

## SENATE THIRD READING

SB 304 (Arreguín)

As Amended July 7, 2025

Majority vote

**SUMMARY**

Lifts, until February 1, 2066, the use restrictions imposed by the granting statutes and the public trust doctrine for after-acquired lands in Jack London Square and authorizes the Port of Oakland (Port) to lease the after-acquired lands for any purpose subject to specified conditions.

**Major Provisions**

- 1) Provides that, notwithstanding any other law, the use restrictions imposed by the granting statutes and the public trust doctrine are lifted until February 1, 2066, with respect to the after-acquired lands in Jack London Square, and authorizes the Port to lease the after-acquired lands for any purpose, subject to the conditions listed.
- 2) Requires the after-acquired lands shall remain subject to the terms and conditions of the granting statutes and the public trust doctrine.
- 3) Authorizes the Port to lease after-acquired lands in Jack London Square for a nontrust use only if it finds that specified conditions will be met.
- 4) Requires the Port to make the findings for each proposed nontrust lease at a public meeting, and prohibits the Port from delegating authority to make these findings to any other entity, including a ground lessee. Any nontrust lease or lease amendment entered into without the Port making the findings shall be void.
- 5) Requires, on February 2, 2066, the use restrictions of the granting statutes and public trust doctrine to resume for all after-acquired lands, and, as of that date the provisions of this bill become inoperative.
- 6) Requires, or before January 15, 2027, and every year thereafter until February 2, 2066, the Port to provide State Lands Commission (SLC) with a detailed narrative statement including specified following information.
- 7) Authorizes the Port to apply to SLC to categorize additional buildings in Jack London Square as after-acquired lands. Authorizes SLC to categorize a building in Jack London Square as after-acquired, if it finds specified factors are met.
- 8) Requires, upon approval by SLC, effective on the date of SLC's finding, that building to be considered after-acquired land unless and until the building's footprint as it existed on January 1, 2025, is altered to encompass additional original tidelands and submerged lands.
- 9) Provides that, to the extent that this bill conflicts with the Stipulated Judgment, the Stipulated Judgment shall control, as applicable.

**COMMENTS**

Beginning in 1852 and through a series of legislative grants from the state, the City of Oakland was granted, in trust, sovereign tide and submerged lands located within its boundaries. Through

the City's charter, portions of these public trust lands are within the Port and are managed by the City acting by and through its Board of Port Commissioners. The Port manages the granted public trust lands, which are the properties this bill addresses.

In 2005, the California Attorney General's Office, SLC, the Port, and two developers reached an agreement that became a stipulated judgment filed with the Superior Court in Alameda County in February 2005 (Stipulated Judgment). According to the Stipulated Judgment, it "will have numerous benefits for the public trust, including, but not limited to – development of public trust lands in the Jack London Square District for public trust uses such as public walkways, view corridors, restaurants, small-scale retail shops serving visitors, hotels, and a public market featuring goods from California ports." The Stipulated Judgment set out the agreed upon uses of the parcels going forward.

The Port is currently seeking to promote the development, improvement, and economic revitalization of its public trust lands at Jack London Square. Jack London Square is a historic, mixed-use waterfront district within the Port that includes pedestrian-oriented retail, dining, and entertainment uses and a ferry terminal that reinforces the waterfront connection.

The Port explains that its ability to attract and retain public trust-consistent tenants at Jack London Square has been significantly impaired by external factors beyond its control, including the sharp decline in the tourism and hospitality sectors following the COVID-19 pandemic and the departure of all three of Oakland's professional sports teams—the Warriors, Raiders, and Athletics—which has diminished regional visitation and economic activity.

The Legislature, under rare and unique circumstances, has provided a statutory framework for the leasing of granted public trust lands for non-trust uses by the trustees grounded on findings that the lands are not required for and will not interfere with the uses and purposes of the granting statutes and public trust doctrine. Portions of Jack London Square consist of property that is not original tide and submerged lands, title to which was not derived from the granting statutes, but were acquired with public trust funds derived from Port operations. These lands, known as after acquired lands, are held by the Port as assets of the statutory trust and accordingly are subject to the granting statute use restrictions, which incorporate public trust use restrictions, but they can be sold into private ownership for fair market value if they are no longer useful or needed for trust purposes.

This bill represents an agreement between the SLC and the Port to lift the use restrictions imposed by the granting statutes and Public Trust Doctrine until February 1, 2066, and authorizes the Port to lease after-acquired lands in Jack London Square for a non-trust use subject to the bill's specified conditions (see no. 5 under the 'This Bill' section).

The bill is not consistent with the Stipulated Judgement. It states that to the extent the bill conflicts with the Stipulated Judgment, the Stipulated Judgment shall control. The SLC prefers the applicable Stipulated Judgment provisions be held in abeyance for after-acquired lands while the trust use restrictions are lifted, and the bill requires all parties' best efforts to do so until February 1, 2066, after which the Stipulated Judgment applies in full force and effect.

#### **According to the Author**

SB 304 addresses the critical need to modernize the Port of Oakland's public trust lands. By expanding flexibility in permitted uses in consultation with the State Lands Commission (SLC), this bill will revitalize the waterfront, promote business investment, enhance community

programming, and ensure public access. The bill reflects the Port's evolving land use goals and commitment to equitable waterfront revitalization.

### **Arguments in Support**

The Alameda County Board of Supervisors adopted a strategic plan for the next decade known as Vision 2036 to ensure Alameda County continues to enrich the lives of our residents through visionary policies and accessible, responsive, and effective services, by anticipating the County's greatest challenges in the decade ahead. Vision 2036 has four shared visions, including "Thriving & Resilient Population" and "Prosperous & Vibrant Economy," which SB 304 (Arreguin) would help realize by allowing for the expansion of the permitted uses for the Port of Oakland's public trust lands. With the flexibilities proposed in SB 304 (Arreguin), we can ensure these public trust lands can effectively attract businesses, increase public engagement, and result in a revitalized waterfront aligned with modern economic and social needs.

### **Arguments in Opposition**

None on file

## **FISCAL COMMENTS**

According to the Assembly Appropriations Committee:

- 1) SLC estimates annual costs of \$10,000 or less to review information submitted to it about Jack London Square. These costs will likely be reimbursed by the Port through a reimbursement agreement.
- 2) One-time costs of an unknown, but likely minor, amount for SLC and the Department of Justice (DOJ) to amend the stipulated judgment (see background). For its part, DOJ reports minor and absorbable costs.
- 3) By imposing additional duties on the Port, and by extension the City of Oakland, this bill imposes a state-mandated local program. However, according to the California Constitution, legislative mandates requested by the local agency affected are not reimbursable by the state. The Port of Oakland is the sponsor of this bill, and the City of Oakland is registered in support. Therefore, the committee assumes neither entity is eligible for reimbursement, although this is ultimately subject to a determination by the Commission on State Mandates.
- 4) According to SLC, this bill will not result in lost lease revenue for the state, because the Port – not the state – currently receives any lease revenue from lands in Jack London Square.

## **VOTES**

### **SENATE FLOOR: 38-0-2**

**YES:** Allen, Alvarado-Gil, Archuleta, Arreguín, Ashby, Becker, Blakespear, Cabaldon, Caballero, Cervantes, Choi, Cortese, Dahle, Durazo, Gonzalez, Grayson, Grove, Hurtado, Jones, Laird, McGuire, McNerney, Menjivar, Niello, Ochoa Bogh, Padilla, Pérez, Richardson, Rubio, Seyarto, Smallwood-Cuevas, Stern, Strickland, Umberg, Valladares, Wahab, Weber Pierson, Wiener

**ABS, ABST OR NV:** Limón, Reyes

**ASM NATURAL RESOURCES: 13-0-1**

**YES:** Bryan, Alanis, Connolly, Ellis, Flora, Garcia, Haney, Hoover, Kalra, Muratsuchi, Pellerin, Schultz, Zbur

**ABS, ABST OR NV:** Wicks

**ASM APPROPRIATIONS: 15-0-0**

**YES:** Wicks, Arambula, Calderon, Caloza, Dixon, Elhawary, Fong, Mark González, Hart, Pacheco, Pellerin, Jeff Gonzalez, Solache, Ta, Tangipa

**UPDATED**

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