

Introduced by Senator Wolk
(Principal coauthor: Assembly Member Bonilla)
(Coauthor: Senator DeSaulnier)

February 21, 2014

An act to repeal Section 3 of Chapter 815 of the Statutes of 1976, relating to tidelands, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 1424, as introduced, Wolk. State property: tidelands transfer: City of Martinez

(1) Existing law grants to the City of Martinez all right, title, and interest of the state to 3 specified parcels of land in the Straits of Carquinez, to be held in trust for specified uses. The Kapiloff Land Bank Act creates the Land Bank Fund and continuously appropriates moneys in the fund, subject to a statutory trust, to the State Lands Commission, acting as the Land Bank Trustee, to acquire real property or any interest in real property for the purposes of public trust title settlements.

This bill would repeal that grant of trust lands to the City of Martinez and would instead provide for a new grant of trust land to the City of Martinez that would include an additional 4th parcel. The bill would require the trust lands to be held by the city, as trustee, for the benefit of all the people of the state for purposes consistent with the public trust doctrine, including the protection of maritime or water dependent commerce, navigation, and fisheries, and the preservation of the lands in their natural state for scientific study, open space, wildlife habitat, and water-oriented recreation. The bill would authorize the city to lease trust lands under specified conditions for purposes consistent with the grant and the public trust doctrine

The bill would require the City of Martinez to submit to the commission by January 1, 2020, for its approval a trust lands use plan, as prescribed. The bill would require the city to file with the commission by September 30, 2025, and every 5 years thereafter, a detailed report of its trust lands uses and, by October 1 of each year, a statement of trust revenues and expenditures. The bill would require the city to file a specific document with the commission before expending trust revenues for any single capital improvement on the trust lands greater than \$250,000 and would prohibit that expenditure of funds if the commission determines it is not authorized.

The bill would require, on June 30, 2015, if the Department of Parks and Recreation determines that specified loans have been repaid, and at the end of every fiscal year thereafter, that 20% of all gross revenues generated from the trust lands be transmitted to the commission, for allocation by the Treasurer, of which 80% would be deposited in the General Fund and 20% in the Kapiloff Land Bank Fund, thereby making an appropriation.

By imposing new duties on the City of Martinez with respect to the trust lands, the bill would impose a state-mandated local program.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: $\frac{2}{3}$. Appropriation: yes. Fiscal committee: yes.
 State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 3 of Chapter 815 of the Statutes of 1976,
 2 as amended by Section 1 of Chapter 387 of the Statutes of 2002,
 3 is repealed.
 4 ~~Sec. 3. (a) There is hereby granted to the City of Martinez,~~
 5 ~~and to its successors, all right, title and interest of the state held~~
 6 ~~by virtue of its sovereignty in and to the three parcels of land~~
 7 ~~situated in the County of Contra Costa and described as follows:~~
 8 ~~_____ Parcel "A"~~
 9 ~~Commencing at the intersection of the north line of Tideland~~
 10 ~~Survey No. 9 and the east line of North Court Street as shown on~~
 11 ~~Map of "City of Martinez Waterfront Area" filed March 10, 1955,~~

1 in Volume 16, Pages 39 to 43, Licensed Surveyor's Maps in the
 2 Office of the Contra Costa County Recorder; thence along said
 3 northerly line of Tideland Survey No. 9 North $76^{\circ} 56' 53''$ East
 4 488.36 feet; thence leaving said northerly line North $20^{\circ} 03' 30''$
 5 West 130.00 feet; thence North $63^{\circ} 50' 00''$ East 85.00 feet to the
 6 true point of beginning; thence North $03^{\circ} 30' 00''$ East 110.00 feet;
 7 thence North $12^{\circ} 10' 00''$ East 660.00 feet; thence North $05^{\circ} 05'$
 8 $39''$ West 119.71 feet; thence North $88^{\circ} 03' 16''$ East 242.85 feet;
 9 thence South $12^{\circ} 10' 00''$ West 797.24 feet; thence South $63^{\circ} 50'$
 10 $00''$ West 233.84 feet to the point of beginning.

11 _____ Parcel "B"

12 Commencing at the intersection of the north line of Tideland
 13 Survey No. 9 and the east line of North Court Street as shown on
 14 Map of "City of Martinez Waterfront Area" filed March 10, 1955;
 15 in Volume 16, Pages 39 to 43, Licensed Surveyor's Maps in the
 16 Office of the Contra Costa County Recorder; thence along said
 17 northerly line of Tideland Survey No. 9 North $76^{\circ} 56' 53''$ East
 18 488.36 feet; thence leaving said northerly line North $20^{\circ} 03' 30''$
 19 West 130.00 feet; thence North $63^{\circ} 50' 00''$ East 318.84 feet to the
 20 true point of beginning being the southeasterly corner of Parcel
 21 "A" described above; thence North $12^{\circ} 10' 00''$ East 797.24 feet
 22 along the east line of said Parcel "A"; thence leaving said east line
 23 North $88^{\circ} 03' 16''$ East 156.26 feet; thence South $89^{\circ} 00' 00''$ East
 24 100.00 feet; thence South $66^{\circ} 20' 00''$ East 120.00 feet; thence
 25 South $25^{\circ} 45' 00''$ East 453.00 feet; thence South $68^{\circ} 10' 00''$ West
 26 385.00 feet; thence South $63^{\circ} 50' 00''$ West 416.16 feet to the point
 27 of beginning.

28 _____ Parcel "C"

29 That parcel of land described in the lease to the Southern Pacific
 30 Transportation Company by the City of Martinez per Resolution
 31 No. 111 (1959 series) dated August 5, 1959, and Resolution No.
 32 72-75 dated June 4, 1975.

33 The bearings and distances used in the above descriptions of
 34 Parcels "A" and "B" are based on the California Coordinate System
 35 Zone 3 as shown on Map of "City of Martinez Waterfront Area"
 36 filed March 10, 1955, in Volume 16, Pages 39 to 43, Licensed
 37 Surveyor's Maps in the Office of the Contra Costa County
 38 Recorder.

1 ~~(b) Such lands shall be held by the city and its successor in trust~~
2 ~~for the following uses, in which there is a general, statewide~~
3 ~~interest, and upon the following express conditions:~~

4 ~~Parcel “A” shall be used only for Marina spoils and spoil~~
5 ~~removal, parking, boat storage, chandlery, recreation, landscaping,~~
6 ~~and any other use permitted by the Martinez Waterfront Land Use~~
7 ~~Plan.~~

8 ~~Parcel “B” shall be used only for Marina spoils and spoil removal~~
9 ~~and any other use permitted by the Martinez Waterfront Land Use~~
10 ~~Plan.~~

11 ~~Parcel “C” shall be used only in its present use as a railroad~~
12 ~~right-of-way.~~

13 ~~Further, all such uses shall accord with the terms and conditions~~
14 ~~of the lease and agreements specified in subdivision (f) of Section~~
15 ~~1, and the development and operation of the entire area of such~~
16 ~~parcels shall be under the supervision of the City-State Committee,~~
17 ~~in the same manner as is presently provided by such lease and~~
18 ~~agreements with respect to lands subject to such lease and~~
19 ~~agreements.~~

20 ~~The grant made by this section shall not become effective unless~~
21 ~~and until the city files quitclaim to all previously granted tidelands~~
22 ~~that are within the area hereby granted to the district by this act~~
23 ~~and described in Section 15.~~

24 SEC. 2. (a) For purposes of this act, the following definitions
25 shall apply:

26 (1) “Commission” means the State Lands Commission.

27 (2) “Public trust doctrine” means the common law doctrine, as
28 enunciated by the court in National Audubon Soc. v. Superior
29 Court (1983) 33 C.3d 419, and other relevant judicial decisions,
30 specifying the state’s authority as sovereign to exercise continuous
31 supervision and control over the navigable waters of the state, the
32 lands underlying those waters, and nonnavigable tributaries to
33 navigable waters, including the protection of maritime or water
34 dependent commerce, navigation, and fisheries, and the
35 preservation of the lands in their natural state for scientific study,
36 open space, wildlife habitat, and water-oriented recreation.

37 (3) “State” means the State of California.

38 (4) “Trustee” means the City of Martinez, a municipal
39 corporation.

1 (5) "Trust lands" means Parcel "A," Parcel "B," Parcel "C,"
2 and Parcel "D", as described in subdivision (b), situated in the
3 County of Contra Costa. The descriptions of these parcels are based
4 on the California Coordinate System Zone 3 as shown on Map of
5 "City of Martinez Waterfront Area" filed March 10, 1955, in
6 Volume 16, Pages 39 to 43, Licensed Surveyor's Maps in the
7 Office of the Contra Costa County Recorder.

8 (6) "Trust revenues" means all revenues received from trust
9 lands and trust assets.

10 (7) "Trust lands use plan" or "plan" means the trust lands use
11 plan required to be submitted by the trustee to the commission
12 pursuant to Section 4 of this act.

13 (8) "Trust lands use report" means the report of the trustee's
14 utilization of the trust lands required to be submitted by the trustee
15 pursuant to Section 5 of this act.

16 (b) There is hereby granted in trust to the City of Martinez and
17 to its successors, all of the rights, title, and interest of the state,
18 held by the state by virtue of its sovereignty, in and to four parcels
19 of land situated in the County of Contra Costa and described as
20 follows:

21 Parcel "A"

22 Commencing at the intersection of the north line of Tideland
23 Survey No. 9 and the east line of North Court Street as shown on
24 Map of "City of Martinez Waterfront Area" filed March 10, 1955,
25 in Volume 16, Pages 39 to 43, Licensed Surveyor's Maps in the
26 Office of the Contra Costa County Recorder; thence along said
27 northerly line of Tideland Survey No. 9 North 76° 56' 53" East
28 488.36 feet; thence leaving said northerly line North 20° 03' 30"
29 West 130.00 feet; thence North 63° 50' 00" East 85.00 feet to the
30 true point of beginning; thence North 03° 30' 00" East 110.00 feet;
31 thence North 12° 10' 00" East 660.00 feet; thence North 05° 05'
32 39" West 119.71 feet; thence North 88° 03' 16" East 242.85 feet;
33 thence South 12° 10' 00" West 797.24 feet; thence South 63° 50'
34 00" West 233.84 feet to the point of beginning.

35 Parcel "B"

36 Commencing at the intersection of the north line of Tideland
37 Survey No. 9 and the east line of North Court Street as shown on
38 Map of "City of Martinez Waterfront Area" filed March 10, 1955,
39 in Volume 16, Pages 39 to 43, Licensed Surveyor's Maps in the
40 Office of the Contra Costa County Recorder; thence along said

1 northerly line of Tideland Survey No. 9 North $76^{\circ} 56' 53''$ East
2 488.36 feet; thence leaving said northerly line North $20^{\circ} 03' 30''$
3 West 130.00 feet; thence North $63^{\circ} 50' 00''$ East 318.84 feet to
4 the true point of beginning being the southeasterly corner of Parcel
5 "A" described above; thence North $12^{\circ} 10' 00''$ East 797.24 feet
6 along the east line of said Parcel "A"; thence leaving said east line
7 North $88^{\circ} 03' 16''$ East 156.26 feet; thence South $89^{\circ} 00' 00''$ East
8 100.00 feet; thence South $66^{\circ} 20' 00''$ East 120.00 feet; thence
9 South $25^{\circ} 45' 00''$ East 453.00 feet; thence South $68^{\circ} 10' 00''$ West
10 385.00 feet; thence South $63^{\circ} 50' 00''$ West 416.16 feet to the point
11 of beginning.

12 Parcel "C"

13 That parcel of land described in the lease to the Southern Pacific
14 Transportation Company by the City of Martinez per Resolution
15 No. 111 (1959 series) dated August 5, 1959, and Resolution No.
16 72-75 dated June 4, 1975.

17 Parcel "D"

18 Commencing at the intersection of the north line of Tideland
19 Survey No. 9 and the east line of North Court Street as shown on
20 Map of "City of Martinez Waterfront Area" filed March 10, 1955,
21 in Volume 16, Pages 39 to 43, Licensed Surveyor's Maps in the
22 Office of the Contra Costa County Recorder; thence South 20°
23 $03' 30''$ East 240.00 feet to the true point of beginning; thence
24 South $69^{\circ} 56' 30''$ West 50.00 feet to the centerline of North Court
25 Street; thence North $20^{\circ} 03' 30''$ West 630.00 feet along the
26 centerline of North Court Street; thence leaving said centerline
27 North $63^{\circ} 05' 00''$ West 410.36 feet; thence North $20^{\circ} 03' 30''$
28 West 530.00 feet; thence North $17^{\circ} 02' 14''$ East 272.81 feet; thence
29 North $16^{\circ} 00' 00''$ West 380.00 feet; thence South $79^{\circ} 47' 48''$ East
30 380.00 feet; thence North $69^{\circ} 56' 30''$ East 810.00 feet; thence
31 South $81^{\circ} 03' 30''$ East 710 feet; thence South $07^{\circ} 00' 00''$ West
32 900.00 feet; thence South $05^{\circ} 05' 39''$ East 119.71 feet thence
33 South $12^{\circ} 10' 00''$ West 660.00 feet; thence South $03^{\circ} 30' 00''$
34 West 110.00 feet; thence South $63^{\circ} 50' 00''$ West 85.00 feet; thence
35 South $20^{\circ} 03' 30''$ East 130.00 feet to the intersection with the
36 northerly line of the Tideland Survey No. 9; thence along said
37 northerly line South $76^{\circ} 56' 53''$ West 35.00 feet; thence leaving
38 said northerly line South $20^{\circ} 03' 30''$ East 184.70 feet; thence South
39 $69^{\circ} 56' 30''$ West 450.00 feet to the point of beginning.

1 SEC. 3. The trust grant specified in Section 2 of this act is
2 subject to all of the following express conditions:

3 (a) The trust lands shall be held by the trustee in trust for the
4 benefit of all the people of the state for purposes consistent with
5 the public trust doctrine, including, but not limited to, maritime
6 or water dependent commerce, navigation, and fisheries,
7 preservation of the lands in their natural state for scientific study,
8 open space, wildlife habitat, and water-oriented recreation.

9 (b) On and after January 1, 2020, the use of the trust lands shall
10 conform to an approved trust lands use plan, as required by Section
11 4 of this act.

12 (c) The trustee shall not, at any time, grant, convey, give, or
13 otherwise alienate or hypothecate the trust lands, or any part of
14 the trust lands, to any person, firm, entity, or corporation for any
15 purpose whatsoever.

16 (d) The trustee may lease the trust lands, or any part of the trust
17 lands, for limited periods, not exceeding 49 years, for purposes
18 consistent with the trust upon which those lands are held, as
19 specified in subdivision (a) and the public trust doctrine. The
20 trustee may collect and retain rents and other trust revenues from
21 those leases, under rules and regulations adopted in accordance
22 with Section 7 of this act, and in accordance with all of the
23 following requirements:

24 (1) On and after January 1, 2020, all leases or agreements
25 proposed or entered into by the trustee shall be consistent with the
26 trust lands use plan approved by the commission, as required by
27 Section 4 of this act. Any leases entered into prior to January 1,
28 2020, shall be consistent with the public trust doctrine and the
29 terms of subdivision (a).

30 (2) The lease rental rates shall be for a fair annual rent.

31 (3) The lease shall be in the best interest of the state.

32 (e) When managing, conducting, operating, or controlling the
33 trust lands or an improvement, betterment, or structure on the trust
34 lands, the trustee or his or her successor shall not discriminate in
35 rates, tolls, or charges for any use or service in connection with
36 those actions and shall not discriminate against or unlawfully
37 segregate any person or group of persons because of sex, race,
38 color, creed, national origin, ancestry, or physical disability for
39 any use or service in connection with those actions.

1 (f) The state shall have the right to use without charge, a
2 transportation, landing, or storage improvement, betterment, or
3 structure constructed upon the trust lands for a vessel or other
4 watercraft or railroad owned or operated by, or under contract to,
5 the state.

6 (g) The trust lands are subject to the express reservation and
7 condition that the state may, at any time, use those lands, or any
8 portion of those lands, for highway purposes without compensation
9 to the trustee or a person, firm, or public or private corporation
10 claiming a right to those lands, except that, if the improvements
11 have been placed with legal authority upon the property taken by
12 the state for highway purposes, compensation shall be made to the
13 person entitled to the value of the interest in the improvements
14 taken or the damages to that interest.

15 (h) There is reserved to the people of the state the right to fish
16 in the waters over the trust lands, with the right of convenient
17 access to those waters over the trust lands for this purpose.

18 (i) There is excepted and reserved to the state all remains or
19 artifacts of archaeological or historical significance and all deposits
20 of minerals, including, but not limited to, all substances specified
21 in Section 6407 of the Public Resources Code in the trust lands,
22 and the right to prospect for, mine, and remove those deposits from
23 the lands.

24 (j) The trustee shall reimburse the commission for all expenses
25 incurred in the administration of this act, including periodic audits
26 or investigations.

27 SEC. 4. (a) On or before January 1, 2020, the trustee shall
28 submit to the commission a trust lands use plan describing any
29 proposed development, preservation, or other use of the trust lands.
30 The trustee shall thereafter submit to the commission for approval
31 all changes of, amendments to, or extensions of, the trust lands
32 use plan.

33 (b) The commission shall review with reasonable promptness
34 the trust lands use plan submitted by the trustee and any changes
35 or amendments to determine whether they are consistent with the
36 public trust and the requirements of this act. Based upon its review,
37 the commission shall either approve or disapprove the plan. If the
38 commission disapproves the plan, the commission shall notify the
39 trustee and the trustee shall submit a revised plan to the commission
40 no later than 180 days after the date of notice of disapproval. If

1 the commission determines the revised plan is inconsistent with
2 the common law public trust doctrine and the requirements of this
3 act, all rights, title, and interest of the trustee in and to the trust
4 lands and improvements on the trust lands shall revert to the state.

5 (c) The trust lands use plan shall consist of a plan, program, or
6 other document that includes all of the following:

7 (1) A general description of the type of uses planned or proposed
8 for the trust lands. The location of these land uses shall be shown
9 on a map or aerial photograph.

10 (2) The projected statewide benefit to be derived from the
11 planned or proposed uses of the trust lands, including, but not
12 limited to, financial benefit.

13 (3) The proposed method of financing the planned or proposed
14 uses of the trust lands, including estimated capital costs, annual
15 operating costs, and anticipated annual trust revenues.

16 (4) An estimated timetable for implementation of the trust land
17 use plan or any phase of the plan.

18 (5) A description of how the trustee proposes to protect and
19 preserve natural and manmade resources and facilities located on
20 trust lands and operated in connection with the use of the trust
21 lands, including, but not limited to, addressing impacts from sea
22 level rise.

23 (d) The governing body of the trustee shall also submit to the
24 commission, as part of the trust lands use plan, for its approval,
25 procedures, rules, and regulations to govern the use or development
26 of the trust lands. These rules and regulations shall include, but
27 are not limited to, lease rates, the basis upon which the rates are
28 established, lease terms and conditions, provisions for renegotiation
29 of rates and terms and assignments, and any other information as
30 may be required by the commission.

31 (e) Any use of the trust lands, including, but not limited to, all
32 leases or agreements proposed, or entered into, by the trustee after
33 January 1, 2020, shall be consistent with the trust lands use plan
34 submitted by the trustee and approved by the commission.

35 (f) Upon request, the trustee shall submit to the commission a
36 copy of all leases and agreements entered into, renewed, or
37 renegotiated.

38 SEC. 5. (a) On or before September 30, 2025, and on or before
39 September 30 of every succeeding fifth year, the trustee shall
40 submit a report of its utilization of the trust lands for each

1 immediately preceding five-calendar-year period ending with June
2 30 of the calendar year in which the report is required to be
3 submitted.

4 (b) The report required by this section shall include all of the
5 following:

6 (1) A general description of the uses to which the trust lands
7 have been placed during the period covered by the report.

8 (2) A list of the holders of leases or permits that have been
9 granted or issued by the trustee, which list shall specify all of the
10 following, as to each holder:

11 (A) The use to which the trust lands have been placed by the
12 holder.

13 (B) The consideration provided for in each lease or permit, and
14 the consideration actually received by the trustee for the lease or
15 permit granted or issued.

16 (C) An enumeration of the restrictions that the trustee has placed
17 on the use of the trust lands, and each area of the trust lands, for
18 the period covered by the report.

19 SEC. 6. (a) The trustee shall demonstrate good faith in carrying
20 out the provisions of its trust lands use plan and amending it when
21 necessary in accordance with Section 4 of this act.

22 (b) If the commission determines that the trustee has
23 substantially failed to improve, restore, preserve, or maintain the
24 trust lands, as required by the trust lands use plan, or has
25 unreasonably delayed implementation of the trust lands use plan,
26 all rights, title, and interest of the trustee in and to the trust lands
27 and improvements on the trust lands shall revert to the state.

28 SEC. 7. (a) (1) The trustee shall establish and maintain
29 accounting procedures, in accordance with generally accepted
30 accounting principles, providing accurate records of all revenues
31 received from the trust lands and trust assets and of all expenditures
32 of those revenues.

33 (2) All trust revenues received from trust lands and trust assets
34 shall be expended only for those uses and purposes consistent with
35 this act. The trustee shall provide for the segregation of funds
36 derived from the use of the trust lands by the trustee from other
37 city municipal funds, so as to ensure that trust revenues are only
38 expended to enhance or maintain the trust lands in accordance with
39 the uses and purposes for which the trust lands are held.

1 (3) Trust revenues may be expended to acquire appropriate
2 upland properties to benefit and enhance the trust, subject to a
3 determination by the commission that the acquisition is consistent
4 with this act and in the best interest of this state. Property acquired
5 with these trust revenues shall be considered an asset of the trust
6 and subject to the terms and conditions of this act.

7 (b) On or before October 1 of each year, the trustee shall file
8 with the commission a detailed statement of all trust revenues and
9 expenditures relating to its trust lands and trust assets, including
10 obligations incurred but not yet paid, covering the fiscal year
11 preceding submission of the statement. The commission may
12 specify the form and content of this statement. The statement shall
13 meet both of the following requirements:

14 (1) The statement shall be prepared according to generally
15 accepted accounting principles.

16 (2) The statement shall be specific to the trust lands and trust
17 assets and shall not include city municipal financial or accounting
18 information unrelated to the trust lands and trust assets.

19 (c) (1) Before expending trust revenues for any single capital
20 improvement on the trust lands involving an amount in excess of
21 two hundred fifty thousand dollars (\$250,000) in the aggregate,
22 the trustee shall file with the commission a detailed description of
23 the capital improvement not less than 120 days prior to the time
24 of any disbursement of trust revenues for, or in connection with,
25 that capital improvement.

26 (2) Within 120 days after the time of a filing specified in
27 paragraph (1), the commission shall determine whether the capital
28 improvement is in the statewide interest and benefit and, if the
29 filing is made on or before December 1, 2019, whether it is
30 consistent with subdivision (a) of Section 3 of this act or, if the
31 filing is made on or after January 1, 2020, whether it is consistent
32 with the trust lands use plan. The commission may request the
33 opinion of the Attorney General on the matter, and if the
34 commission makes this request, the Attorney General shall deliver
35 a copy of the opinion to the trustee with the notice of its
36 determination.

37 (3) If the commission notifies the trustee that the capital
38 improvement is not authorized, the trustee shall not disburse any
39 trust revenues for, or in connection with, the capital improvement,

1 unless it is determined to be authorized by a final order or judgment
2 of a court of competent jurisdiction.

3 (4) The trustee may bring suit against the state for the purpose
4 of securing an order or judgment for purposes of paragraph (3),
5 which suit shall have priority over all other civil matters. Service
6 shall be made upon the executive officer of the commission and
7 the Attorney General, and the Attorney General shall defend the
8 state in that suit. If judgment is given against the state in the suit,
9 no costs may be recovered.

10 (d) (1) Except as provided in paragraph (2), on June 30, 2015,
11 and at the end of every fiscal year thereafter, 20 percent of all gross
12 revenue generated from the trust lands shall be transmitted to the
13 commission. Of this amount transmitted, the commission shall
14 allocate 80 percent to the Treasurer, for deposit in the General
15 Fund, and 20 percent to the Treasurer, for deposit in the Kapiloff
16 Land Bank Fund for expenditure pursuant to Division 7
17 (commencing with Section 8600) of the Public Resources Code
18 for management of the commission’s granted lands program.

19 (2) The trustee shall not transmit the gross revenues to the
20 commission as specified in paragraph (1) until the Department of
21 Parks and Recreation determines the City of Martinez has repaid
22 the five outstanding loans that the city owes to the department.

23 (e) The commission may, from time to time, institute a formal
24 inquiry to determine that the terms and conditions of this act, and
25 amendments to this act, have been complied with, and that all other
26 applicable provisions of law concerning the trust lands are being
27 complied with in good faith.

28 (f) The commission shall approve any loan or expenditures of
29 nontrust revenues for improvements made to the trust lands prior
30 to the loan or expenditure. If not approved, those expenditures
31 shall be deemed a gift to the trust.

32 SEC. 8. (a) If the commission finds that the trustee has violated
33 or is about to violate the terms of its trust grant or any other
34 principle of law relating to its obligation under the public trust
35 doctrine or under this act, the commission shall notify the trustee
36 of the violation.

37 (b) The trustee shall have 30 days from receipt of a notice of
38 violation to conform to the terms of its grant and the principles
39 and laws under the public trust doctrine. If the trustee fails or
40 refuses to take those actions, the commission may bring an action

1 to enforce the rights of the state and people as settlor beneficiary
2 of the public trust doctrine.

3 (c) The Attorney General shall represent the state and people
4 in all actions or proceedings taken pursuant to this section. If the
5 judgment is given against the state in the action or proceeding, no
6 costs shall be recovered from the state and people.

7 SEC. 9. No reimbursement is required by this act pursuant to
8 Section 6 of Article XIII B of the California Constitution because
9 a local agency or school district has the authority to levy service
10 charges, fees, or assessments sufficient to pay for the program or
11 level of service mandated by this act, within the meaning of Section
12 17556 of the Government Code.

O