MINUTE ITEM

This Calendar Item No. C44 was approved as Minute Item No. 44 by the California State Lands Commission by a vote of 3 to 0 at its 2/2/04 meeting.

CALENDAR ITEM
C44

A 35, 36, 57, 58, 69

02/02/04
W 4848.1
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M. Le Clair
D. Brown

S 8, 9, 37

CONSIDER APPROVAL OF QUALIFYING MILES FOR SUBVENTIONS TO CITIES AND COUNTIES FOR FISCAL YEAR 2003-2004, ORANGE, LOS ANGELES, VENTURA, AND SANTA BARBARA COUNTIES

APPLICANT:

California State Lands Commission
100 Howe Avenue, Suite 100 South
Sacramento, CA. 95625-8202

BACKGROUND:

Public Resources Code Section 6817 provides for subventions of State tidelands oil and gas revenues to cities and counties, under conditions described below, and requires the California State Lands Commission to report to the State Controller the amounts of revenues to be used for purposes of calculating subventions.

STATUTORY AND OTHER REFERENCES:

A. Public Resources Code Section 6817

OTHER PERTINENT INFORMATION

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines [Title 14, California Code of Regulations, section 15060(c)(3)], the staff has determined that this activity is not subject to the provisions of the CEQA because it is not a "project" as defined by the CEQA and the State CEQA Guidelines.

Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations, sections

2. The subventions shall be made to cities and counties that own or operate qualifying beach parks (public beaches) free of charge to the public for recreational purposes.

3. The basis for application of the subvention formula is oil and gas revenues to the State from applicable leases in Fiscal Year 1983/84.

   a) For amounts up to applicable lease revenue totals for Fiscal Year 1983/84, subventionees may receive a maximum of $100,000 for each mile of qualifying beach frontage, or portion thereof.

   b) For amounts over and above applicable lease revenue totals for Fiscal Year 1983/84, subventionees will be entitled to receive one percent of such excess amounts without regard to any maximum limitations.

   c) In addition, pursuant to the provisions and limitations of Public Resources Code sections 6817 (b) and (c) added by Chapter 613, Statutes of 1996, twenty percent of the revenues paid to the State which are derived from production of oil, gas, and other hydrocarbons from a State tidelands lease, not to exceed a total of $200,000,000, adjusted for inflation, over a 20 year period, may be paid to a city or county within whose boundaries the lease is located, if the oil, gas, or other hydrocarbons are extracted under circumstances specified in the statute. At the present time, no cities or counties have qualified for additional revenues.

4. With respect to each city and county, the apportionment for any given fiscal year shall be based upon the physical facts existing on June 30 of the preceding fiscal year. As of June 30, 2003, based on verification letters received by Commission staff from the cities and counties, qualifying mileage is listed in Exhibit A, attached hereto, upon which subventions for Fiscal Year 2003-2004 are to be based.

5. The California State Lands Commission, at the time of remitting revenues to the State Treasurer, shall report to the State Controller the total amount

of revenue received from tide and submerged lands shown with respect to each city or county to which such amount is applicable. Subventions for Fiscal Year 2002-2003 were as follows:

City of Huntington Beach	$146,460.29
City of Long Beach	$32,537.68
City of Seal Beach	$17,336.08
County of Santa Barbara	$48,386.21
County of Ventura	$9,951.23
Total	$254,671.49

EXHIBIT:

A. Cities and Counties Qualifying for Subventions and Qualifying Mileage, as of June 30, 2003.

PERMIT STREAMLINING ACT DEADLINE:

N/A

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDINGS:

FIND THAT THE ACTIVITY IS NOT SUBJECT TO THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15060(c)(3) BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

AUTHORIZATION:

APPROVE THE QUALIFYING BEACHES AND PARKS, AS REPORTED BY CITIES AND COUNTIES, AND VERIFY THIS QUALIFYING MILEAGE AS A BASIS FOR SUBVENTIONS IN FISCAL YEAR 2003-2004.

APPROVE THE REPORTING OF ASSOCIATED REVENUE BASED ON THE APPROVED QUALIFIED MILEAGES TO THE STATE CONTROLLER AS REQUIRED BY PUBLIC RESOURCES CODE SECTION 6817.

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EXHIBIT A

CITIES AND COUNTIES QUALIFYING FOR SUBVENTIONS UNDER PUBLIC RESOURCES CODE SECTION 6817 FISCAL YEAR 2003-2004

CITY/COUNTY	PARK OR BEACH OWNED OR OPERATED BY CITY OR COUNTY	FOOTAGE	TOTAL QUALIFYING MILES
City of Huntington Beach	Huntington Beach Public Park	5,665	2
	Bolsa Chica Public Beach	11,873	3
City of Long Beach	Alamitos Beach Park Lands	2,005	1
City of Seal Beach	Seal Beach Public Beach	8,214	2
County of Ventura	Rincon Parkway	12,269	3
	Mandalay Beach Park	1,530	1
County of Santa Barbara	Rincon Beach Park	1,380	1
	Loon Point Recreation Area	1,481	1