ITEM
51
Item
51 State Lands
a vote of 2
to 0 at its 8/21/84
meeting.

CALENDAR ITEM

A 25

51

08/21/84
W 23270
SLL 127
Valentine

S 11

APPROVAL OF A
COMPROMISE TITLE SETTLEMENT AGREEMENT
REDWOOD CITY, SAN MATEO

PRIVATE PARTIES: Gary Castro and Associates

A title dispute exists between the State in its sovereign capacity and Gary Castro and Associates, ("private parties") concerning ownership of a 12-acre parcel of real property located in Redwood City, San Mateo County. The property is south of Pete's Harbor along Redwood Creek. The real property is referred to as the subject parcel, and is described in Exhibit "A", and is depicted on Exhibit "B".

Private party is the record owner of the subject parcel as successor in interest to a State Swamp and Overflowed Land Location and a Swamp and Overflowed Patent.

The private parties contend that the State patent conveyed all right, title and interest of the State within the subject parcel without any reservations to the State, express or implied, and that they now hold title to the property free and clear of any State right, title or interest.

The staff of the State Lands Commission has conducted a study of the evidence of title to the subject parcel and has drawn a number of factual conclusions, including those summarized below:

1. The parcel is primarily unimproved and reclaimed historic wetlands which formerly consisted of marsh grass and a large slough. It was in a natural state covered, at least in part, by the ordinary tides, the precise extent of coverage being subject to dispute. The subject parcel is presently diked and collects rainwater and run-off at least in the winter months.

The staff is of the opinion that the title evidence and the applicable legal principles lead to the conclusion that the State, in its sovereign capacity, is the owner of some public trust right, title or interest in the subject parcel. The exact extent and nature of the State's interest is, however, subject to uncertainty and dispute.

The private party has offered to resolve the title dispute by written agreement in compromise settlement of the legal and evidentiary issues. The staff of the State Lands Commission recommends approval of the settlement in substantially the form of the agreement now on file with the State Lands Commission.

While the agreement sets forth all the specific terms and conditions of the settlement, a brief summary of some of the principal terms and conditions of the settlement is set forth below, as follows:

1. The private parties will deposit the sum of $45,000.00 into the Land Bank Trust Fund which is administered as trustee by the State Lands Commission. The Commission will use this sum to acquire other lands more reasonably susceptible of public trust use than is the subject parcel.

2. In exchange for this transfer of funds to the State, the State will convey to private parties all its right, title and interest, and will terminate the public trust interest, in the subject parcel.

3. The agreement provides for an escrow and will be effective upon its recordation. Escrow fee's will be without cost to the State.

Staff has appraised the subject parcel and has evaluated the law and the evidence bearing on the title dispute, and is of the opinion that the sum of $45,000 is equal to or greater than the value of the State's interest in the subject parcel.

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that this activity is exempt from the requirements of the CEQA because the activity is not a "project" as defined by CEQA and the State CEQA Guidelines.

Authority: P.R.C. 21065 and 14 Cal. Adm. Code 15378.

AB 884: N/A.

EXHIBITS: A. Subject Parcel Description.
B. Subject Parcel Plat.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. ADM. CODE 15378.

2. FIND THAT THE PROPOSED COMPROMISE TITLE SETTLEMENT AGREEMENT, INCLUDING THE EXCHANGE OF THE STATE'S INTEREST IN THE SUBJECT PARCEL FOR FUNDS WITH WHICH TO BUY AN EXCHANGE PARCEL:

   a. IS IN THE BEST INTEREST OF THE STATE.

   b. THAT THE REAL PROPERTY RECEIVED BY THE STATE IS OF A VALUE EQUAL TO OR GREATER THAN THE VALUE OF THE INTERESTS IN THE SUBJECT PARCEL BEING RELINQUISHED BY THE STATE.

   c. THE SUBJECT PARCEL HAS BEEN IMPROVED, RECLAIMED AND PARTIALLY FILLED, HAS BEEN EXCLUDED FROM THE PUBLIC CHANNELS, AND ARE NO LONGER AVAILABLE OR USEFUL OR SUSCEPTIBLE OF BEING USED FOR NAVIGATION AND FISHING AND ARE NO LONGER IN FACT TIDELANDS OR SUBMERGED LANDS.

   d. THE PARTIES HAVE A GOOD FAITH AND BONA FIDE DISPUTE RESPECTING THE PRIVATE-STATE TITLES WITHIN THE PARCEL.

   e. THE PROPOSED AGREEMENT CONSTITUTES A COMPROMISE OF THE CONTESTED ISSUES OF LAW AND EVIDENCE UPON WHICH THE DISPUTE IS BASED.

   f. THE AGREEMENT IS IN LIEU OF THE COSTS, DELAYS AND UNCERTAINTIES OF TITLE LITIGATION; IT IS CONSISTENT WITH AND IS AUTHORIZED BY THE REQUIREMENTS OF LAW.

   g. ON THE EFFECTIVE DATE OF THE AGREEMENT AND CONSISTENT WITH ITS TERMS, THE SUBJECT PARCEL WILL NO LONGER BE NECESSARY OR USEFUL FOR THE PURPOSES OF THE PUBLIC TRUST AND THE PUBLIC TRUST INTEREST MAY BE TERMINATED.

3. APPROVE AND AUTHORIZE THE EXECUTION, ACKNOWLEDGEMENT AND RECORDATION ON BEHALF OF THE COMMISSION OF THE FOLLOWING DOCUMENTS:

   a. THE COMPROMISE TITLE SETTLEMENT AGREEMENT IN SUBSTANTIALLY THE FORM OF THE COPY OF SUCH AGREEMENT ON FILE WITH THE COMMISSION.

   b. A PATENT OF THE SUBJECT PARCEL IN SAN MATEO COUNTY, CALIFORNIA, DESCRIBED IN EXHIBIT "A" FOREVER FREE OF THE PUBLIC TRUST.

4. AUTHORIZE AND DIRECT THE STAFF OF THE STATE LANDS COMMISSION AND/OR THE CALIFORNIA ATTORNEY GENERAL TO TAKE ALL NECESSARY OR APPROPRIATE ACTION ON BEHALF OF THE STATE LANDS COMMISSION, INCLUDING THE EXECUTION, ACKNOWLEDGEMENT AND RECORDATION OF ALL DOCUMENTS AS MAY BE NECESSARY OR CONVENIENT TO CARRY OUT THE COMPROMISE TITLE SETTLEMENT AGREEMENT; AND TO APPEAR ON BEHALF OF THE COMMISSION IN ANY LEGAL PROCEEDINGS RELATING TO THE SUBJECT MATTER OF THE AGREEMENT.

EXHIBIT "A"

LAND DESCRIPTION

W 23270

All that certain real property situated in the City of Redwood City, County of San Mateo, State of California, being a portion of the fractional W½ of the NW¼ of Sec. 17, and a portion of the E½ of the NE¼ of Sec. 18, all in T5S, R3W, MDM, described as follows:

BEGINNING at the most southerly corner of the lands described in the deed from Earl P. Wilsey and wife, to Eric Watkin, dated October 24, 1955 and recorded December 8, 1955 in Book 2930 of Official Records of San Mateo County at page 733 (10941-N): Thence from said point of beginning along the southeasterly boundary line of said lands, N 63° 45' E 1000.71 feet to the west bank of Redwood Creek; thence along said west bank the following courses and distances: S 46° 24' E 144.78 feet; S 28° 41' E 452.10 feet; S 02° 46' W 201.30 feet and S 12° 13' W 125 feet, more or less, to the northerly boundary line of the lands described in the deed from Earl P. Wilsey and wife to Leslie Salt Co., a Delaware Corporation, dated April 2, 1946 and recorded June 11, 1946 in Book 1284 of Official Records of San Mateo County at page 211 (8885-G); thence westerly, along said northerly line, 1062 feet, more or less to the northeasterly boundary line of the lands described in Parcel One of the deed from Earl P. Wilsey and wife, to Bair Island Corporation, dated April 2, 1946 and recorded June 11, 1946 in Book 1274 of Official Records of San Mateo County at page 243 (8884-G); thence northwesterly along said northeasterly boundary line, and its northwesterly prolongation, 395 feet, more or less, to the point of beginning.

EXCEPTING THEREFROM the lands described in deed from San Mateo County Scavenger Company, a corporation, to Peter Uccelli, Jr. dated October 16, 1963, recorded August 18, 1964 in Book 4778, Official Records of San Mateo County, page 79 (56084-X) being a portion of the fractional W½ of the NW¼ of Sec. 17, and a portion of the E½ of the NE¼ of Sec. 18, all in T5S, R3W, MDM, more particularly described as follows:

BEGINNING at the most southerly corner of the lands described in the deed from Earl P. Wilsey and wife to Eric Watkin, dated October 24, 1955 and recorded December 8, 1955 in Book 2930 of Official Records of San Mateo County at page 733 (10941-N); thence from said point of beginning along the southeasterly boundary line of said lands N 63° 45' E 1000.71 feet to the west bank of Redwood Creek; thence along said west bank of Redwood Creek S 46° 24' E 144.60 feet to the angle point therein; thence continuing along said west bank S 28° 41' E 203.41 feet; thence leaving said west bank of Redwood Creek S 81° 30' 35" W 1112.27 feet to the point of beginning.

END OF DESCRIPTION

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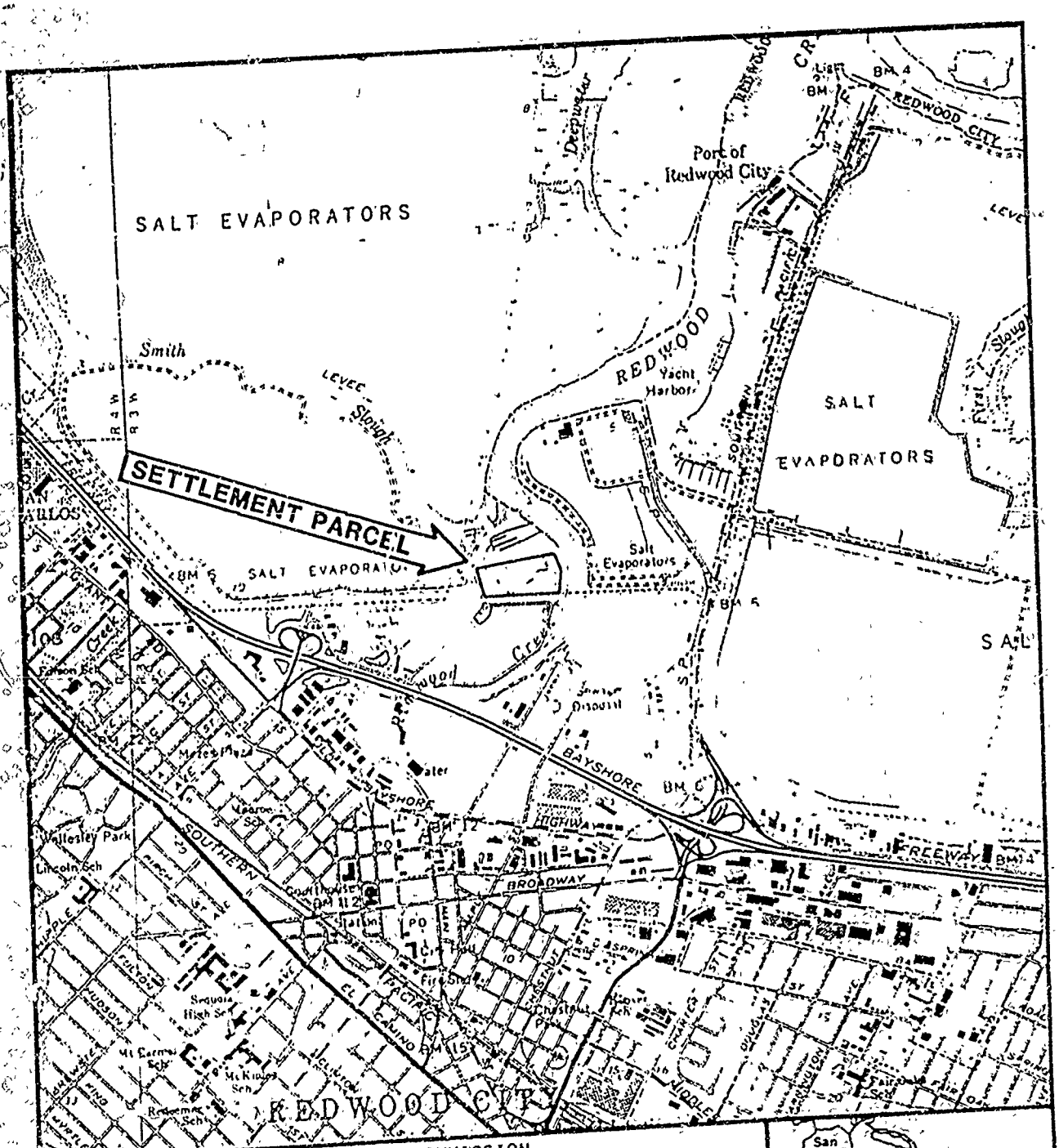
REVIEWED AUG. 6, 1984 BY THE BOUNDARY AND TITLE UNIT, F.D. UPES, SUPERVISOR.



STATE LANDS COMMISSION

SETTLEMENT PLAT

PORTIONS OF PALO ALTO (1973) & REDWOOD POINT (1980) QUADS

PLOTTING APPROXIMATE

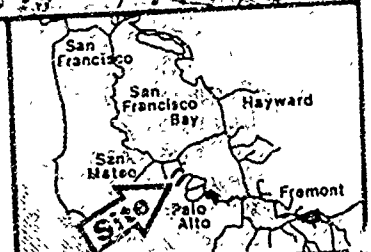


EXHIBIT "B"

Prepared by: R.L. BELL Date: AUG. 6, 1984 A: 21 S: 8

Z3-N36-E150

Title Study: CASTRO ~ BAIR ISLAND ROAD W23270

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