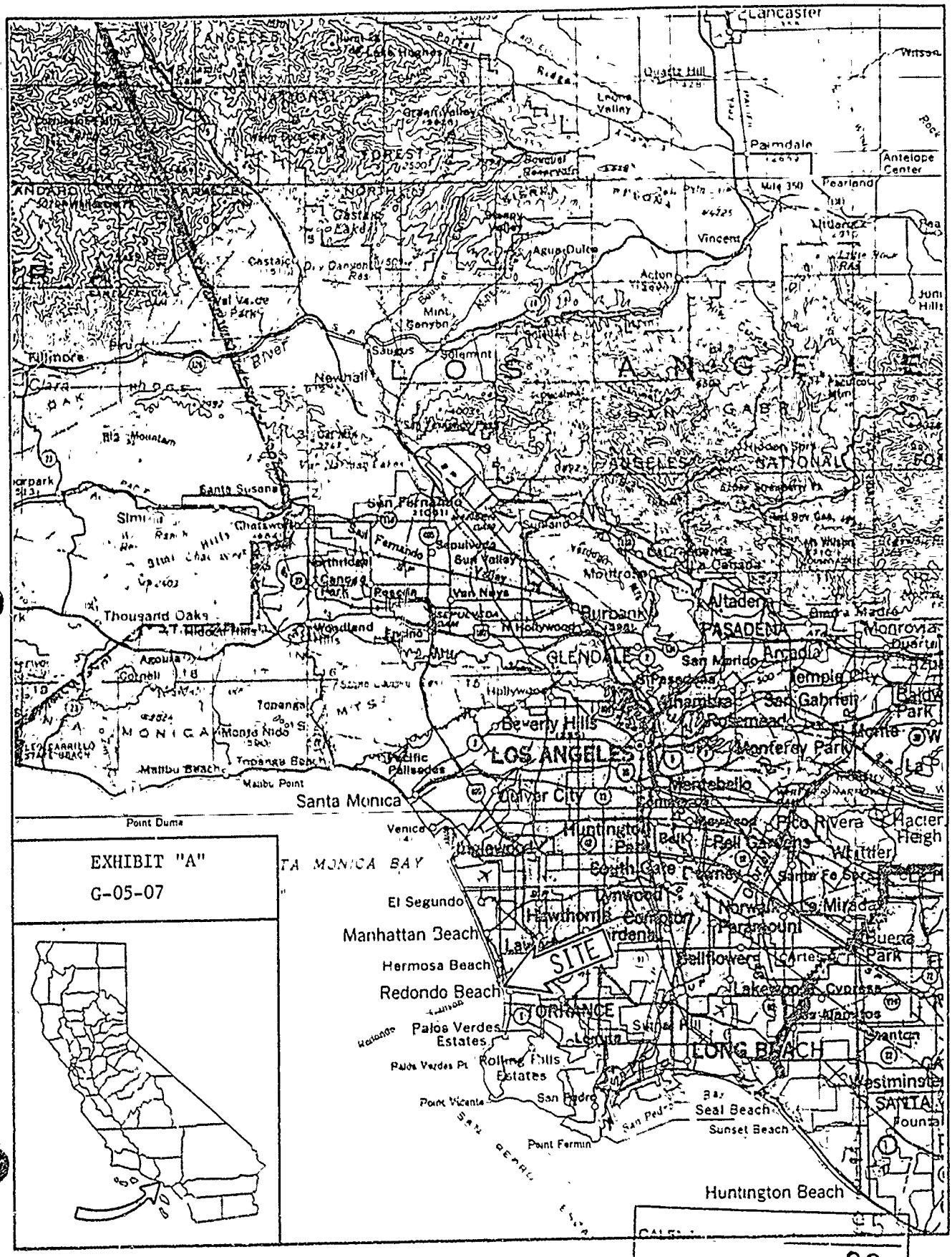
5. FIND THAT, IF THE CITY UTILIZES OTHER MUNICIPAL REVENUES FOR THE ACQUISITION OF THE SUBJECT LANDS, IT SHALL BE ENTITLED TO REASONABLE SUBSTANTIATED REIMBURSEMENT FROM TIDELANDS TRUST FUNDS FOR THE COSTS OF ACQUIRING SUCH LANDS; PROVIDED THAT THE COMMISSION SHALL APPROVE ANY SUCH REIMBURSEMENT AND THE AMOUNT OF REIMBURSEMENT PRIOR TO THE TRANSFER OF SUCH TIDELANDS TRUST FUNDS.

6. APPROVE THE CITY OF REDONDO BEACH'S PROPOSAL TO ACQUIRE LANDS IN THE TRIANGLE AREA WITH TIDELANDS TRUST REVENUES AND THE USE OF SUCH LANDS FOR THE CONSTRUCTION OF A PARKING FACILITY AS SUCH LANDS ARE ILLUSTRATED ON EXHIBIT "B"; WHICH COST OF ACQUISITION IS ESTIMATED TO BE $3,500,000.

7. FIND THAT, IF THERE ARE SUBSTANTIAL CHANGES TO THE ACQUISITION PROJECT OR THE PROPOSED USE AS PARKING STRUCTURE, THIS APPROVAL IS VOID AND THE CITY OF REDONDO BEACH MUST COME BACK TO THE COMMISSION FOR APPROVAL OF THE REVISED PROJECT.

8. REQUIRE, AS A CONDITION OF THIS APPROVAL, THE CITY OF REDONDO BEACH FILE AND RECORD A CITY-COUNCIL-APPROVED RESOLUTION OR OTHER DOCUMENT WITHIN 180 DAYS OF THIS COMMISSION ACTION, AGREEING IN FULL WITH THE TERMS AND CONDITIONS OF THIS APPROVAL AND DECLARING THE LAND TO BE ACQUIRED WITH TRUST REVENUES TO BE OF THE LEGAL CHARACTER OF TIDELANDS; ARE PART OF THE GRANT AND THEREFORE SUBJECT TO THE COMMON LAW PUBLIC TRUST AS WELL AS ALL THE TERMS AND CONDITIONS OF CHAPTER 57, STATUTES OF 1915; AS AMENDED; PROVIDED THAT IF A CONVEYANCE OF SUCH LANDS IS NOT MADE WITHIN THE PRESCRIBED TIME, THIS APPROVAL SHALL BE VOID.

9. REQUIRE THAT AS PART OF ITS FINANCIAL STATEMENTS SET FORTH IN CHAPTER 1555 OF THE 1971 STATUTES, THE CITY INCLUDE ALL NECESSARY INFORMATION AND SUBSTANTIATION FOR THE ACQUISITION OF THE SUBJECT LAND TOGETHER WITH DETAILED ANALYSES OF COSTS AND DISBURSEMENTS OF TIDELANDS REVENUES.



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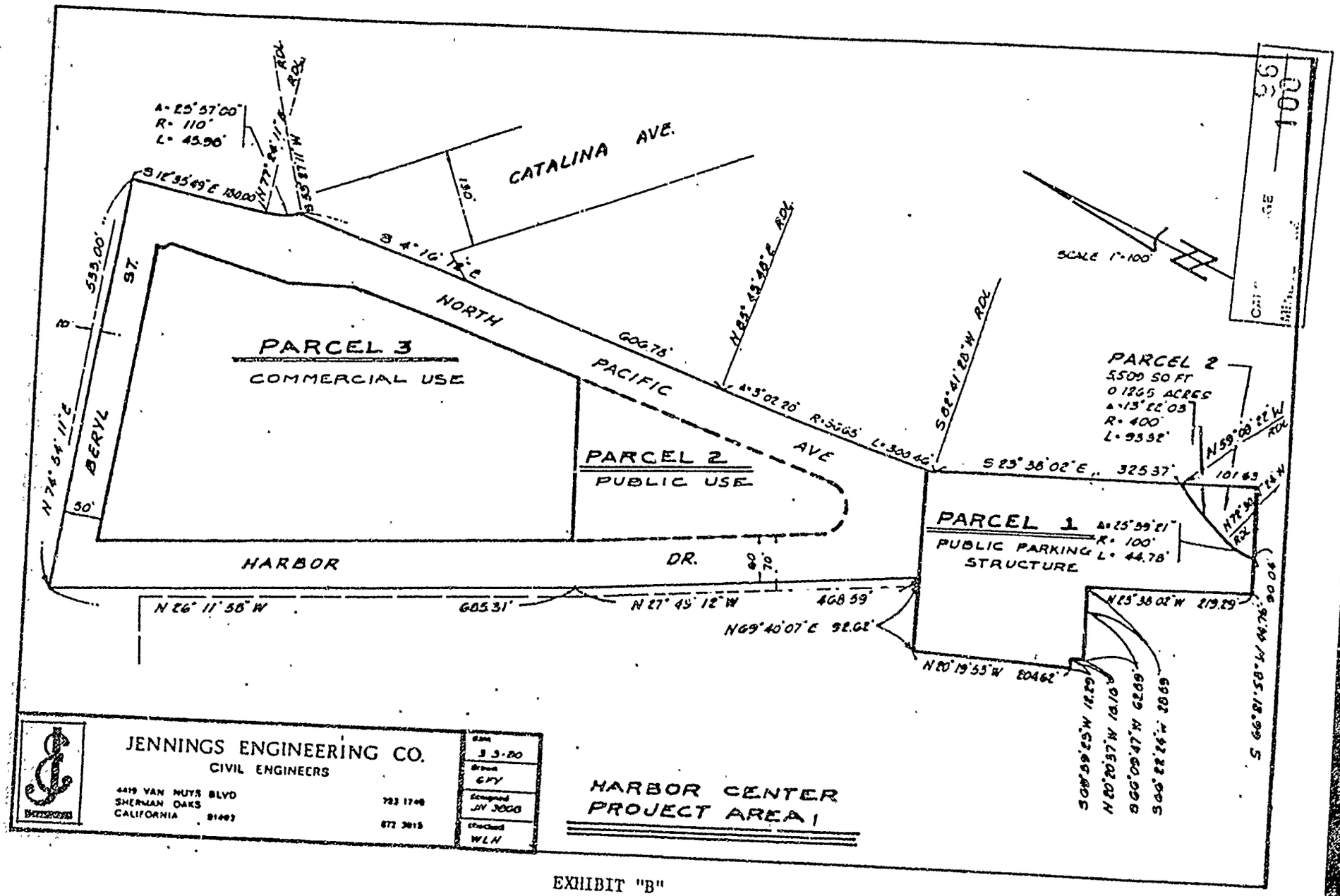

EXHIBIT "B"

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