that the Commission authorize the Executive Officer to report to the author of this bill the need for the following series of amendments which would be required to permit effective administration of the act, if the bill were to become an act:

Leaving it to the Department of Finance as to the problem of the feasibility and desirability of a million and half dollar general fund appropriation .....

MR. CHAMPION: Well, isn't there a problem here? Not that the Department of Finance is not willing to bear that burden, but isn't there a problem that goes beyond the one million-five in the determination -- that it is the local subdivisions' responsibility to re-acquire this land? You are attaching a State financial obligation for some local subdivision act; and while I have been through this, I don't know procedurally how they plan to use it.

If you are looking to State funds, you are really looking to a State determination of policy by the State Lands Commission as to why it should be acquired, how it should be acquired, and how it should be used.

If you are looking for a local objective, then I would think they should be looking for local funds. So the fund problem is a little mixed up with the policy problem.

MR. HORTIG: That is correct.

GOV. ANDERSON: In the past, haven't some of these local juriadictions picked up the land and then given it to

the State?

MR. HORTIG: Generally not. Cities have picked up -- and notably in Marin County this has been done recently -- by very large expenditures have acquired previously granted tidelands in order that they could be included in developments for the city and county; and the State has not participated in the planning, except in the broad aspect that these lands were included in the master plan.

GOV. ANDERSON: It is my recollection that in Santa Monica Bay they used their own money to acquire land and after they acquired it they gave it to the State.

MR. HORTIG: This is correct; but the distinction there is that they were for upland beaches. This is for tidelands previously granted by the State.

GOV. ANDERSON: I see -- this is from the water out, not the beach.

MR. HORTIG: That's right.

(Mr. Champion left the meeting at this point)

GOV. ANDERSON: Well, your recommendation is that we not take a position in regard to the bill itself, the basic idea, except to put in these five in a sense amendments to it -- that would give us a potential interest and some control over its eventual development.

MR. HORTIG: Which in the opinion of the staff would be needed to make the bill administratively feasible.

GOV. ANDERSON: But we wouldn't be taking a position

on the bill itself.

MR. HORTIG: ... as a matter of policy or of appropriation.

GOV. ANDERSON: Did Mr. Champion leave us?

MR. HORTIG: Yes, sir.

GOV. ANDERSON: Do you want to move the recommendation of the staff?

MR. CRANSTON: Yes.

GOV. ANDERSON: I'll second; carried.

MR. HORTIG: And next, S.B. 309, McAteer, proposes a creation of a San Francisco Bay Conservation and Development Commission, but as proposed in the bill there are certain implications with which the staff had difficulty.

Very briefly, first, the State, as a matter of policy, would be relinquishing control over its sovereign lands to an intermediate body. These are the seventy percent plus on San Francisco Bay now under exclusive jurisdiction of the State Lands Commission.

Secondary to this, without a direct legislative grant, it is quite probable that the problem of jurisdiction could arise -- almost undoubtedly would -- as between the new proposed Bay Conservation Commission and the Lands Commission.

The third consideration would, of course, be that the problems are beyond the efforts and abilities of local governments and, indeed, why it is suggested that a regional type authority be established; but there is a very serious

policy problem as to what powers the State is willing to relinquish in order to effect such a regional power, and very importantly, again back to the seventy percent of the Bay area in undisputed ownership of the State and under the jurisdiction of the Commission, it is proposed that the Lands Commission would have and the State would have a, one, out of twenty-five members on this Commission.

It is difficult to see how the interests of the State could be protected on a commission dominated by local representatives with this type of disproportionate representation.

GOV. ANDERSON: We would have what?

MR. HORTIG: One.

GOV. ANDERSON: One out of twenty-five?

MR. HORTIG: Right. There are also some technical problems with respect to the accuracy or discrepancy of some boundaries which are outlined here.

Finally, under the control-of-structures features as proposed under the bill, any structure as proposed would be under the control of the Bay Conservation and Development Commission -- even the smallest pier. Such authority certainly might be considered excessive as a means of protecting the total Bay, particularly with respect to the fill feature.

Returning again to item (1), really it appears to the staff that the desirable procedure, if a Bay Conservation and Development Commission were established to decide the

regional problems, that their recommendations for utilization of the lands should then be presented to the State Lands Commission for consideration of approval of the utilization of such State-owned lands as are now under the jurisdiction of the Commission, rather than having a secondary body make the decisions for the State as to what disposition there should be of the lands.

With all of these items in mind, then, it is recommended that the Commission authorize the Executive Officer to report the foregoing considerations and recommendations on Senate Bill 309 to the appropriate respective legislative committees; and this bill is before the Senate Governmental Efficiency Committee tomorrow morning.

MR. CRANSTON: Mr. Chairman, it seems to me we might do all of that, but do something more. The basic problem has been, I think, in San Francisco Bay and elsewhere, there have been all these different jurisdictions and because each is seeking to protect their own interests, the result is a standstill and nothing gets done.

Is there some formula that we can present that would permit establishment of a Bay Committee, whatever it might be, that will represent the interests of all the varying jurisdictions, including the State, to give us the ability to go ahead?

MR. HORTIG: Yes, sir, I believe that is the result of adding at least two of the suggestions with respect to the

bill -- that the regional authority could be established, properly representing all the interests in the area proportional to the land interests and controls; and with respect to the majority area of the Bay, which is State-owned and under the control of the Lands Commission, that this regional authority make its representations and applications for utilization of the State-owned lands and the regional interests, when they have determined what these are, and the Lands Commission has at the present time authorization to recommend, approve and authorize such improvements -- which at that time would for the first time coordinate the State interests as well as the regional interests.

MR. CRANSTON: Under that formula, would we retain one hundred percent freedom to concur or not concur, support or not support?

MR. HORTIG: I believe this is essential in the Commission as the sovereign owner of the land.

MR. CRANSTON: What would happen to San Francisco's basic interest in their portion of the Bay and the Commission's interest in their portion? Would each of them retain independence in their separate land?

MR. HORTIG: They would be under the scope of and members of the regional authority for integrated and coordinated planning and development.

MR. CRANSTON: Each of the cities and counties would merge its authority but the State would not?

MR. HORTIG: This would be one formula.

MR. CRANSTON: I am just raising the question if that is a workable formula.

MR. HORTIG: Well, you already have that situation in any association of Bay governments and despite the existence of ABAG; but since this is voluntary and no statutory authority is behind it, this proposal in Senator McAteer's bill seems aimed at giving a legal and statutory basis for effective regional coordination; but I don't think in connection with this regional coordination that it is necessary that the State surrender its ownership, its administration or otherwise.

The State should be left in the position of cooperating and combining the State interests with the regional interests, as the regional interests are finally defined by such an organization as a San Francisco Bay Conservation and Development Commission.

MR. CRANSTON: I don't think we should give up ownership, but I wonder if we shouldn't in a more positive fashion say that we support this concept wholeheartedly of the Bay Commission ..

MR. HORTIG: Of the Development Commission?

MR. CRANSTON: Of the Bay Development Commission; and, secondly, urge that we explore some formula that would permit greater integration of the State's program and policies of this Commission.

I am afraid if we stay out entirely separate, there will be a tendency, since so much of the Bay is owned by the State, for other jurisdictions to feel that we are not cooperating with the policy and the program.

I don't think we should give up our basic ownership and interest, but I think we should perhaps see if we can find a formula where we merge with them in the policy-making field -- at least express a desire to see if there is such a formula that fully protects us.

GOV. ANDERSON: I think I am in sympathy with what you are trying to say there. Frankly, this is what I was, in a sense, pointing out earlier. I feel a little guilty that years ago we did not come up with a plan of preservation ourselves. I feel this is a responsibility of our Lands Commission, and the fact that we have seventy percent of the land, I would think would bear that out.

Now, however, we find ourselves seeing something we should have done taken away from us and given to someone else to do because we haven't done it. This was, in a sense, what I was trying to point out earlier. Still, because we didn't do it, I don't want to be against it.

MR. CRANSTON: I am in favor of a stronger position and possibly merging authority with this Commission, but without the Lands Commission abrogating its authority.

GOV. ANDERSON: How can you have the Commission down there being effective if you have one of the owners of

seventy percent of the land not having the power unless we have legal power? My sympathy is with your feeling because I want to see something done about the whole planning program down there. Every day someone comes in from the Bay and wants something done and I can't give an answer.

Now we have a bill that wants to establish this responsibility. I am in support of it too, even though it is in a sense taking away from us and giving it to them. I wish we had done it before ourselves, that's all.

Now, I don't know - - Can you interpret our feeling?

MR. HORTIG: I am having trouble with the practical presentation to a legislative committee. I think if the reporter could read back Mr. Cranston's comments....

GOV. ANDERSON: Don't read mine.

MR. HORTIG:..With respect to support, I think we could agree on what ....

MR. CRANSTON: I don't think it is necessary to read it back.

On Page 47, the first point you raised, in the middle there where it sets forth that the creation of the Bay Commission, et cetera, has certain implications which would be harmful to the interests of the State, specifically you start off by saying:

"(1) The State would be relinquishing control of its sovereign lands to an intermediate body."

I think the word "relinquish" may be something we

should avoid, but I think specifically we should be prepared to seek and consider a formula that would permit us to share control of lands in the Bay with other governmental jurisdictions there, in the best interests of the whole Bay.

It is my feeling that we would retain ownership, presumably, of whatever we own there; but the value of what we own there will be greatly enhanced for the State and its citizens will benefit if an orderly plan is developed through this Commission.

GOV. ANDERSON: If out of the twenty-five members the number of our votes was increased from one to, say, ten, couldn't we under that type of setup agree to a policy that that Commission decided -- and agree to it ahead of time, instead of a veto that we don't like it, we won't go along?

MR. HORTIG: Of course, it would be assumed that on any application before the State Lands Commission, being considered on its merits and the facts, the position of the Commission will be on the basis of properly coordinating the State's interests and the interests of the regional group who have submitted the application; and the Lands Commission has certainly never been arbitrary or an obstructionist of any program, any application that has been before it.

With this kind of record, there is certainly no basis for any regional group coming into being or any of the existing groups to feel that there is any hazard in the Lands Commission retaining the jurisdiction which it has under the

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State law and continuing to cooperate, as the Lands Commission has in fact cooperated, with any body that has submitted a program that covered the public interest as the Lands Commission determined the public interest was properly reflected.

MR. CRANSTON: Well, it seems to me that each city and each county could take the same view with regard to whatever portion of the Bay they feel they presently have under their jurisdiction and control -- that they don't want to advocate this or merge because they don't want to relinquish. If we don't set the example, each city and county will do that and the committee won't function. I think we should share in exploring this.

MR. HORTIG: I think on the basis of your previous statement, with the approval of the Chairman we will have this transcribed and stated in the form of a statement or a motion by you gentlemen, and report this to the committee tomorrow at the hearing; and I think this would give us the appropriate entree before the appropriate forum for this consideration.

We would also, of course, tell this to Senator McAteer.

MR. CRANSTON: It seems to me it could be a general position of the Commission. It is a hard thing to pin down. All we are seeking is a formula acceptable to us and acceptable to others.

MR. HORTIG: If I am so directed, I will be happy