

MINUTE ITEM

5/27/71
CRK

7. RENEWAL OF COMMERCIAL LEASE PRC 1395.1, TIDELAND AT LONG POINT, PALOS VERDES PENINSULA, LOS ANGELES COUNTY - MARINELAND OF THE PACIFIC, INC. - W 7366, PRC 1395.1.

After consideration of Calendar Item 9 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION AUTHORIZES THE ISSUANCE TO MARINELAND OF THE PACIFIC, INC., OF A 10-YEAR RENEWAL OF LEASE PRC 1395.1 FROM JUNE 10, 1969, FOR OPERATION OF A PIER ON THE LAND DESCRIBED IN LEASE PRC 1395.1, IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF \$737.10, PLUS PAYMENT OF THE STATE'S SHARE OF INCOME IN EXCESS OF \$5,434 FROM A SUBLEASE WITH FRANK E. HUBATY, AS REQUIRED BY SECTION 2014, TITLE 2, CALIFORNIA ADMINISTRATIVE CODE; PUBLIC LIABILITY INSURANCE IN AMOUNTS OF \$300,000/\$600,000 FOR PERSONAL INJURY AND \$100,000 FOR PROPERTY DAMAGE, PROVIDED THAT ALL OTHER TERMS AND CONDITIONS OF SAID LEASE SHALL REMAIN IN FULL FORCE AND EFFECT.

Attachment:

Calendar Item 9 (2 pages)

CALENDAR ITEM

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9.

RENEWAL OF COMMERCIAL LEASE PRC 1395.1

APPLICANT: Marineland of the Pacific, Inc.

LOCATION: A 0.68-acre parcel of tideland at Long Point, Palos Verdes Peninsula, Los Angeles County.

LAND USE: A pier that is used as a boat-docking facility and for a salt-water intake system.

TERMS OF BASIC LEASE:

Initial period: 15 years, from June 10, 1954.
Renewal options: 2 additional periods of 10 years each.
Surety bond: \$5000.

CONSIDERATION: During renewal period June 10, 1969, to June 9, 1979: \$737.10 per annum plus payment of the State's share in sublease income as explained under "Other Pertinent Information".

BASIS FOR CONSIDERATION:

6.3% of appraised value of land.

PREREQUISITE ITEMS:

U.S. Army Corps of Engineers permit issued.
Applicant is owner of upland.

STATUTORY AND OTHER REFERENCES:

- a. Public Resources Code: Div. 6, Parts 1 and 2.
- b. Administrative Code: Title 2, Div. 3, Articles 1 and 2 as amended effective May 10, 1969.

OTHER PERTINENT INFORMATION:

1. On April 3, 1956, Lessee entered into a sublease agreement with Frank E. Hubaty that authorizes him to operate excursion boats from the pier. The lease renewal will provide for the State to receive one-half the annual gross income from the sublease after deducting the amount of \$5,434. The Division considers the amount of \$5,434 to be a reasonable return on Lessee's investment in the pier and that he is entitled to this amount for amortization purposes. This arrangement is authorized by Section 2014 of Title 2, California Administrative Code, effective May 10, 1969, and Lessee has made retroactive payments under the sublease totaling \$3,868.97.
2. In addition, the renewal agreement already executed by Lessee requires public liability insurance in the amounts shown in the following recommendation.

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3. According to an informal opinion of the Office of the Attorney General, no environmental impact report is required for lease renewals where the renewal period is provided for in the original lease.

EXHIBIT:

- A. Location map.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE ISSUANCE TO MARINELAND OF THE PACIFIC, INC., OF A 10-YEAR RENEWAL OF LEASE PRC 1395.1 FROM JUNE 10, 1969, FOR OPERATION OF A PIER ON THE LAND DESCRIBED IN LEASE PRC 1395.1, IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF \$737.10, PLUS PAYMENT OF THE STATE'S SHARE OF INCOME IN EXCESS OF \$5,434 FROM A SUBLEASE WITH FRANK E. HUBATY, AS REQUIRED BY SECTION 2014, TITLE 2, CALIFORNIA ADMINISTRATIVE CODE; PUBLIC LIABILITY INSURANCE IN AMOUNTS OF \$300,000/\$600,000 FOR PERSONAL INJURY AND \$100,000 FOR PROPERTY DAMAGE, PROVIDED THAT ALL OTHER TERMS AND CONDITIONS OF SAID LEASE SHALL REMAIN IN FULL FORCE AND EFFECT.