

MINUTE ITEM

This Calendar Item No. 17
was approved as Minute Item
No. 17 by the State Lands
Commission by a vote of 3
to 0 at its 7/19/78
meeting.

MINUTE ITEM

7/78
Maricle

17. APPROVAL OF SUBLEASE - WP 4687

During consideration of Calendar Item 17, attached,
Commission-Alternate Betty Jo Smith instructed staff to
include a non-discrimination clause in the sublease to
Victoria Station.

Upon motion duly made and carried, the resolution as presented
in Calendar Item 17 was adopted by a vote of 3-0.

Attachment: Calendar Item 17

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CALENDAR ITEM

17.

7/78
WP 4687
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APPROVAL OF SUBLEASE

APPLICANT: Anza Shareholders' Liquidating Trust
433 Airport Boulevard
Burlingame, California 94010

PROPOSED SUBLESSEE:
Victoria Station, Inc.
Wood Island
Larkspur, California 94936

AREA, TYPE LAND AND LOCATION:
Approximately 93,500 square feet (2.15
acres), filled land adjoining San Francisco
Bay, Burlingame, San Mateo County.

LAND USE: Commercial restaurant and cocktail lounge.

STATUTORY AND OTHER REFERENCES:
A. Public Resources Code: Div. 6, Parts 1 & 2.
B. Administrative Code: Title 2, Div. 3,
Arts. 1, 2, 10 & 11.

BACKGROUND: Under Calendar Item No. 24, and under Minute
Item No. 26, dated July 6, 1972, the Commission
approved Anza Pacific Boundary Settlement
and Exchange Agreement No. 131 hereinafter,
referred to as Agreement No. 131, and the
issuance of 12 State leases.

Pursuant to said agreement, the State leased
for 66 years to Anza Pacific the 46 acres
confirmed in State ownership. The initial
rental consideration for said leases through
June 30, 1988 is \$18,626 per annum, plus
bond retirement, lagoon construction and
the completion of site improvements on
State lands. The State lease of the 46
acres for administrative convenience in
subleasing was accomplished by the issuance
of separate leases. The rental amount is
to be received by the State through June
30, 1988 and was prorated to each lease.

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CALENDAR ITEM NO. 17. (CONTD)

Under Calendar Item No. 47, dated March 25, 1976, the Commission heard and approved an assignment of the State leases from the Anza Pacific Corporation to Anza Shareholders' Liquidating Trust. Anza Pacific was reorganized as a liquidating trust for financial reasons.

All subletting of State lands by Anza is subject to Commission consent.

CURRENT SUBLEASE APPROVAL REQUEST:

Anza Shareholders' Liquidating Trust to Victoria Station, Inc.; an approximate 93,500 square foot (2.15 acres) site at Burlingame; San Mateo County. Existing rent of \$3,000 per annum to the State, to continue until June 30, 1988, after which time, the rental to the State will be one-half of the net income to Anza or its successor.

This sublease covers a portion of the land described in PRC 4687.1. The subleased premises will be used for the purpose of operating a commercial restaurant and cocktail lounge. The undeveloped, filled land remaining is for public park purposes, as shown on the master plan between the State and Anza.

The general terms of the sublease are as follows:

Term: 20 years from March 1, 1979.

Rent: Victoria to Anza:

1. March 1, 1979 through February 28, 1981; \$2,667 per month.
2. March 1, 1981 through February 28, 1989; \$3,000 per month.
3. March 1, 1989 through Termination; \$3,330 per month.

In addition, Anza is to receive a percentage of gross receipts (with specified exclusions) of income by which 2% thereof exceeds the basic annual rental.

Renewal options: 3 additional terms, 10 years each.

CALENDAR ITEM NO. 17. (CONTD)

Insurance: Public liability: \$500,000
per person and \$1,000,000
for any one occurrence
for personal injuries.

Property damage; \$100,000.
It is noted herein that
paragraph 6 of the sublease
requires all insurance
policies to name the
State Lands Commission
as additional insured.

Other: Sublease subject to State
ground lease PRC 4687.1.

The City of Burlingame has determined that
the proposed use is consistent with the
city's general plan and zoning for the
property. Such use is in keeping with the
master plan between Anza and the State.

Environmental concerns on the proposed
development have been handled by the City
of Burlingame as lead agency. The applicant
has provided a Negative Declaration and
Notice of Determination on the project
as issued by the city.

Said Notice states that the proposed develop-
ment will not have a significant effect
on the environment.

This project is situated on lands not identi-
fied as possessing significant environmental
values pursuant to Public Resources Code
6370.1

OTHER PERTINENT INFORMATION:

According to the applicant, this project
requires approval only from the State Lands
Commission and from the City of Burlingame.
The applicant states that the proposed
work is exempt from the approval of other
agencies.

Anza's request for this sublease approval
has been reviewed and considered acceptable.
The terms of the proposal appear to be

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consistent with the provisions of Agreement No. 131 and State Lease PRC 4687.1.

The applicant's land description covers a total land area of 3.80 acres, including a portion of the existing lagoon. The actual use area is restricted to dry land and will be improved according to plans and specifications approved by the City of Burlingame.

BACKGROUND HISTORY:

In 1969, the State Lands Commission and the Office of the Attorney General became aware of filling and reclamation activity in a 146-acre parcel in Burlingame on the west side of San Francisco Bay. The State Lands Commission and the Office of the Attorney General took action to halt the filling operations and began negotiations to perfect the title within the 146-acre parcel.

In the course of the development, Anza Pacific had already successfully petitioned the Burlingame City Council for the formation of Reclamation District 2097. The Reclamation District had issued bonds in the amount of \$1,964,000. The total bond service charge was \$2,598,968. These bonds were scheduled for complete retirement in 1983. Two additional series of bonds had been authorized and substantially issued. The first was in the amount of \$1,207,627 of 1915 improvements bonds. An additional \$94,500 was outstanding in 1911 improvement act bonds. The 2 bond issues were scheduled to be repaid completely by 1988. In addition to the bonded indebtedness, there were trust deeds against the property in the amount of \$2,910,000. In the event of default by Anza Pacific Corporation, it was the opinion of the Attorney General that the State would be liable for the indebtedness against the property. As a part of the final settlement agreement, which was approved by the State Lands Commission in June of 1962, the Anza Pacific Corporation and Transamerica Title Company agreed to take full responsibility and retire all the bonded indebtedness

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and trust deed liens. Thus, the 2 corporations assumed full responsibility for \$6,811,095 in debts, a portion of which could have become liens against the State property.

In addition to the agreement to retire the bonded indebtedness and trust deed liens, the State gained clear title to 46 acres within the 146 acre site. Anza additionally dedicated a 25' wide strip around the perimeter of the 146 acre parcel for public use. Anza at its sole expense, created a 12 acre lagoon, within the property which passed to the State. Anza and the County of San Mateo, also established a small fishing park on the southeasterly corner of the area.

The sublease for the Commission covers a portion of one of the parcels received by the State in the 1972 transaction. It is only the fourth sublease which Anza has been able to provide for the properties. Anza, without benefit of income from the properties, has been retiring the bonded indebtedness and the trust deed liens on the entire property.

EXHIBITS: A. Land Description. B. Location Map.
 C. Negative Declaration and Notice of
 Determination.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN EIR HAS NOT BEEN PREPARED FOR THIS PROJECT BUT THAT A NEGATIVE DECLARATION HAS BEEN PREPARED BY THE CITY OF BURLINGAME ON MAY 24, 1978.
2. CERTIFY THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED IN THE NEGATIVE DECLARATION.
3. DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
4. APPROVE, BY ENDORSEMENT, THE 20 YEAR SUBLEASE TO VICTORIA STATION, INC., IN CONSIDERATION OF THE STATE BEING NAMED AS ADDITIONAL INSURED IN PUBLIC LIABILITY INSURANCE IN THE AMOUNT OF \$500,000 PER PERSON FOR PERSONAL INJURIES, WITH AN AGGREGATE AMOUNT OF \$1,000,000 PER OCCURRENCE, AND \$100,000 FOR PROPERTY DAMAGE, AND OTHERWISE SUBJECT

CALENDAR ITEM NO. 17. (CONTD)

TO THE TERMS AND CONDITIONS OF PRC 4687.1; FOR A COMMERCIAL RESTAURANT AND COCKTAIL LOUNGE ON THE LAND DESCRIBED IN EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

5. AUTHORIZE THE EXECUTION OF ALL DOCUMENTS NECESSARY TO EFFECTUATE THESE DETERMINATIONS, CERTIFICATIONS AND APPROVALS.

EXHIBIT "A"

LAND DESCRIPTION

WP 4687

A parcel of land in San Francisco Bay, situated in the City of Burlingame, County of San Mateo, California, more particularly described as follows:

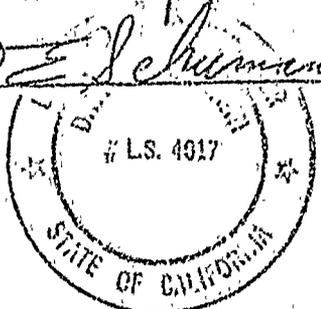
BEGINNING at the most westerly corner of Lot #1, Block No. 9, which point is also the most northerly corner of Anza Pacific Boulevard right-of-way (now known as Anza Pacific Place), as said Lot, Block, and Boulevard are shown on that certain map entitled "ANZA AIRPORT PARK-UNIT NO. 6 BURLINGAME, SAN MATEO COUNTY, CALIFORNIA" which map was recorded in Volume 70 of Maps at page 35, on February 27, 1970, Official Records of San Mateo County, California; thence from said point of beginning along the arc of a curve to the left, which curve is radial to the course S 25° 00' W at said point of beginning, in a northwesterly direction, with a curve radius of 628.00 feet, through a central angle of 11° 34' 43", for an arc distance of 126.91 feet; thence N 00° 16' 59" W, 297.66 feet to a point on the northerly line of Section 18, T4S, R4W, MDM, as said section line is shown on said described map; thence S 89° 43' 01" W along said section line 523.17 feet; thence leaving said section line, S 00° 16' 59" E, 307.78 feet; thence N 89° 43' 01" E, 374.39 feet; thence along the arc of a curve to the right with a radius of 600.00 feet, through a central angle of 25° 16' 59", for an arc distance of 264.76 feet to a point on the northwesterly terminus of said Anza Pacific Boulevard; thence N 25° 00' E, 28.00 feet to the point of beginning.

END OF DESCRIPTION

Prepared M. L. Shafiq Checked C. A. Perry

Reviewed D. E. Schumann Date 7/5/78

Rogers July 5/78



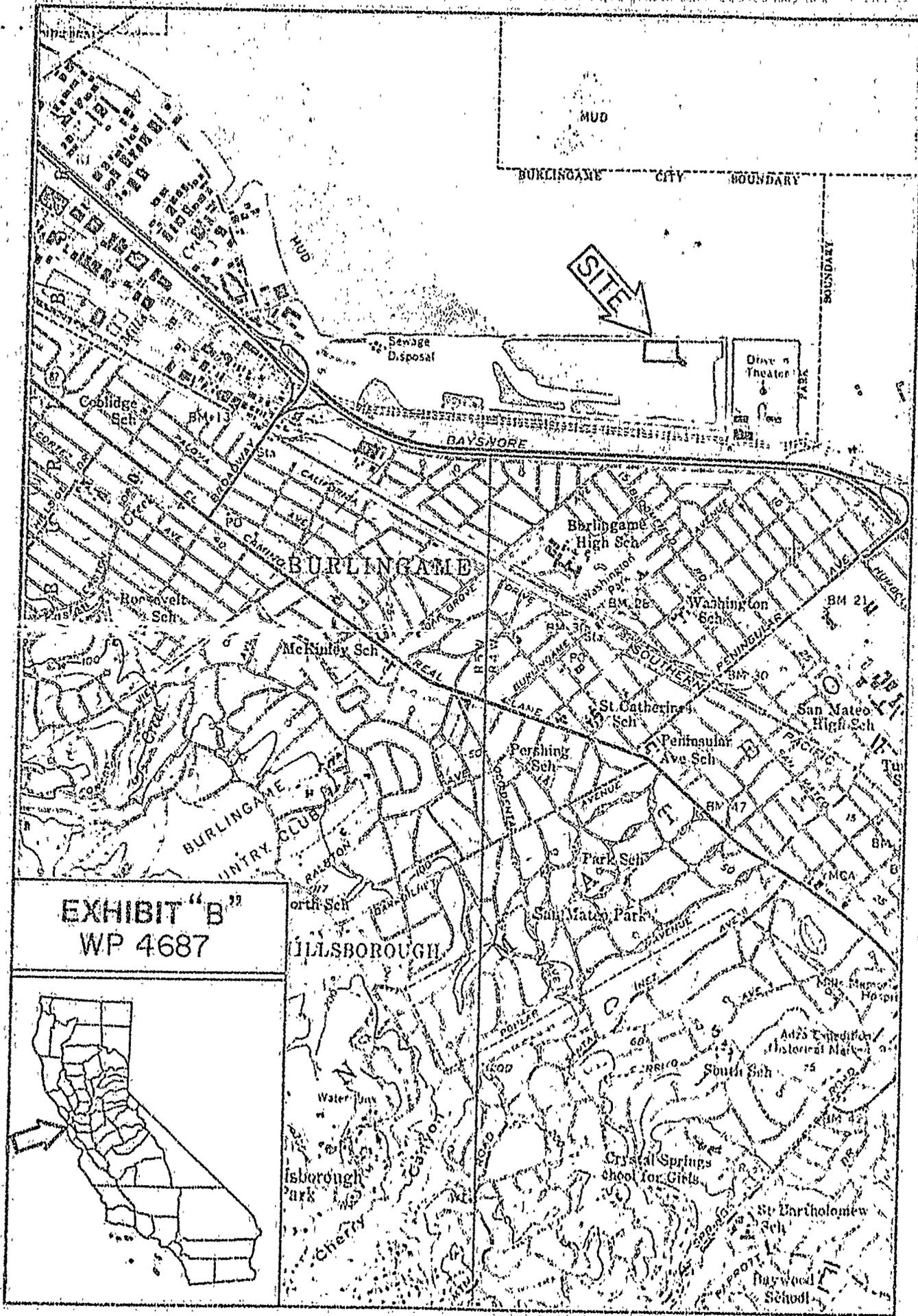


EXHIBIT "B"
WP 4687



EXHIBIT "C"

NEGATIVE DECLARATION

Tentative Procedure
5/10/73, Subject to Revision

750 ANZA PACIFIC PLACE

Project Address or Location

TO: COUNTY CLERK
County of San Mateo
Redwood City, California 94063

File No. ND-165P

Project Title: VICTORIA STATION RESTAURANT

Type of Permit: STUDY AREA PERMIT

Legal Description: State Parcel #9 (APN 026-361-130)

Zone: C-4

Property Owner: State of California
Name: (Anza Shareholders' Liquidating Trust, lessee)
Address: 433 Airport Blvd.
Burlingame, CA. 94010

Applicant: Victoria Station Inc. and
Name: Anza Shareholders' Liquidating Trust
Address Wood Island
Larkspur, CA. 94939

Contact Person: Donald K. Olsen Area Code: 415 Phone: 461-4150
666 Bridgeway, Sausalito, CA. 94965 332-0297

PROJECT DESCRIPTION:

A specialty restaurant with 8,190 SF of floor area containing a caboose, a boxcar, two open dining areas, bar/lounge and kitchen. The 92,000 SF site occupies the peninsula of land between the outer lagoon and San Francisco Bay, and is at the end of Anza Pacific Place. Project will include a service area for loading and unloading, landscaped recreational easements along the shoreline and parking for not less than 100 standard size cars. (90 spaces are required for the first floor area.) A rustic mill type building with corrugated roof and rough sawn cedar siding is proposed to look like a railroad station (similar to a restaurant to be built in Fairfax, Virginia). Plans submitted do not show second floor area over kitchen or screened service area. Ridge of gable roof will be 40' above grade; flat roof above vents for mechanical space will be 32' above grade.

NEGATIVE DECLARATION

The City of Burlingame by Wayne M. Swan on May 24

17 completed a review of the proposed project and determined that:

(X) It will not have a significant effect on the environment.

() No Environmental Impact Report is required.

Reasons for a Conclusion: Proposed use is consistent with General Plan and purposes of the Waterfront Commercial District. Restaurant use on State property is in accordance with City policy for the developing Bayfront Plan. An on-site fire hydrant shall be provided, the location of which is to be approved by the Fire Chief. A detailed site plan and landscaping plan shall be submitted to assure conformance with all C-4 District regulations including the public access easements; not less than 25' in width next to the Bay and not less than 15' in width from the top of bank for a pathway around the lagoon. Reference NO-132P posted 9/13/77 for a larger specialty restaurant at the same location.

May 24, 1978
Date Signed

Wayne M. Swan
Signature of Processing Official

CITY PLANNER
Title

Unless appealed within 10 days hereof the date posted, the determination shall be final.

Date Posted: May 25, 1978

DECLARATION OF POSTING

I declare under penalty of perjury that I am City Clerk of the City of Burlingame and that I have posted a true copy of the above Negative Declaration at the City Hall of said City near the doors to the Council Chambers.

Executed at Burlingame, California on May 25, 1978

Appealed: () Yes () No

-10- Evelyn H. Hill
EVELYN H. HILL, CITY CLERK 1218



NOTICE OF DETERMINATION

60 ANZA PACIFIC PLACE

Tentative Procedure
5/1/74, Subject to Revision

Project Address or Location

TO: COUNTY CLERK
County of San Mateo
Redwood City, CA. 94063

File No. ND-165P

Project Title: VICTORIA STATION RESTAURANT
Applicant's Name: Victoria Station Inc. & Anza Shareholders' Liquidating Trust
Address: Wood Island City: Larkspur Zip: 94939
County: Marin
Contact Person: Donald K. Olsen Area Code 415 Phone: 461-4550 Ext. 332-0297
666 Bridgeway, Sausalito, CA. 94965

PROJECT DESCRIPTION; LOCATION: A 8190 SF specialty restaurant building containing a caboose, a boxcar, two open dining areas, bar/lounge and kitchen will be built on a 92000 SF site on the easterly peninsula of land at the end of Anza Pacific Place. The rustic mill type building will have a corrugated metal roof to look like a railroad station. Site will provide 103 parking spaces, a screened area for loading/unloading, and landscaped recreational easements along the San Francisco Bay shoreline and the Anza Lagoon.

The City of Burlingame, by Wavne M. Swan on May 24 1978, completed a review of the proposed project and determined that:

- 1. The project is exempt from CEQA requirements as:
 - ONGOING PROJECT
 - FEASIBILITY AND PLANNING STUDY
 - CATEGORICAL EXEMPTION
 - EMERGENCY PROJECT
 - MINISTERIAL PROJECT
- 2. It ~~XXXXXX~~ will not) have a significant effect on the environment.
- 3. It is (approved ~~XXXXXX~~).

Reasons for Conclusion: A Study Area Permit was approved by the Burlingame City Council at their regular meeting held June 19, 1978 with six conditions. Proposed use is consistent with the General Plan and purposes of the Waterfront Commercial District, and appears to satisfy C-3 District Regulations.

An Environmental Impact Report ~~(XXXXXX)~~ has not) been prepared pursuant to the provisions of the California Environmental Quality Act of 1970, as amended.

June 26, 1978
Date Signed

Wavne M. Swan
Signature of Processing Official

Date Posted: 6/27/78

CITY PLANNER
Title

TEST:

Evlyn H. Hill
EVLYN H. HILL, City Clerk
City of Burlingame