

AMENDED IN SENATE APRIL 23, 2009

**SENATE BILL**

**No. 792**

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**Introduced by Senator Leno**

February 27, 2009

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An act to repeal Section 5006.8 of the Public Resources Code, to repeal Section 3 of Chapter 2 of the Statutes of 1958 of the First Extraordinary Session, *to repeal Chapter 1046 of the Statutes of 1998*, to repeal Chapter 464 of the Statutes of 2002, and to repeal Chapter 435 of the Statutes of 2003, relating to tidelands and submerged lands.

LEGISLATIVE COUNSEL'S DIGEST

SB 792, as amended, Leno. Tidelands and submerged lands: City and County of San Francisco: Candlestick Point and Hunters Point Naval Shipyard.

(1) Existing law grants to the City and County of San Francisco the right, title, and interest of the State of California in and to certain tidelands and submerged lands in trust for certain purposes. The State Lands Commission has jurisdiction over tidelands and submerged lands of the state.

The Hunters Point Shipyard Conversion Act of 2002 granted to, and vested in, the San Francisco Redevelopment Agency, all of the state's right, title, and interest in the Hunters Point trust lands, and, upon conveyance by the federal government to the agency, in appurtenances located on Hunters Point submerged lands, subject to the public trust and the terms and conditions of the act. The Hunters Point Shipyard Public Trust Exchange Act approved an exchange of public trust lands within the Hunters Point Shipyard, whereby certain trust lands that meet specified criteria and are not useful for public trust purposes are freed from the public trust and may be conveyed into private ownership, and

certain other lands that are not public trust lands and that are useful for public trust purposes are made subject to the public trust. Existing law authorizes the Director of Parks and Recreation to enter into agreements concerning the development of a project in the City and County of San Francisco and partly within the Candlestick Point State Recreation Area.

This bill would repeal the Hunters Point Conversion Act of 2002 and the Hunters Point Shipyard Public Trust Exchange Act. The bill would also repeal the provision authorizing the Director of Parks and Recreation to enter into agreements concerning that project in the City and County of San Francisco.

This bill instead would grant to, and vest in, the San Francisco Redevelopment Agency, all of the state's right, title, and interest in Candlestick Point and the former Hunters Point Naval Shipyard trust lands, as revised, and, upon conveyance by the federal government to the agency, in appurtenances located on Hunters Point submerged lands, subject to the public trust, and the terms and conditions of this bill.

This bill would also approve an exchange of public trust lands within the lands conveyed, whereby certain trust lands *or interests in lands* that meet specified criteria and are not now useful for public trust purposes will be freed from the public trust and may be conveyed into private ownership, and certain other lands *or interests in lands* that are not now public trust lands and that are useful for public trust purposes will be made subject to the public trust.

The bill would require the agency to deposit all moneys collected by the agency arising out of the use or operation of any of the trust lands into a special fund maintained by the agency. The bill would require the agency to prepare an annual statement of financial conditions and operations and to submit the statement to the State Lands Commission each year on or before October 1, thereby imposing a state-mandated local program.

The bill would authorize the Director of Parks and Recreation to enter in an agreement to transfer to the agency or the City and County of San Francisco an interest in state property held by the department within the Candlestick Point State Recreation Area upon the director making certain findings.

(2) The bill would state findings and declarations of the Legislature regarding the need for special legislation.

(3) 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: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: yes.

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

- 1 SECTION 1. The following definitions apply for purposes of  
2 this act:
- 3 (a) “1958 Act” means Chapter 2 of the Statutes of 1958 of the  
4 First Extraordinary Session.
- 5 (b) “Agency” means the San Francisco Redevelopment Agency,  
6 or any successor redevelopment agency with jurisdiction over the  
7 project area.
- 8 (c) “Applicable statutory trust” means either of the following:
- 9 (1) Where the agency is the trustee, the terms and conditions of  
10 the state’s trust grant to the agency under this act.
- 11 (2) Where the city is the trustee, the Burton Act trust.
- 12 (d) “Burton Act” means Chapter 1333 of the Statutes of 1968,  
13 as amended.
- 14 (e) “Burton Act lands” means all those lands within the project  
15 area owned in fee by the city and held subject to the Burton Act.
- 16 (f) “Burton Act trust” means the statutory trust imposed by the  
17 Burton Act, by which the state conveyed to the city, in trust and  
18 subject to certain terms, conditions, and reservations, the state’s  
19 interest in certain tidelands, including filled lands, and lands  
20 dedicated or acquired by the city as assets of the trust.
- 21 (g) “Candlestick Point” means all that real property situated in  
22 the City and County of San Francisco commonly known as  
23 Candlestick Point.
- 24 (h) “City” means the City and County of San Francisco, a charter  
25 city and county, and includes the City and County of San Francisco  
26 acting by and through its Port Commission.
- 27 (i) “City reversionary interest” means the reversionary interest  
28 retained by the city in the lands transferred to the state pursuant  
29 to the quitclaim deed from the city to the State of California,  
30 recorded January 24, 1984, at Reel D633, Image 1952 in the office  
31 of the San Francisco City and County Recorder, under which the  
32 transferred lands would revert to the city upon certain conditions  
33 specified in the deed.

- 1 (j) “Commission” means the State Lands Commission.
- 2 (k) “Community Redevelopment Law” means Part 1  
3 (commencing with Section 33000) of Division 24 of the Health  
4 and Safety Code.
- 5 (l) “Department” means *the Department of Parks and Recreation*.
- 6 (m) “Director” means the Director of Parks and Recreation.
- 7 (n) “Hillside open space” means that area of land so designated  
8 as depicted in the diagram in Section 25 of this act.
- 9 (o) “Hunters Point submerged lands” means all that real property  
10 situated in the City and County of San Francisco that is presently  
11 submerged and is outside the boundaries of the shipyard, but within  
12 the boundaries of the Hunters Point Shipyard Redevelopment Area  
13 as shown in the redevelopment plan.
- 14 (p) “Project” means the integrated development of a combination  
15 of uses on Candlestick Point and the shipyard, including, but not  
16 limited to, residential, commercial, and recreational uses, in  
17 accordance with the redevelopment plan.
- 18 (q) “Project area” means the shipyard and Candlestick Point.
- 19 (r) “Proposition G” means Proposition G, also known as the  
20 “Mixed Use Development Project for Candlestick Point and  
21 Hunters Point Shipyard,” approved by the voters of the city in June  
22 2008.
- 23 (s) “Public trust” or “trust” means the *common law* public trust  
24 for commerce, navigation, and fisheries.
- 25 (t) “Redevelopment plan” means the Hunters Point Shipyard  
26 Redevelopment Plan, and those portions of the Bayview-Hunters  
27 Point Redevelopment Plan pertaining to the redevelopment of  
28 Candlestick Point, adopted by the agency pursuant to Chapter 4.5  
29 (commencing with Section 33492) of the Community  
30 Redevelopment Law, as those plans may be amended from time  
31 to time.
- 32 (u) “Shipyard” means all that real property situated in the City  
33 and County of San Francisco commonly referred to as the Hunters  
34 Point Naval Shipyard.
- 35 (v) “State” means the State of California, or any political  
36 subdivision or instrumentality of the state.
- 37 (w) “State property” means the property or interests in property  
38 owned by the state located within the project area, and includes  
39 both proprietary land and sovereign land.

1 (x) “State recreation area” means the Candlestick Point State  
2 Recreation Area.

3 (y) “Tidelands” means the lands lying below the elevation of  
4 ordinary high water, whether filled or unfilled, and includes  
5 submerged lands, unless specified otherwise.

6 (z) “Trustee” means the owner and trust administrator of trust  
7 lands granted pursuant to this act or the Burton Act, and is either  
8 the agency, with respect to lands owned by the agency, or the city,  
9 with respect to lands owned by the city.

10 (aa) “Trust lands” means all lands, including tide and submerged  
11 lands, within the project area that are presently, or upon conveyance  
12 out of federal ownership will be, subject to the public trust.  
13 Following a trust exchange, trust lands shall include all lands within  
14 the project area that have been impressed with the trust pursuant  
15 to the exchange, and shall not include any lands that have been  
16 removed from the trust pursuant to the exchange.

17 SEC. 2. The Legislature finds and declares all of the following:

18 (a) The purpose of this act is to facilitate the productive reuse  
19 of the lands within the areas of San Francisco known as Candlestick  
20 Point and the former Hunters Point Naval Shipyard in a manner  
21 that furthers the purposes of the public trust and the Community  
22 Redevelopment Law. To effectuate this purpose, this act grants  
23 the state’s sovereign interest in the lands comprising the shipyard  
24 to the agency upon the transfer of those lands out of federal  
25 ownership, and approves and authorizes the commission, *provided*  
26 *that it makes the necessary findings supporting the exchange*, to  
27 carry out an exchange of lands that will place or confirm the public  
28 trust on lands within the project area with substantial value for the  
29 public trust, and terminate the public trust in project area lands  
30 that are no longer useful for trust purposes. This act also authorizes  
31 the department to enter into an agreement to transfer certain lands  
32 within the Candlestick Point State Recreation Area to the agency  
33 or the city, provided that the agreement provides an overall benefit  
34 to the state recreation area and meets certain other conditions set  
35 forth in this act.

36 (b) The project area, including both the shipyard and Candlestick  
37 Point, encompasses lands that were historically tidelands subject  
38 to the public trust, as well as historic uplands that were not subject  
39 to the trust. Beginning in 1861, certain of the area’s tidelands were  
40 conveyed into private ownership by the state pursuant to various

1 state statutes. Portions of those tidelands were subsequently filled  
2 and reclaimed. The trust status of the reclaimed tidelands is  
3 uncertain. Due to differences in the various statutes authorizing  
4 the conveyance of the tidelands into private ownership, as well as  
5 other historical circumstances, some of the reclaimed tidelands,  
6 including lands located well inland from the current shoreline,  
7 have remained subject to the public trust, while other reclaimed  
8 tidelands, including most of the lands adjacent to the shoreline,  
9 may have been freed from the trust. In addition, a portion of the  
10 lands that are subject to the trust consist of “paper streets” that  
11 were mapped but never built, forming a grid pattern that is not  
12 consistent with the existing or planned street system for the lands,  
13 and *most of* these lands are no longer useful for trust purposes.

14 (c) In 1939, the United States began acquiring lands for purposes  
15 of constructing and operating what came to be known as the  
16 Hunters Point Naval Shipyard. The shipyard was used primarily  
17 as a United States Navy industrial operation for the modification,  
18 maintenance, and repair of ships. The shipyard was closed in 1974,  
19 resulting in adverse economic impacts on the economic base of  
20 the surrounding Bayview Hunters Point neighborhood. Pursuant  
21 to Section 2824(a) of the National Defense Authorization Act for  
22 fiscal year 1991, as amended by Section 2834 of the National  
23 Defense Authorization Act for fiscal year 1994, the United States  
24 Navy is authorized to convey the shipyard, or portions of the  
25 shipyard, to the city or to a local reuse authority approved by the  
26 city. The agency is the approved local reuse authority for the  
27 shipyard. Pursuant to a 2004 conveyance agreement with the  
28 agency, the United States Navy has conveyed a portion of the  
29 shipyard to the agency and has agreed to transfer the remainder to  
30 the agency following hazardous materials remediation.

31 (d) The state’s sovereign interest in the filled tidelands at  
32 Candlestick Point consists primarily of paper streets and portions  
33 of a former railroad right-of-way. In 1958, the state, through the  
34 1958 Act, authorized the sale of a portion of these lands to the city  
35 of for the purpose of developing a sports stadium. The 1958; Act  
36 terminated the public trust on the transferred lands, but required  
37 that they be used only for purposes of general statewide interest.  
38 Pursuant to the 1958 Act, the city acquired the lands free of the  
39 trust and constructed the stadium commonly referred to as  
40 Candlestick Park, which is now nearing the end of its useful life.

1 (e) In 1968, the Legislature enacted the Burton Act, which  
2 granted the state's remaining interest in tidelands within the city,  
3 including the state's sovereign interests in the portion of  
4 Candlestick Point outside of the stadium site, to the city, subject  
5 to the public trust and the Burton Act trust. *In 1973, the Legislature*  
6 *authorized the department to acquire and develop real property*  
7 *at Candlestick Point for the state park system.* The state  
8 subsequently acquired private lands along the shoreline of  
9 Candlestick Point to create the Candlestick Point State Recreation  
10 Area. In 1984, the city conveyed back to the state those lands  
11 within the state recreation area boundaries that the city had acquired  
12 under the 1958 Act and the Burton Act, subject to the city's  
13 reversionary interest. The state recreation area was the first  
14 California state park unit developed in an urban environment and  
15 is a critical component of the state park system. At present,  
16 however, much of the state recreation area is underutilized and in  
17 need of substantial restoration and improvement.

18 (f) The shipyard and Candlestick Point are in close proximity  
19 to one another, separated only by Yosemite Slough and South  
20 Basin. Together, they comprise approximately 760 acres and make  
21 up the largest area of underused land in the city. The shipyard,  
22 once a source of economic opportunity for the surrounding  
23 Bayview Hunters Point community, has stood dilapidated and  
24 abandoned for over 30 years and now stands as a barrier to public  
25 health, open space, and the waterfront, and a blight on one of San  
26 Francisco's poorest communities. The revitalization of Candlestick  
27 Point has been contemplated for over 10 years to create much  
28 needed economic and public benefits, affordable housing for  
29 Bayview Hunters Point residents, and other tangible benefits to  
30 the Bayview Hunters Point community. The stadium at Candlestick  
31 Point is nearing the end of its useful life and is in need of  
32 replacement, the nearby public housing development at Alice  
33 Griffith requires a complete rebuilding, and the restoration and  
34 improvement of the adjoining state recreation area has been a  
35 long-time goal of the state, the city, and the Bayview Hunters Point  
36 community.

37 (g) Until 2007, efforts to redevelop the shipyard and Candlestick  
38 Point proceeded separately from one another. In 1997, the agency  
39 and the city adopted the Hunters Point Shipyard Redevelopment  
40 Plan to provide for the economic revitalization of the shipyard

1 upon its transfer out of federal ownership. In anticipation of the  
2 transfer of the shipyard to the agency, the Hunters Point Shipyard  
3 Conversion Act of 2002 (Chapter 464 of the Statutes of 2002), and  
4 the Hunters Point Shipyard Public Trust Exchange Act (Chapter  
5 435 of the Statutes of 2003), which together granted in trust to the  
6 agency all of the state’s sovereign interest in certain lands within  
7 and adjacent to the shipyard and authorized a shipyard-wide public  
8 trust exchange, subject to certain terms and conditions.

9 (h) ~~In 1998, Chapter 1046 of the Statutes of 1998, which~~  
10 ~~repealed and added~~ Section 5006.8 of the Public Resources Code,  
11 was enacted for the purpose of facilitating the redevelopment of  
12 Candlestick Point in accordance with Propositions D and F, which  
13 were approved by voters of the city on June 3, 1997. Those  
14 measures authorized development of a stadium, retail and  
15 entertainment center, and associated support uses on the site. In  
16 2006, the city and the agency adopted the Bayview Hunters Point  
17 Redevelopment Plan, which included provision for a stadium  
18 project consistent with Propositions D and F. Subsequently, the  
19 primary tenants of the stadium, the San Francisco Forty Niners,  
20 announced their intention to build a new stadium in a location  
21 other than Candlestick Point.

22 (i) In 2007, the city and the agency undertook a new, integrated  
23 planning effort for the shipyard and Candlestick Point, which  
24 resulted in the adoption of a conceptual framework for  
25 development. The conceptual framework calls for a mixed use  
26 project on the project area that will provide, among other things,  
27 much needed parks and open space, including a major renovation  
28 of the state recreation area to enhance access by residents and  
29 visitors to the waterfront; new business and employment  
30 opportunities; new housing opportunities affordable for residents  
31 of the neighboring Bayview Hunters Point community; a site for  
32 a new sports stadium on the shipyard, with alternative uses if the  
33 San Francisco Forty Niners elect to build a new stadium elsewhere;  
34 and other economic and public benefits for the community and the  
35 city as a whole *and the statewide public*.

36 (j) In June 2008, the voters of the city approved Proposition G,  
37 the “Mixed Use Development Project for Candlestick Point and  
38 Hunters Point Shipyard.” Proposition G repealed Propositions D  
39 and F and promulgated city policy encouraging the timely  
40 development of the project area with a mixed-use project including:

1 over 300 acres of public park and open space; between 8,500 and  
2 10,000 homes; about 700,000 square feet of retail space; about  
3 2,150,000 square feet of green office, science and technology,  
4 research and development, and industrial space; a possible arena  
5 or other public performance site; a site in the shipyard for a new  
6 stadium for the San Francisco Forty Niners; and additional green  
7 office, science and technology, research and development, and  
8 industrial space, or additional housing, if a new stadium is not  
9 built. Proposition G specifically contemplated a mix of stacked  
10 flats, attached town homes and, in appropriately selected locations,  
11 low-rise, mid-rise, and high-rise towers, to help ensure the  
12 economic feasibility of the development and provide a varied urban  
13 design. Proposition G also made it city policy that the project be  
14 consistent with the following objectives: producing tangible  
15 community benefits for residents of the Bayview Hunters Point  
16 neighborhood and the city; reconnecting the shipyard and  
17 Candlestick Point with the Bayview Hunters Point neighborhood  
18 and protecting the Bayview Hunters Point neighborhood character  
19 for existing residents; producing substantial new housing, both  
20 affordable and market-rate, and encouraging the rebuilding of the  
21 Alice Griffith Housing Development; incorporating environmental  
22 sustainability; encouraging the San Francisco Forty Niners to  
23 remain in San Francisco; and requiring the project to be financially  
24 sound, with or without a new stadium.

25 (k) This legislation is necessary for the successful redevelopment  
26 of the project area and to realize the resulting public benefits,  
27 including, but not limited to, the elimination of blight, the provision  
28 of affordable housing, the creation of new public open space, and  
29 increased public access to the waterfront. This legislation is also  
30 needed to improve the configuration of the public trust lands in  
31 furtherance of trust purposes.

32 (l) The existing configuration of trust and nontrust lands within  
33 the project area is such that the purposes of the public trust cannot  
34 be fully realized. A substantial portion of the reclaimed trust lands  
35 are interior lands that have been cut off from access to navigable  
36 waters, or are paper streets laid out in a grid pattern that is not  
37 useful to the trust. Most of these lands are no longer needed or  
38 required for the promotion of the public trust. Other lands within  
39 the project area adjacent to the waterfront or otherwise of high  
40 value to the public trust are currently not subject to the public trust.

1 Absent a trust exchange, substantial portions of the lands within  
2 the shipyard that are located along the waterfront or are otherwise  
3 of high value to the public trust would be free of the public trust,  
4 would not be required to be put to uses consistent with the public  
5 trust, and could be cut off from public access. In addition, certain  
6 interior lands not useful for trust purposes would be restricted and  
7 could not be used for residential or other nontrust uses essential  
8 to the redevelopment of the project area.

9 (m) A trust exchange resulting in the configuration of trust lands  
10 substantially similar to that depicted on the diagram in Section 25  
11 of this act maximizes the overall benefits to the trust, without  
12 interfering with trust uses or purposes. Following the exchange,  
13 the entire waterfront within the project area, as well as certain  
14 interior lands that have high trust values, will be subject to the  
15 public trust. The lands that will be removed from the trust pursuant  
16 to the exchange have been cut off from navigable waters, are no  
17 longer needed or required for the promotion of the public trust,  
18 and constitute a relatively small portion of the granted lands within  
19 the city. This act requires the commission to ensure that the lands  
20 added to the trust pursuant to the exchange ~~are of equal or greater~~  
21 ~~value than~~ *have a monetary value equal to or greater than the*  
22 *monetary value of the lands taken out of the trust.*

23 (n) Several historic buildings in the shipyard have been  
24 identified by the State Historic Preservation Officer as contributors  
25 to the Hunters Point Commercial Drydock Historic District. These  
26 contributor buildings convey a sense of the shipyard's early  
27 maritime history, enhance the open-space experience along the  
28 waterfront, and should be preserved and restored. Uses of the  
29 contributor buildings that support their preservation and restoration,  
30 but which are not otherwise consistent with the trust, may be  
31 authorized under certain conditions set forth in this act.

32 (o) The hillside open space provides substantial value to the  
33 trust as an open space and recreational resource affording  
34 exceptional views of San Francisco Bay and the waterfront. To  
35 protect the trust value of the hillside open-space area, it is important  
36 that significant view corridors to the waterfront be protected and  
37 adequate public access be provided in the manner set forth in this  
38 act.

39 (p) The state recreation area is presently in need of substantial  
40 improvement, restoration, and reconfiguration. A substantial

1 portion of the park currently serves as a ~~dual-use~~ parking area for  
2 stadium events. In other areas, the park does not contain enough  
3 land adjacent to the shoreline to provide the desired level of public  
4 access. The park lacks needed improvements, and many of the  
5 improvements that do exist are in a state of disrepair. Proposition  
6 G calls for improving and restoring the state recreation area,  
7 including enhancing access to the waterfront for public use,  
8 providing views of San Francisco Bay, and extending the Bay Trail  
9 system through the park. This act *approves a reconfiguration of*  
10 *the state recreation area and to that end* authorizes the department  
11 to enter into an agreement for the transfer of state recreation area  
12 lands to the agency or the city in exchange for other lands, park  
13 improvements, or other consideration, provided the agreement will  
14 result in an overall benefit to the park and meets the other  
15 requirements of this act regarding the transfer of state recreation  
16 area lands.

17 (q) This legislation advances the statewide purposes of the  
18 Community Redevelopment Law and the public trust, and is in  
19 the best interests of the people of this state.

20 SEC. 3. Section 5006.8 of the Public Resources Code is  
21 repealed.

22 SEC. 4. Chapter 464 of the Statutes of 2002, The Hunters Point  
23 Shipyard Conversion Act of 2002, as amended by Chapter 435 of  
24 the Statutes of 2003, is repealed.

25 SEC. 5. Chapter 435 of the Statutes of 2003, The Hunters Point  
26 Shipyard Public Trust Exchange Act, is repealed.

27 SEC. 6. (a) All of the state's right, title, and interest, acquired  
28 by virtue of its sovereignty, in any trust lands in which the agency  
29 holds or acquires fee title, is hereby granted to and vested in the  
30 agency, subject to the public trust and the terms and conditions of  
31 this act.

32 (b) Upon conveyance by the federal government to the agency  
33 of any piers or other appurtenances located in part on Hunters  
34 Point submerged lands, the grant of the state's right, title, and  
35 interest in the Hunters Point submerged lands to the city pursuant  
36 to the Burton Act shall be revoked, and all of the state's right, title,  
37 and interest in those lands shall be granted to and vested in the  
38 agency, subject to the public trust and the terms and conditions of  
39 this act.

1 (c) The agency shall hold the trust lands in trust for the benefit  
2 of all the people of the state for purposes of commerce, navigation,  
3 and fisheries, and for other public trust purposes, subject to the  
4 terms and conditions of this act. Any trust lands held by the agency  
5 pursuant to this act shall not be subject to the Burton Act trust.

6 SEC. 7. Notwithstanding Section 6359 of the Public Resources  
7 Code or any other provision of law, the grant of trust lands to the  
8 agency pursuant to this act shall be deemed effective as follows:

9 (a) On January 1, 2010, with respect to trust lands owned by  
10 the agency on that date.

11 (b) With respect to trust lands acquired by the agency after  
12 January 1, 2010, upon the agency's acquisition of those lands.

13 (c) With respect to the Hunters Point submerged lands, upon  
14 conveyance by the federal government to the agency of any piers  
15 or other appurtenances located in part on the Hunters Point  
16 submerged lands.

17 SEC. 8. (a) The agency may use, conduct, operate, maintain,  
18 manage, administer, regulate, improve, lease, and control  
19 (*collectively referred to as "use"*) the trust lands and do all things  
20 necessary in connection with that authority that conform with the  
21 terms of this act and the public trust. Except as provided in this  
22 act, the agency shall use the trust lands only in a manner that is  
23 consistent with, necessary and convenient for, or incidental or  
24 ancillary to, the purposes of the public trust.

25 (b) In the management, conduct, operation, and control of the  
26 trust lands, or any improvements, betterments, or structures on the  
27 trust lands, the agency shall make no discrimination in rates, tolls,  
28 or charges for a use or service in connection with that management.

29 SEC. 9. The agency shall not grant, convey, give, or alienate  
30 the trust lands, or any part of the lands, to an individual, firm, ~~or~~  
31 ~~corporation~~ *corporation, or governmental agency (not including*  
32 *the commission)* for any purpose, except as provided in this act or  
33 as otherwise provided by statute.

34 SEC. 10. There is reserved in the people of the state the right  
35 to hunt and fish in and over the waters on the trust lands, together  
36 with the right of convenient access to the waters over the trust  
37 lands for those purposes.

38 SEC. 11. The state shall reserve from the grant made in Section  
39 6 of this act, and from any other conveyance pursuant to this act  
40 of the state's interest, or any portion of the state's interest, in any

1 lands, all minerals and all mineral rights in the lands of every kind  
2 and character now known to exist or hereafter discovered,  
3 including, but not limited to, oil and gas and rights, together with  
4 the sole, exclusive, and perpetual right to explore for, remove, and  
5 dispose of those minerals by any means or methods suitable to the  
6 state or to its successors and assignees, except that, notwithstanding  
7 the Burton Act or Section 6401 of the Public Resources Code, this  
8 reservation shall not include the right of the state or its successors  
9 or assignees in connection with any mineral exploration, removal,  
10 or disposal activity, to do either of the following:

11 (a) Enter upon, use, or damage the surface of the lands or  
12 interfere with the use of the surface by a grantee or by the grantee's  
13 successors or assignees. However, a lease, franchise, permit, or  
14 license of the property shall contain a provision specifying at least  
15 one point from which, and the manner in which, the right of ingress  
16 or egress to the subsurface deposits may be exercised, which point  
17 or points may be outside the area of the leasehold, franchise,  
18 permit, or license, as long as the point or points are adequate to  
19 permit the rights reserved to the state to be exercised.

20 (b) Conduct any mining activities of any nature whatsoever  
21 above a plane located 500 feet below the surface of the lands  
22 without the prior written permission of a grantee of the lands or  
23 the grantee's successors or assignees.

24 SEC. 12. The state has the right to use, without charge, any  
25 transportation, land or storage improvements, wharves, docks,  
26 piers, slips, quays, or other improvements constructed upon the  
27 trust lands, for a vessel or other watercraft, aircraft, or railroad  
28 owned or operated by the state.

29 SEC. 13. (a) The state reserves the right to amend, modify, or  
30 revoke any and all rights in the trust lands granted to the agency  
31 under this act.

32 (b) No amendment or revocation, in whole or in part, of the  
33 granted rights in the trust lands shall impair or affect the rights or  
34 obligations of third parties, including debt, security, or bond  
35 holders, lessees, lenders for value, and holders of contracts  
36 conferring the right to the use or occupation of, or the right to  
37 conduct operations upon or within, the trust lands, arising from  
38 leases, contracts, or other instruments lawfully entered into prior  
39 to the effective date of the amendment or revocation. For purposes  
40 of this section, the term "bonds" includes, without limitation, tax

1 increment bonds, revenue bonds, certificates of participation, and  
2 any other bonds or forms of indebtedness secured by or payable  
3 from, in whole or in part, revenues derived from trust lands.

4 (c) If a lease, contract, or other instrument described in  
5 subdivision (b) is in effect on the effective date of an amendment  
6 or revocation, the state, at its option exercised by and through the  
7 commission, may succeed to the agency's interest in the lease,  
8 contract, or instrument. Otherwise, the agency's interest in the  
9 instrument, property, and revenue shall continue during the term  
10 or other period during which the instrument shall remain in effect.  
11 An action taken by the state shall not cause the agency to breach  
12 or default under a lease, contract, or instrument in effect on the  
13 effective date of an amendment or a revocation. All bonds or  
14 securities issued by the agency and payable out of revenues from  
15 the trust lands shall continue to be so payable, directly or indirectly,  
16 and secured in all respects as provided in the proceedings for their  
17 issuance, and the revenues of the trust lands shall be pledged and  
18 applied to the payment of the bonds or securities in all respects as  
19 though no amendment or revocation had taken place.

20 SEC. 14. The agency may grant franchises, permits, privileges,  
21 licenses, easements, or leasehold interests (leases) in connection  
22 with the trust lands, or any part of the trust lands, each for a term  
23 not exceeding 66 years. A lease of the trust lands shall be solely  
24 for uses that are consistent with, necessary and convenient for, or  
25 incidental or ancillary to, the purposes of the public trust, except  
26 that a lease may be entered into for other uses if the agency has  
27 made all of the following determinations:

28 (a) There is no immediate trust-related need for the property  
29 proposed to be leased.

30 (b) The proposed lease is of a duration of no more than five  
31 years and can be terminated in favor of trust uses ~~as they~~ *trust*  
32 *needs* arise.

33 (c) The proposed lease prohibits the construction of new  
34 structures or improvements on the subject property that, as a  
35 practical matter, could prevent or inhibit the property from being  
36 converted to a permissible trust use if necessary.

37 (d) The proposed use of the leased property would not interfere  
38 with commerce, navigation, fisheries, or any other existing trust  
39 use or purpose.

1 SEC. 15. (a) Notwithstanding any other provision of this act  
2 or the Burton Act, the buildings, or any portion of a building,  
3 identified by the State Historic Preservation Officer as contributors  
4 to the Hunters Point Commercial Drydock Historic District,  
5 commonly known as the Gatehouse (Building 204), Pumphouse  
6 2 (Building 205), Pumphouse 3 (Building 140), and the Tool and  
7 Paint Building (Building 207), may be used or leased for purposes  
8 not otherwise consistent with the public trust, provided the trustee  
9 makes a finding that there are no trust uses available that would  
10 allow for the restoration and preservation of the space. A lease  
11 renewal, extension, or granting of a new lease for a nontrust  
12 purpose shall require a new finding that no trust uses are then  
13 available that would allow for the restoration and preservation of  
14 the building, or a part of it.

15 (b) If a building described in subdivision (a) is used for a  
16 nontrust purpose, and is remodeled, renovated, or used in a manner  
17 that is inconsistent with the Secretary of the Interior's Standards  
18 for the Treatment of Historic Properties with Guidelines for  
19 Preserving, Rehabilitating, Restoring and Reconstructing Historic  
20 Buildings, the building shall be put to a public trust use from the  
21 commencement of the inconsistent remodel, renovation, or use,  
22 unless the continued nontrust use is authorized to continue under  
23 Section 14 of this act, if the agency is the trustee, or under the  
24 Burton Act, if the city is the trustee.

25 (c) If a building described in subdivision (a) is demolished,  
26 subsequent use of the land and a replacement structure shall be  
27 consistent with the public trust and the applicable statutory trust.

28 SEC. 16. (a) The agency shall deposit all moneys collected  
29 by the agency arising out of the use or operation of any of the trust  
30 lands, including all revenues derived from leases or other rights  
31 to use or occupy the lands, into a special fund maintained by the  
32 agency. The agency shall use the money in or belonging to the  
33 fund only for uses and purposes consistent with the public trust  
34 and the requirements of this act.

35 (b) The agency shall prepare an annual statement of financial  
36 conditions and operations and submit it to the commission each  
37 year on or before October 1. The statement shall include a  
38 statement of all revenues and expenditures related to trust lands  
39 and trust assets, including obligations incurred, but not yet paid.

1 (c) *The requirements of this section implement and do not*  
2 *supersede the requirements of Section 6306 of the Public Resources*  
3 *Code.*

4 SEC. 17. (a) The agency may exchange portions of the trust  
5 lands with a state agency, political subdivision, person, entity, or  
6 corporation, or the United States or a political subdivision of the  
7 United States, for other lands, if the agency determines, and the  
8 commission adopts a resolution finding and declaring, all of the  
9 following:

10 (1) The portions of the trust lands *or interests in lands* to be  
11 exchanged *out of the trust* have been filled and reclaimed, are cut  
12 off from access to the waters of San Francisco Bay, ~~are no longer~~  
13 ~~needed or required for the promotion of the public trust for~~  
14 ~~commerce, navigation, and fisheries, and~~ *and are no longer in fact*  
15 *tidelands or submerged lands or navigable waterways, are*  
16 *relatively useless for trust purposes, and* constitute a relatively  
17 small portion of the granted lands within the city.

18 (2) The lands *or interests in lands* to be acquired by the agency  
19 have a *monetary* value equal to or greater than the value of the  
20 lands for which they are to be exchanged and are useful for the  
21 particular trust purposes authorized by this act.

22 (3) No substantial interference with trust uses and purposes,  
23 *including public rights of navigation and fishing,* will ensue by  
24 virtue of the exchange.

25 (4) *The lands or interests in lands to be acquired by the agency*  
26 *in the exchange will provide a significant benefit to the public*  
27 *trust.*

28 (5) *The exchange is otherwise in the best interest of the state.*

29 (b) Upon adoption of the resolution by the commission, the  
30 lands conveyed by the agency shall be free from the public trust,  
31 and the lands received by the agency in exchange shall be held  
32 subject to the public trust and to the terms of this act.

33 (c) The exchange authority granted by this section shall be in  
34 addition to, and shall not operate as a limitation on, the exchange  
35 authority granted by Sections 20 to 25, inclusive, of this act.

36 SEC. 18. Upon written agreement between the agency and the  
37 city, acting by and through its Port Commission, the agency may  
38 transfer to the city some or all of the trust lands in which the agency  
39 holds fee title, provided that the commission has approved the  
40 transfer, or the transfer is solely for purposes of street, utility, or

1 public right-of-way dedication *and is approved by the executive*  
2 *officer of the commission.* All of the right, title, and interest granted  
3 to the agency under this act in any lands transferred to the city  
4 under this section shall, upon transfer, be granted to and vest in  
5 the city. The city shall hold the transferred lands subject to the  
6 public trust and shall assume authority as trustee over those lands.  
7 Lands transferred to the city pursuant to this section shall be subject  
8 to the Burton Act trust and shall cease to be subject to the terms  
9 and conditions of this act, except that Section 15 of this act shall  
10 remain applicable to those lands. Nothing in this section shall  
11 preclude the city from including trust lands held by the city as part  
12 of an exchange authorized by this act.

13 SEC. 19. Notwithstanding the Burton Act or any other  
14 provision of law, upon approval by the commission, the city may  
15 transfer to the agency some or all of the Burton Act lands. All of  
16 the right, title, and interest granted to the city under the Burton  
17 Act in any lands transferred to the agency under this section shall,  
18 upon transfer, be granted to and vest in the agency. The agency  
19 shall hold the transferred lands subject to the public trust and the  
20 requirements of this act, and shall assume authority as trust  
21 administrator over those lands. Lands transferred to the agency  
22 under this section shall cease to be subject to the Burton Act trust.

23 SEC. 20. The Legislature hereby approves an exchange of  
24 public trust lands within the project area, whereby certain trust  
25 lands that meet the criteria set forth in this act and therefore are  
26 not now useful for public trust purposes will be freed from the  
27 public trust and of the associated restrictions on use and alienation,  
28 and certain other lands that are not now public trust lands and that  
29 are useful for public trust purposes will be made subject to the  
30 public trust, provided *that the commission determines that the*  
31 *exchange furthers the public trust and approves the exchange and*  
32 *that all of the following conditions are met:*

33 (a) The exchange results in a configuration of trust lands  
34 substantially similar to that shown on the diagram in Section 25  
35 of this act.

36 (b) The lands to be subject to the public trust are configured so  
37 as to be accessible from the streets as finally configured in the  
38 project area.

39 (c) The exchange otherwise complies with the requirements of  
40 this act.

1 (d) The exchange is consistent with and furthers the purposes  
2 of the public trust and this act.

3 SEC. 21. All lands exchanged into the trust under this act shall  
4 be held by the trustee subject to the public trust and the applicable  
5 statutory trust, and all lands exchanged out of the trust under this  
6 section shall be free of the public trust and the applicable statutory  
7 trust.

8 SEC. 22. The precise boundaries of the lands to be taken out  
9 of the trust and the lands to be put into the trust pursuant to the  
10 exchange shall be determined by the trustee or trustees with  
11 authority over the lands to be exchanged, subject to the approval  
12 of the commission. The commission is authorized to settle by  
13 agreement with the trustees any disputes as to the location of the  
14 mean high tide line in its last natural state, the boundaries of  
15 tidelands conveyed into private ownership pursuant to various  
16 statutes, and any other boundary lines which the commission deems  
17 necessary to effectuate the exchange.

18 SEC. 23. (a) The commission is authorized to approve an  
19 exchange of public trust lands within the project area that meets  
20 the requirements of this act. Pursuant to this authority, the  
21 commission shall establish appropriate procedures for effectuating  
22 the exchange. The procedures shall include provisions for ensuring  
23 that lands *or interests in lands* are not exchanged into the trust  
24 until either of the following has occurred:

25 (1) All remedial action necessary to protect human health and  
26 the environment with respect to the hazardous substances on the  
27 land has been completed as determined by the United States  
28 Environmental Protection Agency, the California Department of  
29 Toxics Substances Control, and the regional water quality control  
30 board, pursuant to the Federal Facilities Agreement for the shipyard  
31 dated January 22, 1992, as amended, and the United States has  
32 provided a warranty in accordance with Section 9620(h)(3)(A) of  
33 Title 42 of the United States Code.

34 (2) The United States has obtained a warranty deferral, approved  
35 by the Governor in accordance with Section 9620(h)(3)(C) of Title  
36 42 of the United States Code, involving land for which the  
37 commission has determined to execute a certificate of acceptance  
38 of title, *and the commission finds that sufficient liability measures*  
39 *and implementation measures will be in place upon the completion*  
40 *of the exchange.*

1 (b) The commission may not approve the exchange of any trust  
2 lands unless it finds all of the following:

3 ~~(1) The configuration of trust lands within the project area upon~~  
4 ~~completion of the exchange is substantially similar to the~~  
5 ~~configuration shown on the diagram in Section 25 of this act,~~  
6 ~~includes all lands within the project area that are presently below~~  
7 ~~mean high tide, and consists of lands suitable to be impressed with~~  
8 ~~the public trust.~~

9 ~~(2) The final layout of streets in the project area will provide~~  
10 ~~access to the public trust lands and be consistent with the beneficial~~  
11 ~~use of the public trust lands.~~

12 ~~(3) The value of the lands to be exchanged into the trust is equal~~  
13 ~~to or greater than the value of the lands to be exchanged out of the~~  
14 ~~trust. In determining the value of these lands, the commission may~~  
15 ~~take into consideration the degree of uncertainty, if any, as to~~  
16 ~~whether the lands remain subject to the trust or have been freed~~  
17 ~~from the trust.~~

18 ~~(4) The lands to be taken out of the trust have been filled and~~  
19 ~~reclaimed, are cut off from access to navigable waters, are no~~  
20 ~~longer needed or required for the promotion of the public trust,~~  
21 ~~and constitute a relatively small portion of the lands granted by~~  
22 ~~the state within the city, and the exchange will not result in~~  
23 ~~substantial interference with trust uses and purposes.~~

24 ~~(5) Each trustee and a state agency, which owns or will own fee~~  
25 ~~title in any of the lands to be exchanged, has approved the~~  
26 ~~exchange.~~

27 *(1) The portions of the trust lands or interests in lands to be*  
28 *exchanged have been filled and reclaimed, are cut off from access*  
29 *to the waters of San Francisco Bay and are no longer in fact*  
30 *tidelands or submerged lands or navigable waterways, are*  
31 *relatively useless for public trust purposes, and constitute a*  
32 *relatively small portion of the granted lands within the city.*

33 *(2) The lands or interests in lands to be impressed with the*  
34 *public trust have a monetary value equal to or greater than the*  
35 *monetary value of the lands or interests in lands to be exchanged*  
36 *out of the trust. In the event that the monetary value of the lands*  
37 *or interests in lands to be exchanged out of the trust is greater*  
38 *than the monetary value of the lands or interests in lands to be*  
39 *exchanged into the trust, the commission may consider a deposit*  
40 *of funds into the Land Bank Fund established pursuant to Section*

1 8610 of the Public Resources Code to be held solely for acquisition  
2 of property, in an amount equal to the difference in value.

3 (3) No substantial interference with trust uses and purposes,  
4 including public rights of navigation and fishing, will ensue by  
5 virtue of the exchange.

6 (4) The lands or interests in lands impressed with the public  
7 trust will provide a significant benefit to the public trust and are  
8 useful for the particular trust purposes authorized by this act.

9 (5) The configuration of trust lands within the project area upon  
10 completion of the exchange is substantially similar to the  
11 configuration shown on the diagram in Section 25 of this act,  
12 includes all lands within the project area that are presently below  
13 mean high tide, and consists of lands suitable to be impressed with  
14 the public trust.

15 (6) The final layout of streets in the project area will provide  
16 access to the public trust lands and be consistent with the beneficial  
17 use of the public trust lands.

18 (7) Streets and other transportation facilities located on public  
19 trust lands shall be designed to be compatible with the public trust  
20 and to serve primarily public trust purposes of access to shoreline  
21 improvements and shoreline circulation rather than serving  
22 nontrust purposes.

23 (8) Any surveys or legal descriptions required for the parcels  
24 in conjunction with the exchange shall be approved by the  
25 commission.

26 (9) Each trustee who owns or will own fee title in any of the  
27 lands to be exchanged has approved the exchange.

28 (10) The exchange otherwise complies with the requirements  
29 of this act.

30 (11) The exchange is consistent with and furthers the purpose  
31 of the public land trust and this act.

32 (12) The exchange is otherwise in the best interest of the  
33 statewide public.

34 (c) The commission may impose additional conditions on the  
35 exchange authorized by this act if the commission determines that  
36 these conditions are necessary to protect the public trust. At a  
37 minimum, the commission shall ensure all of the following:

38 (1) The streets and other transportation facilities located on trust  
39 lands are designed to be compatible with the public trust.

1 (2) The trust values of the hillside open space are preserved. To  
2 this end, the commission shall ensure all of the following:

3 (A) The final trust configuration maintains reasonable public  
4 pedestrian and vehicular access between the hillside open space  
5 and the waterfront, and in addition, between the top of the hillside  
6 open space and other areas of the city.

7 (B) View corridors are maintained and protected so that visitors  
8 to the hillside open space can enjoy substantial vistas of San  
9 Francisco Bay.

10 (C) Direct vehicular and pedestrian access from the lower  
11 portions of the shipyard to the top of the hillside open space area  
12 is provided.

13 (D) No liability to owners of adjacent upslope property, for  
14 subjacent support or otherwise, is created by virtue of the trustee's  
15 taking title to the hillside open space.

16 (E) No moneys from the trust fund described in Section 16 of  
17 this act may be used to provide direct benefit to the residential  
18 development or to other uses of the nontrust portion of the hilltop  
19 area adjacent to the hillside open space, or to offset or mitigate  
20 impacts caused by those uses.

21 (F) Street parking on the parkway adjacent to the top of the  
22 hillside open space may not be restricted for residential parking  
23 and shall remain accessible to the public for regional *and statewide*  
24 use. In addition, adequate parking areas accessible to the public  
25 to support regional *and statewide* use of the hillside open space  
26 shall be dedicated in an area adjacent to the lower portion of the  
27 hillside open space. *Public access to the hillside open space and*  
28 *the availability of parking accessible to the public shall be*  
29 *publicized with appropriate signage.*

30 (d) For purposes of effectuating the exchange authorized by this  
31 section, the commission is authorized to do all of the following:

32 (1) Receive and accept on behalf of the state any lands or interest  
33 in lands conveyed to the state by the parties to the exchange  
34 agreement, including lands that are now and that will remain  
35 subject to the public trust.

36 (2) Convey by patent all of the right, title, and interest of the  
37 state in lands that are to be free of the public trust upon completion  
38 of an exchange of lands as authorized by this act and as approved  
39 by the commission.

1 (3) Convey to the trustee or trustees by patent all of the right,  
2 title, and interest of the state in lands that are to be subject to the  
3 public trust and the terms of this act or the Burton Act trust upon  
4 completion of an exchange of lands as authorized by this act and  
5 as approved by the commission, subject to the terms, conditions,  
6 and reservations as the commission may determine are necessary  
7 to meet the requirements of this act.

8 (e) Nothing in this act shall be construed as conditioning or  
9 otherwise limiting the authority of the state, the city, or the agency  
10 from undertaking a public trust exchange or other conveyance  
11 authorized by any other provision of law, including, but not limited  
12 to, Section 17 of this act.

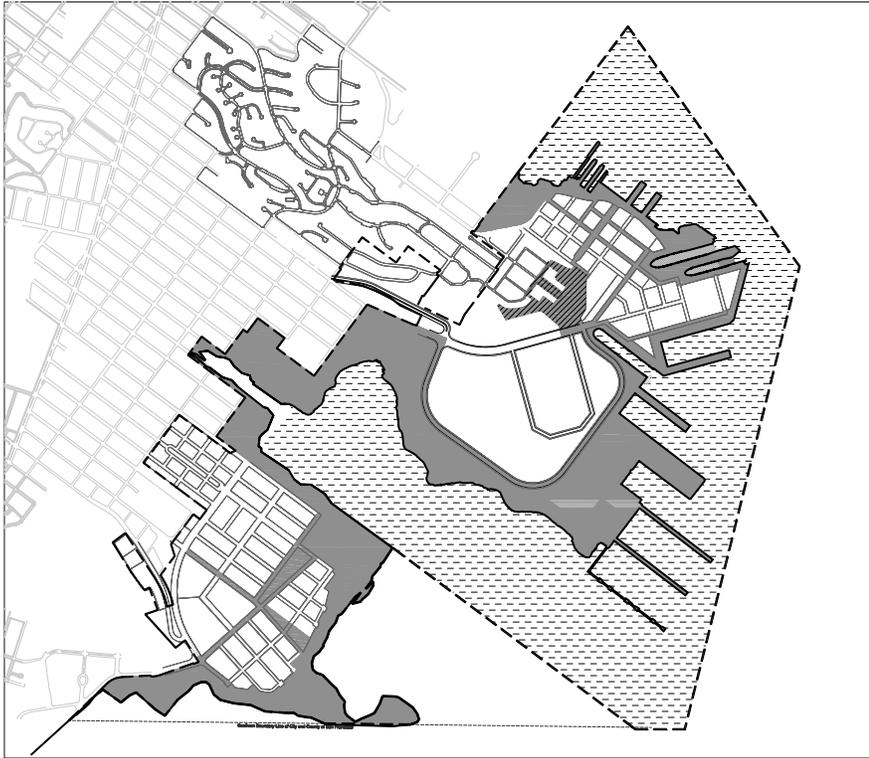
13 SEC. 24. An exchange of public trust land pursuant to Section  
14 ~~21~~ 23 of this act may proceed in multiple phases, provided that  
15 with respect to each phase, the commission, in addition to the  
16 findings required by Section 23 of this act, finds both of the  
17 following:

18 (a) The cumulative *monetary* value of all of the lands *or interests*  
19 *in lands* exchanged into the trust in the current and previous phases  
20 is equal to or greater than the cumulative *monetary* value of all of  
21 the lands *or interests in lands* exchanged out of the trust in the  
22 current and previous phases. For purposes of calculating the value  
23 of any lands added to or removed from the trust in an earlier phase  
24 of the exchange, the commission shall utilize the value of those  
25 lands as determined by the commission at the time of the  
26 commission's approval of the earlier phase, adjusted for inflation  
27 in a manner approved by the commission.

28 (b) The lands *or interests in lands* exchanged into the trust at  
29 each phase are configured in a way that furthers the purposes of  
30 the overall exchange, including, but not limited to, having access  
31 to streets as finally configured in the project area.

32 SEC. 25. The following diagram is a part of this act:

HUNTERS POINT SHIPYARD / CANDLESTICK POINT  
PUBLIC TRUST EXCHANGE



-  LANDS SUBJECT TO THE PUBLIC TRUST UPON COMPLETION OF THE EXCHANGE
-  "HILLSIDE OPEN SPACE" SUBJECT TO THE PUBLIC TRUST UPON COMPLETION OF THE EXCHANGE
-  SUBMERGED LANDS SUBJECT TO THE PUBLIC TRUST UPON COMPLETION OF THE EXCHANGE
-  PROJECT AREA
-  APPROXIMATE SHORELINE / PIERS



1 SEC. 26. (a) *The Legislature hereby approves a*  
2 *reconfiguration of the state recreation area in substantial*  
3 *conformance with the diagram included as Section 27 of this act,*  
4 *provided that the requirements of this section are met.*  
5 Notwithstanding any other provision of law, the director may enter  
6 into an agreement to transfer to the agency or the city an interest  
7 in a state property held by the department within the state recreation  
8 area, provided that the director makes in writing all of the following  
9 findings:

10 (1) The department shall receive consideration equivalent to  
11 the fair market value of any property interests it conveys, as  
12 provided in subdivision (c).

13 (2) The agreement shall provide ~~benefits~~ *an overall benefit* to  
14 the state recreation area.

15 ~~(3) Any lands in which the state's sovereign interests are to be~~  
16 ~~conveyed shall be freed of the public trust, or shall be held by the~~  
17 ~~agency or the city subject to the public trust, pursuant to an~~  
18 ~~exchange agreement approved by the commission in accordance~~  
19 ~~with this act.~~

20 ~~(4) The configuration of park lands following the exchange shall~~  
21 ~~be substantially similar to that shown on the diagram included as~~  
22 ~~Section 27 of this act. If, at the time the exchange agreement is~~  
23 ~~entered into, the agency has not acquired title to any portion of the~~  
24 ~~lands within the shipyard that are to be exchanged into the state~~  
25 ~~recreation area, the director may find that the requirements of this~~  
26 ~~paragraph are met with respect to those lands if the agreement~~  
27 ~~obligates the agency to transfer the lands to the department~~  
28 ~~following the agency's acquisition of the lands, and the other~~  
29 ~~consideration received by the department meets the requirements~~  
30 ~~of paragraph (1) and subdivision (c).~~

31 (3) (A) *The reconfiguration of the state recreation area shall*  
32 *substantially conform to the configuration shown on the diagram*  
33 *included as Section 27 of this act; provided, however, that the*  
34 *director may agree to additional modifications of the park*  
35 *configuration if the modifications are consistent with the overall*  
36 *financial feasibility of the project and the director determines that*  
37 *the modifications are necessary to fulfill the state recreational*  
38 *purposes of the state recreation area, taking into account public*  
39 *access, circulation and parking needs, wildlife habitat values,*

1 *future sea level rise and the proposed responses thereto, and other*  
2 *relevant factors.*

3 (B) *If, at the time an agreement authorized by this section is*  
4 *entered into, the agency has not acquired title to any portion of*  
5 *the lands within the shipyard that are to be added to the state*  
6 *recreation area, the director may find that the requirements of this*  
7 *paragraph are met with respect to those lands if the agreement*  
8 *obligates the agency to transfer the lands to the department*  
9 *following the agency's acquisition of the lands, and the other*  
10 *consideration received by the department meets the requirements*  
11 *of paragraph (1) and subdivision (c).*

12 (b) The director shall modify the boundaries of the state  
13 recreation area as necessary to reflect any conveyances made  
14 pursuant to this section.

15 (c) The consideration for state property transferred pursuant to  
16 subdivision (a) may consist of any of the following, or any  
17 combination thereof:

18 (1) Monetary consideration, which shall be dedicated and used  
19 for *planning*, improvement, maintenance, or operation of the state  
20 recreation area.

21 (2) The cost of *planning and constructing* improvements to the  
22 state recreation area that enhance its use as a public park.

23 (3) Provisions for future revenue to fund the operation and  
24 maintenance for all or part of the state recreation area.

25 (4) Other nonmonetary consideration, including, but not limited  
26 to, relinquishment of the city reversionary interest.

27 (5) Land within the project area to be added to the state  
28 recreation area.

29 (6) *The cost of any reimbursement paid to the state for its legal,*  
30 *transactional, planning, or other costs associated with actions*  
31 *carried out pursuant to this section.*

32 (d) Notwithstanding any other provision of law, the director  
33 may acquire or transfer on behalf of the department real property  
34 pursuant to the agreement authorized by this section, provided that  
35 the other requirements of this section are met, and the fair market  
36 value of any real property acquired or transferred has been  
37 determined by an appraisal prepared by the commission, the Real  
38 Estate Services Division of the Department of General Services,  
39 or an independent appraiser certified by the Office of Real Estate

1 Appraisers pursuant to Part 3 (commencing with Section 11300)  
2 of Division 4 of the Business and Professions Code.

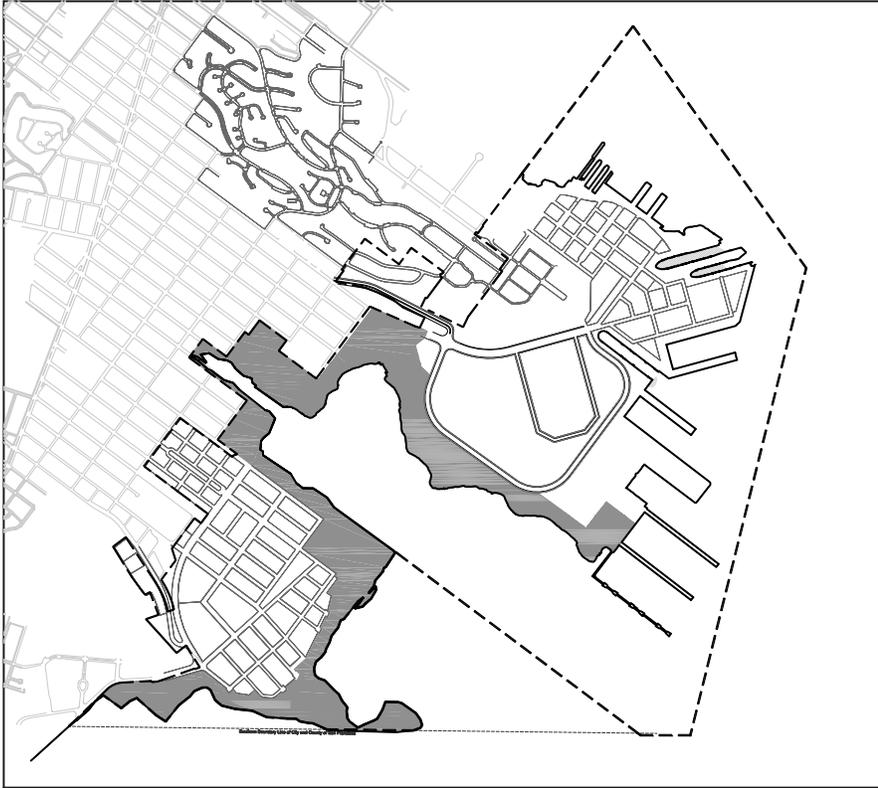
3 (e) The agreement authorized by this section may be combined  
4 with a trust exchange agreement authorized by this act. For  
5 purposes of compliance with subdivision (d), the department may  
6 rely on an appraisal prepared in connection with a trust exchange  
7 authorized by this act.

8 (f) The requirements of this section shall govern an agreement  
9 entered into, or conveyance made pursuant to the agreement, and  
10 shall supersede any other provision of law pertaining to the  
11 department's authority to acquire or transfer real property, or to  
12 enter into an agreement to acquire or transfer real property,  
13 including, but not limited to, Article 1 (commencing with Section  
14 11000) of Chapter 1 of Part 1 of Division 3 of Title 2 of the  
15 Government Code, Part 11 (commencing with Section 15850) of  
16 Division 3 of Title 2 of the Government Code, and Chapter 1.695  
17 (commencing with Section 5096.500) of Division 5 of the Public  
18 Resources Code.

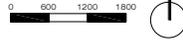
19 (g) *Notwithstanding anything to the contrary in Section 5002.2*  
20 *of the Public Resources Code, the department is not required to*  
21 *revise the general plan for the state recreation area prior to taking*  
22 *any action pursuant to this section, including, but not limited to,*  
23 *the approval of an agreement authorized by this section, the*  
24 *acquisition, conveyance or transfer of interests in real property*  
25 *pursuant to such agreement, or the modification of the state*  
26 *recreation area boundary. Nothing in this subdivision shall be*  
27 *construed as creating an exemption from the requirements of the*  
28 *California Environmental Quality Act (Division 13 (commencing*  
29 *with Section 21000) of the Public Resources Code), or as*  
30 *exempting the development of new facilities within the state*  
31 *recreation area from compliance with the general plan revision*  
32 *requirements of Section 5002.2 of the Public Resources Code.*

33 SEC. 27. The following diagram is a part of this act:

CANDLESTICK POINT STATE RECREATION AREA  
PARK LAND EXCHANGE



-  CPSRA LANDS FOLLOWING COMPLETION OF EXCHANGE
-  PROJECT AREA
-  APPROXIMATE SHORELINE / PIERS



1 SEC. 28. (a) The Legislature finds and declares that the project  
 2 will further the important statewide interests in redevelopment, ~~in~~  
 3 the elimination of blight, ~~and in~~ the provision of affordable housing  
 4 opportunities, *the generation of new sales tax revenues, property*  
 5 *taxes and other tax revenues to the state and state agencies, the*  
 6 *creation of thousands of new jobs, and enhanced access of the*  
 7 *public to use and enjoy the state recreation area, and that the*  
 8 development of the project will further the statewide purposes  
 9 ~~reflected~~ *contemplated* in Section 3 of the 1958 Act. The  
 10 Legislature further finds and declares that it is necessary and in  
 11 furtherance of important statewide interests for any restrictions or  
 12 other encumbrances on title arising from Section 3 of the 1958  
 13 Act to be eliminated so as to facilitate disposition of property  
 14 within the project area in furtherance of development of the project.

15 (b) At the request of the city or the agency, the executive officer  
 16 of the commission shall, on behalf of the state, reasonably  
 17 cooperate with the requesting parties to cause to be prepared and  
 18 recorded any necessary deeds, patents, agreements, or other  
 19 instruments for the purpose of removing any deed restrictions or  
 20 other encumbrances on title arising from Section 3 of the 1958  
 21 Act.

22 SEC. 29. Section 3 of Chapter 2 of the Statutes of 1958 of the  
 23 First Extraordinary Session is repealed.

24 *SEC. 30. Chapter 1046 of the Statutes of 1998 is repealed.*

25 ~~SEC. 30.~~

26 *SEC. 31.* An exchange or other agreement made pursuant to  
 27 this act is hereby found to be of statewide significance and  
 28 importance. Therefore, no ordinance, charter provision, or other  
 29 provision of local law inconsistent with this act applies to that  
 30 exchange or agreement.

31 ~~SEC. 31.~~

32 *SEC. 32.* Nothing in this act may be construed to nullify the  
 33 city or the agency's obligations for increasing, improving, and  
 34 preserving the community's supply of low- and moderate-income  
 35 housing imposed by the Community Redevelopment Law,  
 36 including, but not limited to, the requirements of Sections 33334.2  
 37 and 33413 of the Health and Safety Code.

1 ~~SEC. 32.~~

2 *SEC. 33.* Nothing in this act may be construed to authorize the  
3 ~~development of housing~~ *residential use or other nontrust uses* on  
4 public trust land *except as provided in Sections 14 and 15.*

5 ~~SEC. 33.~~

6 *SEC. 34.* A deed, patent, agreement, or other instrument  
7 executed in furtherance of this act, or an action of the city, state,  
8 or agency, to approve the use, lease, or conveyance of a city, state,  
9 or agency property subject to this act, or any portion thereof, or to  
10 approve project agreements, grant entitlements or permits, or issue  
11 bonds or other indebtedness in connection with the use and  
12 development of that property, shall be conclusively presumed to  
13 be valid unless held to be invalid in an appropriate proceeding in  
14 a court of competent jurisdiction to determine the validity of the  
15 agreement commenced within 60 days after the recording of the  
16 agreement.

17 ~~SEC. 34. An~~

18 *SEC. 35. (a) An action may be brought under Chapter 4*  
19 *(commencing with Section 760.010) of Title 10 of Part 2 of the*  
20 *Code of Civil Procedure to establish title to any lands conveyed*  
21 *pursuant to this act, or by the parties to any agreement entered*  
22 *into pursuant to this act to confirm the validity of the agreement.*  
23 *Notwithstanding Section 764.080 of the Code of Civil Procedure,*  
24 *the statement of decision in the action shall include a recitation*  
25 *of the underlying facts and a determination as to whether the*  
26 *conveyance or agreement meets the requirements of this act,*  
27 *Sections 3 and 4 of Article X of the California Constitution, if*  
28 *applicable, and any other law applicable to the validity of the*  
29 *agreement.*

30 *(b) For purposes of Section 764.080 of the Code of Civil*  
31 *Procedure and unless otherwise agreed in writing, an agreement*  
32 *entered into pursuant to this act shall be deemed to be entered into*  
33 *on the date it is executed by the executive officer of the commission,*  
34 *or, if the commission is not a party, by the director, who shall be*  
35 *the last of the parties to sign prior to the signature of the Governor.*  
36 *The effective date of the agreement shall be deemed to be the date*  
37 *on which it is executed by the Governor pursuant to Section 6107*  
38 *of the Public Resources Code.*

39 *(c) An action may be brought under Chapter 9 (commencing*  
40 *with Section 860) of Title 10 of Part 2 of the Code of Civil*

1 Procedure to determine the legality and validity of a deed, patent,  
2 agreement, or other instrument executed in furtherance of or  
3 authorized by this act, or an action of the city *or agency* to use,  
4 lease, or convey any property, or to approve project agreements,  
5 grant entitlements or permits, or issue bonds or other indebtedness  
6 in connection with the use and development of that property.  
7 Before the filing of an action, the Attorney General, the director,  
8 and the executive officer of the commission shall be provided  
9 written notice of the action and a copy of the complaint. *An action*  
10 *authorized by this subdivision may be combined with an action*  
11 *authorized by subdivision (a).*

12 ~~SEC. 35.~~

13 *SEC. 36.* If a provision of this act, or its application to a person,  
14 property, or circumstance, is held invalid by a court, the invalidity  
15 or inapplicability of that provision shall not affect any other  
16 provision of this act or the application of that provision to any  
17 other person, property, or circumstance, and the remaining portions  
18 of this act shall continue in full force and effect, unless enforcement  
19 of this act as so modified by and in response to that invalidation  
20 would be grossly inequitable under all of the circumstances, or  
21 would frustrate the fundamental purposes of this act.

22 ~~SEC. 36.~~

23 *SEC. 37.* The Legislature finds and declares that, because of  
24 the unique circumstances applicable only to the lands described  
25 in this act, a statute of general applicability cannot be enacted  
26 within the meaning of subdivision (b) of Section 16 of Article IV  
27 of the California Constitution. Therefore, this special statute is  
28 necessary.

29 ~~SEC. 37.~~

30 *SEC. 38.* No reimbursement is required by this act pursuant to  
31 Section 6 of Article XIII B of the California Constitution because  
32 the only costs that may be incurred by a local agency or school  
33 district are the result of a program for which legislative authority  
34 was requested by that local agency or school district, within the  
35 meaning of Section 17556 of the Government Code and Section  
36 6 of Article XIII B of the California Constitution.

1  
2 **CORRECTIONS:**  
3 **Text—Page 30.**  
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