

**CALENDAR ITEM
C52**

A	Statewide	12/16/02
S	Statewide	G 09-02; W 23174 D. Brown

**CONSIDER AUTHORIZATION TO EXPEND SPECIFIED KAPILOFF LAND BANK
FUND RECEIPTS FOR GRANTED LANDS PROGRAM**

PARTY:

California State Lands Commission,
as Trustee of the Kapiloff Land Bank Fund
100 Howe Avenue, Suite 100 South
Sacramento, CA 95825-8202

BACKGROUND:

Chapters 728/94 and 317/97 direct that the City of Newport Beach (trustee of granted tidelands) shall remit to the State a share of revenues from leasing of certain sovereign lands within its trust grant (G 09-02). These funds, pursuant to Chapters 728 and 317, are remitted to the Kapiloff Land Bank, to be used for the support of the Commission's Granted Lands oversight activities statewide.

Currently State Lands Commission receives annual payments from the City/Trustee for monitoring of granted lands from two parcels within Newport Beach. These payments have recently averaged \$300,000+ annually and are expected to increase to in excess of \$400,000 due to remodeled facilities and the increase in the State's percentage share of lease revenues from 5 to 10% as specified in Chapter 728. The current balance of funds received from Newport Beach for both parcels is \$1,264,073. All monies within the fund are continuously appropriated.

PROPOSED ACTIVITY:

The Executive Officer proposes to implement the statutory directive to fund Granted Lands oversight activities from this source as was intended by the legislation. Costs would be limited to those actual costs for those activities reported for granted lands management and oversight as authorized by Public Resources Code §6301 & §6306. This action is taken to offset recent General Fund reductions and to ensure the continuity of the Granted Lands program. Currently, three staff members are assigned

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to Granted Lands activities with an additional 1½ staff persons performing boundary, auditing, legal and administrative support not to exceed \$450,000 per fiscal year.

STATUTORY AND OTHER REFERENCES:

- A. AB 3139, Chapter 728, Statutes of 1994
- B. SB 573, Chapter 317, Statutes of 1997
- C. Public Resources Code Section 8625
- D. Public Resource Code Sections 6301 and 6306
- E. Public Resources Code Section 8631.

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061). The staff has determined that this activity is exempt from the requirements of the CEQA because it involves an action taken pursuant to the Kapiloff Land Bank Act, Public Resources Code 8600, et seq.

Authority: Public Resources Code Section 8631.

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 AS A STATUTORILY EXEMPT PROJECT PURSUANT TO PUBLIC RESOURCES CODE SECTION 8631. AN ACTION TAKEN PURSUANT TO THE KAPILOFF LAND BANK ACT, PUBLIC RESOURCES SECTION 8600, ET. SEQ.
2. AS TRUSTEE, AUTHORIZE THE KAPILOFF LAND BANK FUNDS RECEIVED FOR THIS PURPOSE BE AVAILABLE FOR EXPENDITURES FOR GRANTED LAND MANAGEMENT AND OVERSIGHT ACTIVITES STATEWIDE NOT TO EXCEED \$450,000 ANNUALLY.