

condition precedent that the Lessees waive all rights which they may have heretofore received in consideration of the execution of a new lease.

- b. The form of lease shall include a new Section which shall contain the following language:

"The party of the second part shall permit, during the first two years of the term of this lease, the use of the demised premises and any facilities constructed thereon by such other bona fide commercial operators as might in the opinion of the State, or any successor in interest thereto, be advisable. Such use during said first two years of the term of this lease shall be subject to such reasonable terms and conditions as the party of the second part may impose. Consideration for such use shall not be in excess of such reasonable rate of consideration as might hereafter be established by the State or any successor in interest thereto."

- c. The lease as amended is hereby awarded to Messrs. Carver and Roberts, the applicants, and its execution is authorized.

Upon the conclusion of the Commission's action in this matter, Mr. Robert Harris, Assistant District Attorney of San Luis Obispo County, gave the Commission oral notice that the County of San Luis Obispo intends to make formal application to the Commission for a lease of a certain portion of Morro Bay, which the County of San Luis Obispo desires to develop as a harbor, and place under the jurisdiction of a Harbor District which this County intends to form. Mr. Harris expressed regret that, due to a misunderstanding, the County officials of San Luis Obispo had not submitted their application earlier, and further expressed appreciation of the splendid cooperation which the State Lands Commission had given the County, in connection with this matter.

7. (Application to Lease Tide and Submerged Lands at Half Moon Bay, San Mateo County - James W. Haaley - No. P.R.C. 214) Upon motion duly made and unanimously carried, the Commission authorized the issuance and execution of a lease of a strip of tide and submerged lands measuring sixteen feet by eighty feet located at Half Moon Bay, San Mateo County, immediately contiguous to the area now occupied by Romeo Fish Company under tide and submerged lands lease. Consideration under the lease is to be an annual rental of \$100.00. The term of the lease is to be for a period of five years from the date of the first application, October 27, 1944. Lessee is to pay the first and last years' rental at the time of execution of the Lease, and file with the Commission a faithful performance bond in the sum of \$1,000.00.