

MINUTE ITEM

Time of meeting No. C4
was held at the Board Room Item
No. 4 of the State Lands
Commission at a vote of 2
to 0 at its 6-3-79
meeting.

CALENDAR ITEM

C4.

5/79
WP 918
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PRC 918

INDUSTRIAL LEASE RENEWAL

APPLICANT: Harnéy Foundation,
Pauline E. Harney and
The Piombo Construction Company
c/o Mr. Felix H. Siri, President
Piombo Construction Company
1601 Industrial Way
Belmont, California 94002

AREA, TYPE LAND AND LOCATION:
A 1 acre parcel of filled sovereign land
in San Francisco Bay, Hunters Point, City
and County of San Francisco.

LAND USE: Railroad spurs, structures incident thereto,
and open storage.

TERMS OF ORIGINAL LEASE:
Initial period: 15 years from February 19,
1954.
Renewal options: 2 additional periods
of 10 years each upon
the same terms and conditions
as set out in the original
lease.
Surety bond: \$1000.

CONSIDERATION: \$232 per annum during the original term
and during the renewal period February 19,
1969, to February 18, 1979. The basic lease
required lessees to fill the premises by
February 18, 1961, with acceptable solid
material, to an elevation of plus 8.0 feet
above mean low water. The filling has been
completed, as verified by a prior site
inspection by staff.

TERMS OF RENEWAL:
Same terms and conditions as set forth
above, as provided in Paragraph No. 22
of the lease document.

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Period Covered: 10 years from February 19,
1979.

PREREQUISITE TERMS, FEES AND EXPENSES:

Filing fee has been received.

STATUTORY AND OTHER REFERENCES:

- A. P.R.C.: Div. 6, Parts 1 & 2.
- B. Cal. Adm. Code: Title 2, Div. 3.
- C. Cal. Adm. Code: Title 14 Sec. 15100
Et Seq.

OTHER PERTINENT INFORMATION:

1. Lease PRC 918.1 was originally issued to Mervyn J. Goodman by a document executed April 7, 1954. An assignment of the lease was executed by an instrument of the same date to Piombo Construction Company, a one-third interest, and Charles L. Harney, a two-thirds interest. These actions were ratified by the Commission on April 17, 1954 (Minute Item No. 14, pages 2068 and 2069). Mr. Harney's interest was later transferred equally to the Harney Foundation, and to Pauline E. Harney, his widow. The pertinent documents on file reflect the transferred interest.
2. The first renewal option in lease PRC 918.1 has been exercised by the lessee for a 10-year period extending from February 19, 1969 thru February 18, 1979. The Commission approved such renewal at its meeting of April 28, 1969 (Minute Item No. 5).
3. The lessee has notified the staff of the intent to exercise the second 10-year option, as provided in the lease document. The staff has reviewed this matter and finds the proposal to be consistent with the lease.

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4. An EIR is not required. This transaction is within the purview of 2 Cal. Adm. Code 2907, Class 1(B), which exempts an existing structure or facility that is in an acceptable state of repair and there is no evidence of record to show injury to adjacent property, shoreline erosion, or other types of environmental degradation.
5. This project is situated on State land identified as possessing significant environmental values pursuant to P.R.C. 6370.1, and is classified in a use category, Class C, which authorizes Multiple Use.

Staff review indicates that there will be no significant effect upon the identified environmental values. This is an existing facility for which no adverse comments have been received.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN EIR HAS NOT BEEN PREPARED FOR THIS ACTIVITY AS SUCH REPORT IS NOT REQUIRED UNDER THE PROVISIONS OF P.R.C. 21085, 14 CAL. ADM. CODE 15100 ET SEQ., AND 2 CAL ADM. CODE 2907.
2. FIND THAT GRANTING OF THE LEASE RENEWAL WILL HAVE NO SIGNIFICANT EFFECT UPON ENVIRONMENTAL CHARACTERISTICS IDENTIFIED PURSUANT TO SECTION 6370.1 OF THE P.R.C.
3. AUTHORIZE ISSUANCE TO THE HARNEY FOUNDATION, PAULINE E. HARNEY AND THE PIOMBO CONSTRUCTION COMPANY OF A 10-YEAR RENEWAL OF LEASE PRC 918.1 FROM FEBRUARY 19, 1979; FOR CONTINUED MAINTENANCE OF RAILROAD SPURS, RELATED STRUCTURES, AND FOR OPEN STORAGE ON THE LEASED PREMISES, ON THE SAME TERMS AND CONDITIONS SET OUT IN SAID LEASE.

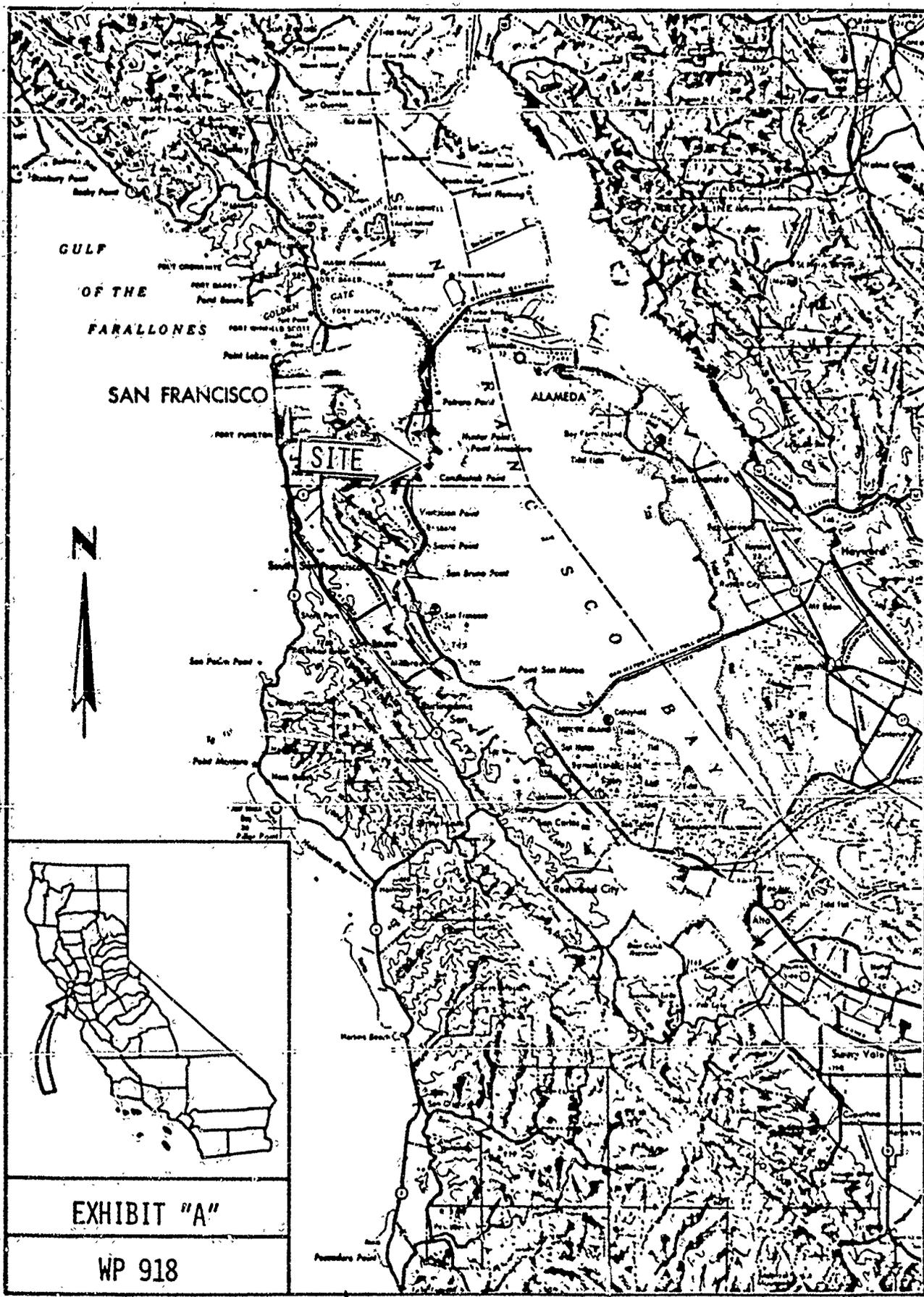


EXHIBIT "A"

WP 918