

MINUTE ITEM

5. APPLICATION FOR APPROVAL OF "MEMORANDUM OF AGREEMENT" BETWEEN THE CITY OF MARTINEZ ('CITY'), AND THE STATE OF CALIFORNIA ('STATE'), ACTING BY AND THROUGH: (1) THE ADMINISTRATOR OF THE STATE RESOURCES AGENCY; (2) THE DIVISION OF SMALL CRAFT HARBORS, DEPARTMENT OF PARKS AND RECREATION; (3) THE SMALL CRAFT HARBORS COMMISSION, AND (4) THE STATE LANDS COMMISSION; AND, THE TERMINATION OF LEASE P.R.C. 2545.9; AND, THE APPROVAL OF A 49-YEAR LEASE REPLACING LEASE P.R.C. 2545.9 - W.O. 4986.

The Chairman noted that the Commission was not yet ready to consider and act upon Calendar Item 31 attached, and postponed this item until the special meeting of the Commission scheduled for October 9, 1964. Mr. Michael Traynor, Attorney, representing the City of Martinez, agreed to the postponement, but emphasized the need for action at an early date, so that the City can proceed with development of the proposed harbor.

Attachment
Calendar Item 31 (2 pages)

CALENDAR ITEM

31.

APPLICATION FOR APPROVAL OF "MEMORANDUM OF AGREEMENT" BETWEEN THE CITY OF MARTINEZ ('CITY'), AND THE STATE OF CALIFORNIA ('STATE'), ACTING BY AND THROUGH: (1) THE ADMINISTRATOR OF THE STATE RESOURCES AGENCY; (2) THE DIVISION OF SMALL CRAFT HARBORS, DEPARTMENT OF PARKS AND RECREATION; (3) THE SMALL CRAFT HARBORS COMMISSION, AND (4) THE STATE LANDS COMMISSION; AND, THE TERMINATION OF LEASE P.R.C. 2545.9; AND, THE APPROVAL OF A 49-YEAR LEASE REPLACING LEASE P.R.C. 2545.9 - W.O. 4986.

By letter dated September 1, 1964, the City of Martinez requested that the State Lands Commission approve a "Memorandum of Agreement" (Exhibit 1), and a lease between the "City" and the "State", a copy of which is attached to the "Memorandum of Agreement" as Exhibit "F" thereto.

On or about January 6, 1960, the State and the City entered into an agreement whereby Martinez, California, was designated as an acceptable location for a small craft harbor. The agreement provided for but was not limited to:

1. Lands owned by the State, held by the City under a 49-year use permit, P.R.C. 2545.9, approved by the State Lands Commission at its meeting of March 24, 1960. These lands consist of 34.03 acres of tide and submerged lands more particularly described in Exhibit "A" of the "Memorandum...."
2. Lands owned by the City which consist of approximately 78 acres, more particularly described in Exhibit "C" of the "Memorandum...."
3. The construction on the State lands parcel of a "Marina", and appurtenant facilities in accordance with plans and specifications submitted by J. H. Pomeroy & Company, Inc., acting as engineers for the City.
4. A loan by the State to the City of \$1,300,000 for construction of the marina and appurtenant facilities.

During construction, various difficulties developed, the contractor stopped work on the project, and the marina was left and remains uncompleted.

For several months the State and the City have been meeting to develop a program to complete the harbor and marina, to re-define the rights of the City and the State and to dispose of the claim of the contractor.

It has been estimated that between \$1,200,000 and \$1,500,000 will be required to correct existing difficulties and to complete the small craft harbor according to the remedial report "Methods and Costs of Completing the Small Craft Harbor at Martinez, California", issued August 1963 by Earl & Wright, Consulting Engineers, San Francisco.

Since neither the State nor the City are in a position to furnish the necessary funds for the completion of the Small Craft Harbor, a major objective in developing the "Agreement", and the lease contained therein, has been the

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creation of a program that would attract a private developer or developers for the purposes of completing the harbor, developing a recreation area, and securing income therefrom.

The parties, other than the State Lands Commission have arrived at an understanding set forth in the "Memorandum of Agreement"; the principal purposes of this Agreement are to provide for development of a harbor at Martinez that will be beneficial to the public and produce income for the State and the City.

To accomplish these purposes, the State and the City have agreed to place various parcels of land separately owned by them into a single project to be held by the City for development under the supervision of a joint committee of the City and State officials.

The "project area" specified in the agreement consists of:

- a. The State lands. See Exhibit "A" of Agreement.
- b. "Other State lands". Exhibit "B" of Agreement.
- c. The City lands. Exhibit "C" of Agreement.
- d. "Other City lands". Exhibit "D" of Agreement.

A map of the project area is attached hereto as Exhibit "E".

The term of the Agreement shall be 49 years from the date of its approval by the Governor of California. The term shall be renewable as provided in paragraph 17 of the Agreement.

IT IS RECOMMENDED THAT SUBJECT TO APPROVAL OF THE AGREEMENT AND THE NEW LEASE BY THE OFFICE OF THE ATTORNEY GENERAL, THE EXECUTIVE OFFICER BE AUTHORIZED:

1. TO EXECUTE THE "MEMORANDUM OF AGREEMENT" REGARDING THE DEVELOPMENT OF A SMALL CRAFT HARBOR AT MARTINEZ, CALIFORNIA;
2. TO APPROVE THE TERMINATION OF P.R.C. 2549.9; AND
3. TO EXECUTE A NEW LEASE AS PROVIDED IN EXHIBIT "F" OF THE AGREEMENT.