

**CALENDAR ITEM  
C60**

A	37, 53, 68, 70, 72, 74	10/16/15 W 4848.1 W 4848.3 W 4848.4 W 4848.5 W 4848.6 W 4848.8 N. Heda
S	19, 24, 33, 34, 37	C. Connor D. Brown

**CONSIDER APPROVAL OF QUALIFYING MILES  
FOR SUBVENTIONS FOR FISCAL YEAR 2015-2016  
TO THE COUNTIES OF VENTURA AND SANTA BARBARA;  
TO THE CITY OF CARPINTERIA LOCATED IN SANTA BARBARA COUNTY;  
TO THE CITIES OF HUNTINGTON BEACH AND SEAL BEACH,  
LOCATED IN ORANGE COUNTY; AND  
TO THE CITY OF LONG BEACH, LOCATED IN LOS ANGELES COUNTY**

**BACKGROUND:**

Public Resources Code section 6817 provides for subventions of State tidelands oil and gas revenue to cities and counties, under conditions described below. Pursuant to the statute, the California State Lands Commission is required to report to the State Controller the amounts of revenues to be used for purposes of calculating those subventions.

Public Resources Code section 6817, subdivision (a) provides that subventions shall be made to cities or counties that have within their boundaries active State tidelands oil and gas leases and that own or operate parks (public beaches) free of charge to the public for recreational purposes. In the case of the counties, these parks must be immediately adjacent to and have common frontage with active State tidelands oil and gas leases.

The subventions made to a qualifying city or county for each fiscal year are determined by a subvention distribution formula in Public Resources Code section 6817, subdivision (a). A qualifying city or county may receive one percent of the oil and gas revenues the State receives during a fiscal year from leases within its boundaries. The one percent share is limited to a maximum of \$100,000 for every mile or portion of a mile of qualifying beach park frontage

CALENDAR ITEM NO. **C60** (CONT'D)

owned or operated by the city or county. However, the limitation on the amount does not apply to revenues from leases within the limits of the particular county or city that exceed the revenues paid to the State during the 1983-84 fiscal year.

In addition to the subventions under the provisions of Public Resources Code section 6817, subdivision (a), subdivision (b) provides that under specified circumstances, a city or county having within its boundaries a State tidelands oil and gas lease or leases may receive 20 percent of the revenues paid to the State for production of oil, gas and other hydrocarbons from the lease or leases, but not to exceed a total of \$200,000,000, adjusted for inflation, over a 20-year period. No cities or counties have ever qualified for these additional revenues.

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. Based on verification letters received by Commission staff from the cities and counties, the qualifying mileage upon which subventions for fiscal year 2015-2016 are to be based is listed in Exhibit A. The list of leases from which the subventions are payable for the qualifying cities and counties for fiscal year 2015-2016 is compiled in Exhibits B and C.

**STATUTORY AND OTHER REFERENCES:**

- A. Public Resources Code section 6817.

**OTHER PERTINENT INFORMATION**

- 1. Staff recommends that the Commission find that the subject approval of qualifying miles for subventions to cities and counties for fiscal year 2015-2016 does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with the California Environmental Quality Act (CEQA).

Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, sections 15060, subdivision (c)(3), and 15378.

- 2. 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.

CALENDAR ITEM NO. **C60** (CONT'D)

3. Subventions for fiscal year 2014-2015 were as follows:

City of Huntington Beach	\$266,398.94
City of Seal Beach	\$58,157.08
City of Long Beach	\$67,222.01
City of Carpinteria	\$22.85
County of Ventura	\$41,242.28
County of Santa Barbara	\$59,338.22
Total	<u>\$492,381.38</u>

**EXHIBITS:**

- A. Cities and Counties Qualifying for Subventions and Qualifying Mileage, as of Fiscal Year 2015-2016.
- B. Subvention Leases for the Qualifying Cities and Counties, Current Fiscal Year 2015-2016.
- C. Individual Main Zone Leases Associated with PRC 91 Main Zone Pool for Current Fiscal Year 2015-2016.

**RECOMMENDED ACTION:**

It is recommended that the Commission:

**CEQA FINDINGS:**

Find that the subject approval of qualifying miles for subventions to cities and counties for fiscal year 2015-2016 is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.

**AUTHORIZATION:**

- 1. 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 2015-2016.
- 2. Approve the reporting of revenue based on the approved qualified mileages to the State Controller as required by Public Resources Code section 6817 for fiscal year 2014-15.

W 4848.1, W 4848.3, W 4848.4  
W 4848.5, W 4848.6, W 4848.8

## EXHIBIT A

### CITIES AND COUNTIES QUALIFYING FOR SUBVENTIONS AND QUALIFYING MILEAGE UNDER PUBLIC RESOURCES CODE SECTION 6817 FISCAL YEAR (FY) 2015-2016

City/County	Park Or Beach Owned Or Operated By City Or County	Adjacent Qualifying Lease	Footage (FY 14-15)	Footage (FY 15-16)	Total Qualifying Miles	Changes from Previous Year's Miles
<b>City of Huntington Beach (W 4848.1)</b>	HB City Beach	*Not Required	5,665	5,665	<b>5</b>	<b>No change</b>
	Bolsa Chica Beach	*Not Required	11,873	11,873		
	**Sunset Beach		6,124	6,124		
	<b>TOTAL</b>		<b>23,662</b>	<b>23,662</b>		
<b>City of Seal Beach (W 4848.4)</b>	Seal Beach Public Beach	*Not Required	8,214	8,124	<b>2</b>	<b>No change</b>
	<b>TOTAL</b>		<b>8,214</b>	<b>8,214</b>		
<b>City of Long Beach (W 4848.8)</b>	Alamitos Beach Park	*Not Required	2,005	2,005	<b>1</b>	<b>No change</b>
	<b>TOTAL</b>		<b>2,005</b>	<b>2,005</b>		
<b>City of Carpinteria (W 4848.6)</b>	Carpinteria City Beach	*Not Required	9,350	9,350	<b>2</b>	<b>No change</b>
	<b>TOTAL</b>		<b>9,350</b>	<b>9,350</b>		
<b>County of Ventura (W 4848.5)</b>	Mandalay Beach Park	PRC 3314	1,530	0	<b>0</b>	<b>Changed</b>
	<b>TOTAL</b>		<b>1,530</b>	<b>0</b>		
<b>County of Santa Barbara (W 4848.3)</b>	Loon Point Recreation	PRC 1824	2,594	2,594	<b>1</b>	<b>No change</b>
	Rincon Beach Park	PRC 3133	1,380	1,380		
	<b>TOTAL</b>		<b>3,974</b>	<b>3,974</b>		

\*Adjacency to the qualifying leases is not required for the cities

\*\*The City of Huntington Beach annexed Sunset Beach in 2011

**EXHIBIT B**

W 4848.1, W 4848.3  
W 4848.4, W 4848.6  
W 4848.8

**SUBVENTION LEASES FOR THE QUALIFYING CITIES AND COUNTIES  
UNDER PUBLIC RESOURCES CODE SECTION 6817  
FISCAL YEAR 2015-2016  
SUBVENTION INTERESTS (100% UNLESS OTHERWISE INDICATED)**

<b>CITY OF HUNTINGTON BEACH (W 4848.1)</b>	<b>CITY OF SEAL BEACH (W 4848.4)</b>	<b>CITY OF LONG BEACH (W 4848.8)</b>	<b>CITY OF CARPINTERIA (W 4848.6)</b>	<b>COUNTY OF SANTA BARBARA (W 4848.3)</b>
<b>PRC</b>	<b>PRC</b>	<b>PRC</b>	<b>PRC</b>	<b>PRC</b>
91*	186	3455	3133 (44.6%)	421
163	1482		3150 (54.16%)	1824
392	3095 (73.0%)		7911 (7.3%)	3120
425				3133 (55.4%)
426				3150 (45.84%)
3033				3242
3413				4000
4736				7911(92.7%)

\*See Exhibit C, Townlot Leases Associated with PRC 91 Main Zone Units.

## EXHIBIT C

W 4848.1, W 4848.3  
W 4848.4, W 4848.6  
W 4848.8

### TOWNLOT LEASES ASSOCIATED WITH PRC 91 MAIN ZONE UNITS FOR CURRENT FISCAL YEAR 2015-2016

400	983	993	1333	1340	2516
401	985	997	1334	1342	2517
919	986	998	1335	1343	
920	988	999	1336	1345	
976	989	1329	1337	1346	
977	991	1331	1338	2515	
980	992	1332	1339		