

AMENDED IN SENATE MAY 21, 1998

AMENDED IN SENATE MAY 5, 1998

AMENDED IN SENATE APRIL 2, 1998

**SENATE BILL**

**No. 1641**

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**Introduced by Senator Burton**

February 13, 1998

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An act to repeal and add Section 5006.8 of the Public Resources Code, relating to Candlestick Park, and making an appropriation therefor.

LEGISLATIVE COUNSEL'S DIGEST

SB 1641, as amended, Burton. Candlestick Park.

Existing law requires the Department of Parks and Recreation to retain in perpetuity, as a unit of the state park system, the state recreation area at Candlestick Point and authorizes the department to enter into an agreement with the City and County of San Francisco for the operation and maintenance by the city and county of all or any part of that unit.

This bill would repeal that provision and would instead allow the Director of Parks and Recreation and the State Lands Commission to enter into agreements with the city, on terms and conditions the director and the commission determine to be in the best interest of the state, to do all of the following: (1) convey, to the city, no more than 20 acres of state property within the circumference of the ring road for public parking for a project approved by the voters of the city; (2) grant a nonexclusive easement, in perpetuity, for the

benefit of the city and its tenants for the ring road; and (3) enter into an operating agreement with the city that provides for a right to use no more than 60 acres of state property for the project, as specified. The bill would *require the consideration for these conveyances to equal the fair market value of the property interests and would allow monetary consideration or* specified actions to serve as consideration for those agreements, including the relinquishment of the city's reversionary rights over parcels conveyed to the state in 1983 for the formation of the state park.

The bill would require all proceeds that are designated for payment to the department from the sale, lease, conveyance, or other agreement for the use of state property subject to the agreements to be deposited into a trust fund in the State Treasury, for expenditure by the department, upon appropriation by the Legislature, for authorized use within the state park system. The bill would require all proceeds from the sale, conveyance, or other agreement for the use of state lands which are designated for payment to the State Lands Commission to be deposited into the Land Bank Fund in the State Treasury and would continuously appropriate those proceeds to the commission for the purpose of providing necessary state review of management of public trust property. The bill would provide that the approval of the Director of General Services is not required for the sale of this state property.

The bill would make findings concerning the public trust for commerce, navigation, and fisheries, for purposes of Section 3 of Article X of the California Constitution, with regard to tidelands within the circumference of the ring road, and would allow the commission to sell those tidelands to the city. The bill would provide for the reservation of minerals and mineral rights, as specified.

The bill would allow an action to be brought to quiet title with regard to an agreement entered into pursuant to the bill.

Vote: majority. Appropriation: yes. Fiscal committee: yes. State-mandated local program: no.



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

1 SECTION 1. The Legislature hereby finds and  
2 declares that the project, as defined in Section 5006.8 of  
3 the Public Resources Code, will further general statewide  
4 purposes, such as the elimination of blight and the  
5 redevelopment of the proposed project area, the  
6 generation of new sales tax revenues, property taxes, and  
7 other tax revenues to the state and state agencies, the  
8 creation of thousands of new jobs, and enhanced access of  
9 the public to use and enjoy the Candlestick Park  
10 Recreation Area, including, but not limited to, the  
11 statewide purposes specified in Chapter 2 of the Statutes  
12 of 1958, First Extraordinary Session.

13 SEC. 2. Section 5006.8 of the Public Resources Code  
14 is repealed.

15 SEC. 3. Section 5006.8 is added to the Public  
16 Resources Code, to read:

17 5006.8. (a) For purposes of this section, the following  
18 definitions shall apply:

19 (1) "City" means the City and County of San  
20 Francisco.

21 (2) "Project" means the development of a  
22 combination of uses, such as a stadium, retail and  
23 entertainment center, and associated support uses,  
24 including parking, approved by the voters of the city by  
25 Propositions D and F at the June 3, 1997, special election.

26 (3) "Recreation area" means the Candlestick State  
27 Recreation Area.

28 (4) "Site diagram" means a certain conceptual site  
29 plan on file with the planning department of the city  
30 showing the proposed location for the new ring road, the  
31 area within the circumference of the new ring road for  
32 public parking use, and the area outside the  
33 circumference of the new ring road for temporary use.

34 (5) "State property" means the property or interests  
35 in property owned by the state located within the  
36 recreation area. A portion of the state property is  
37 proprietary land under the jurisdiction of the  
38 Department of Parks and Recreation and a portion of the



1 state property is filled tide and submerged lands under  
2 the jurisdiction of the State Lands Commission.

3 (b) Notwithstanding any other provision of law, the  
4 director and the State Lands Commission may enter into  
5 agreements with the city, on those terms and conditions  
6 that the director and the State Lands Commission  
7 determine to be in the best interests of the state,  
8 consistent with the purposes of this section, to accomplish  
9 all of the following transactions:

10 (1) Convey to the city not more than the 20 acres of  
11 state property within the circumference of the new ring  
12 road as shown on the site plan for public parking for the  
13 project.

14 (2) Grant a nonexclusive easement, in perpetuity, for  
15 the benefit of the city and its tenants for the new ring road  
16 over state property, to provide access to the project as  
17 shown on the site plan, if the road also provides public  
18 access to the recreation area.

19 (3) Enter into an operating agreement with the city  
20 that provides for a right to use, during football games and  
21 other special events at the stadium, no more than 60 acres  
22 of state property outside the circumference of the new  
23 ring road, as shown on the site plan, for parking on natural  
24 grass turf, except for 4.2 acres of the total of 60 acres,  
25 which may have a gravel surface to provide for bus  
26 parking. No development or parking for that  
27 development shall occur within 120 feet upland from the  
28 shoreline, as defined in Proposition F, approved by the  
29 voters of the city, at the June 3, 1997, special election. The  
30 terms of this agreement shall not exceed 66 years, and  
31 shall provide for the use of the area for recreational  
32 purposes on days when that area is not used for parking.

33 (c) The consideration to the state for the conveyances  
34 and agreements authorized by subdivision (b) *shall equal*  
35 *the fair market value of any property interests conveyed,*  
36 *and may consist of monetary consideration,*  
37 improvements to the recreation area which support its  
38 use as a public park, replacement of any portion of the  
39 recreation area conveyed to the city pursuant to  
40 paragraph (1) of subdivision (b) as required by federal



1 law or the terms of any applicable grant documents, or  
2 other nonmonetary considerations, including, but not  
3 limited to, relinquishment by the city of its reversionary  
4 rights over parcels conveyed to the state in 1983 for  
5 formation of the recreation area, or any combination  
6 thereof.

7 (d) Notwithstanding Part 5.5 (commencing with  
8 Section 14600) of Division 3 of Title 2 of the Government  
9 Code, all proceeds that are designated for payment to the  
10 department from any sale, lease, conveyance, or other  
11 agreement for the use of state property pursuant to the  
12 transactions authorized by this section shall be deposited  
13 into a trust fund in the State Treasury, for expenditure by  
14 the department, upon appropriation by the Legislature,  
15 for use within the state park system.

16 (e) All proceeds from any sale, lease, conveyance, or  
17 other agreement for the use of state property pursuant to  
18 the transactions authorized by this section designated for  
19 payment to the State Lands Commission shall be  
20 deposited into the Land Bank Fund created in the State  
21 Treasury pursuant to Section 8610. Notwithstanding  
22 Section 13340 of the Government Code, those proceeds  
23 are hereby appropriated to the State Lands Commission,  
24 without regard to fiscal years, for expenditure for the  
25 purpose of providing necessary state review of  
26 management of public trust property as provided by  
27 Sections 6301 and 6306.

28 (f) Notwithstanding Article 1 (commencing with  
29 Section 11000) of Chapter 1 of Part 1 of Division 3 of Title  
30 2 of the Government Code, the approval of the Director  
31 of General Services is not required for the sale of state  
32 property pursuant to this section.

33 (g) (1) The Legislature finds that within the new ring  
34 road, as shown on the site plan, there may be certain  
35 streets owned in a sovereign capacity by the state. For  
36 purposes of Section 3 of Article X of the California  
37 Constitution, the Legislature hereby finds and declares  
38 that any tidelands reserved to the state solely for street  
39 purposes within the circumference of the new ring road,  
40 as shown on the site plan, are no longer useful for



1 navigation purposes, and are not necessary for these  
2 purposes, and may be sold by the State Lands Commission  
3 to the city, free of the public trust or any trust imposed  
4 by Chapter 1333 of the Statutes of 1968, as amended, or  
5 both, for the consideration stated in subdivision (c).

6 (2) In any case in which the state, pursuant to this  
7 section, conveys filled tidelands and submerged lands, the  
8 state shall reserve all minerals and all mineral rights in the  
9 lands of every kind and character now known to exist or  
10 hereafter discovered, including, but not limited to, oil and  
11 gas and rights thereto, together with the sole, exclusive,  
12 and perpetual right to explore for, remove, and dispose  
13 of those minerals by any means or methods suitable to the  
14 state or to its successors and assignees, except that,  
15 notwithstanding Chapter 1333 of the Statutes of 1968, as  
16 amended, or Section 6401, this reservation shall not  
17 include the right of the state or its successors or assignees  
18 in connection with any mineral exploration, removal, or  
19 disposal activity, to do either of the following:

20 (A) Enter upon, use, or damage the surface of the  
21 lands or interfere with the use of the surface by any  
22 grantee or by the grantee’s successors or assignees.

23 (B) Conduct any mining activities of any nature  
24 whatsoever above a plane located 500 feet below the  
25 surface of the lands without the prior written permission  
26 of any grantee of the lands or the grantee’s successors or  
27 assignees.

28 (3) With respect to any former tide or submerged  
29 lands conveyed to the city pursuant to Chapter 2 of the  
30 Statutes of 1958, First Extraordinary Session, the state  
31 shall comply with the limitations on any mineral rights  
32 reservations provided for in this subdivision, and shall  
33 modify the instruments reserving those mineral rights  
34 reservations, as appropriate, to memorialize those  
35 limitations.

36 (h) The State Lands Commission may enter into  
37 agreements, including agreements providing for  
38 termination of the public trust or the termination of any  
39 trust imposed by Chapter 1333 of the Statutes of 1968, as  
40 amended, or both, for the exchange of public trust land



1 within the circumference of the new ring road that is  
2 shown on the site plan, whereby any of the lands that are  
3 subject to the trust may be exchanged for other land of at  
4 least equal or greater value, that is useful for trust  
5 purposes, provided that the findings set forth in Section  
6 5 of Chapter 310 of the Statutes of 1987 are made, or, for  
7 those lands that are not included in Chapter 1333 of the  
8 Statutes of 1968, as amended, the State Lands Commission  
9 enters into agreements, including agreements providing  
10 for the termination of the public trust and the exchange  
11 of public trust land outside of the circumference of the  
12 new ring road shown on the site plan, upon compliance  
13 with Section 6307, and as specifically authorized by this  
14 section.

15 (i) The department and the State Lands Commission  
16 may terminate any existing leasehold interest in any  
17 property to be conveyed to the city pursuant to  
18 paragraph (1) of subdivision (b).

19 (j) The department and the State Lands Commission  
20 may modify any existing lease with respect to any state  
21 property to the extent necessary to effectuate the  
22 operating agreement in paragraph (3) of subdivision (b).

23 (k) All state agencies shall take any necessary or  
24 appropriate action to implement this section.

25 SEC. 4. Notwithstanding the Outdoor Advertising  
26 Act (Chapter 2 (commencing with Section 5200) of  
27 Division 3 of the Business and Professions Code) any sign  
28 permitted under Proposition F, approved by the voters  
29 of the City and County of San Francisco, at the June 3,  
30 1997, special election, is hereby permitted.

31 SEC. 5. An action may be brought under Chapter 4  
32 (commencing with Section 760.010) of Title 10 of Part 2  
33 of the Code of Civil Procedure by the parties to any  
34 agreement entered into pursuant to Section 5006.8 of the  
35 Public Resources Code to confirm the validity of an  
36 agreement entered into pursuant to that section.  
37 Notwithstanding Section 764.080 of the Code of Civil  
38 Procedure, the statement of decision in the action shall  
39 include a recitation of the underlying facts and a  
40 determination whether the agreement meets the



1 requirements of Section 5006.8 of the Public Resources  
2 Code, Sections 3 and 4 of Article X of the California  
3 Constitution, and any other law applicable to the validity  
4 of the agreement.

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