MINUTE ITEM
This Calendar Item No. C9
was approved as Minute Item
No 7 by the State Lands
Commission by a vote of 2
to 1 at its 10-30-80
meeting.

CALENDAR ITEM

C9.

10/80
WP 3393
Graham

RENEWAL, AMENDMENT AND APPROVAL OF
SUBLEASE OF GENERAL LEASE
RIGHT-OF-WAY USE

APPLICANT: Crown Simpson Corporation
One Bush Street
San Francisco, California 94104

AREA, TYPE LAND AND LOCATION:
0.72-acre parcel of tide and submerged land in the Pacific Ocean near Eureka, Humboldt County.

LAND USE: Outfall pipeline.

TERMS OF ORIGINAL LEASE:
Initial period: 15 years from October 21, 1965.

Renewal options: 3 successive periods of 10 years each.

Surety bond: $5,000.

Consideration: $214.49 per annum.

TERMS OF PROPOSED LEASE:
Initial period: 30 years from October 21, 1980.

Surety bond: $5,000.

Public liability insurance: combined single limit coverage of $300,000.

CONSIDERATION: $1693.44 per annum with the State reserving the right to fix a different rental on each fifth anniversary of the lease.

BASIS FOR CONSIDERATION:
Pursuant to 2 Cal. Adm. Code 2005.

A 1

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PREREQUISITE TERMS, FEES AND EXPENSES:

Applicant is owner of up and.

Filing fee and processing costs have been received.

STATUTORY AND OTHER REFERENCES:

A. P.R.C.: Div. 6, Parts 1 & 2; Div. 13; Div. 20.

B. Cal. Adm. Code: Title 2, Div. 3; Title 14, Div. 6.

OTHER PERTINENT INFORMATION:

1. The original lease, written for a period of 15 years from October 21, 1965, and including three 10-year renewal options, was issued to Crown Simpson Pulp Company, who ultimately became Crown Simpson Corporation, for an outfall pipeline easement.

2. By Calendar Item No. 24, the State Lands Commission, at its November 17, 1966 meeting, approved the sublease from Crown Simpson Corporation (formerly Crown Simpson Pulp Company) to Crown Zellerbach Corporation and Simpson Timber Company, a partnership, doing business as Crown Simpson Pulp Company, of the State Lands described in lease PRC 3393.1.

3. It is the intention of the applicant, Crown Simpson Corporation, to renew lease PRC 3393.1 and to sublease to Crown Simpson Pulp Company, the partnership described above.

4. The amendment adds insurance coverage, and extends term to 30 years with no renewal options and increases rental.

5. 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.

6. 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.

EXHIBITS: A. Land Description. B. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN ENVIRONMENTAL DOCUMENT HAS NOT BEEN PREPARED FOR THIS ACTIVITY AS SUCH DOCUMENT 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. DETERMINE THAT THIS PROJECT IS EXEMPT FROM THE REQUIREMENTS OF ARTICLE 6.5, OF TITLE 2, OF THE CAL. ADM. CODE BECAUSE THIS PROJECT IS NOT A DEVELOPMENT WITHIN THE MEANING OF SECTION 2503, OF TITLE 2, OF THE CAL. ADM. CODE AND SECTION 30105 OF THE P.R.C.

3. FIND THAT GRANTING OF THIS RENEWAL, AMENDMENT, AND SUBLEASE WILL HAVE NO SIGNIFICANT EFFECT UPON ENVIRONMENTAL CHARACTERISTICS IDENTIFIED PURSUANT TO SECTION 6370.1, OF THE P.R.C.

4. AUTHORIZE ISSUANCE TO CROWN SIMPSON CORPORATION OF A 30-YEAR GENERAL LEASE - RIGHT OF WAY USE FROM OCTOBER 21, 1980 AND SUBLEASE OF SAME TO CROWN SIMPSON PULP COMPANY; IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF $1693.44, WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT RENTAL ON EACH FIFTH ANNIVERSARY OF THE LEASE; PROVISION OF A $5,000 SURETY BOND; PROVISION OF COMBINED SINGLE LIMIT COVERAGE OF $300,000; FOR AN OUTFALL PIPELINE ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

STATE OF CALIFORNIA - STATE LANDS COMMISSION

LEASE NO. PRC 3393.1

Exhibit A

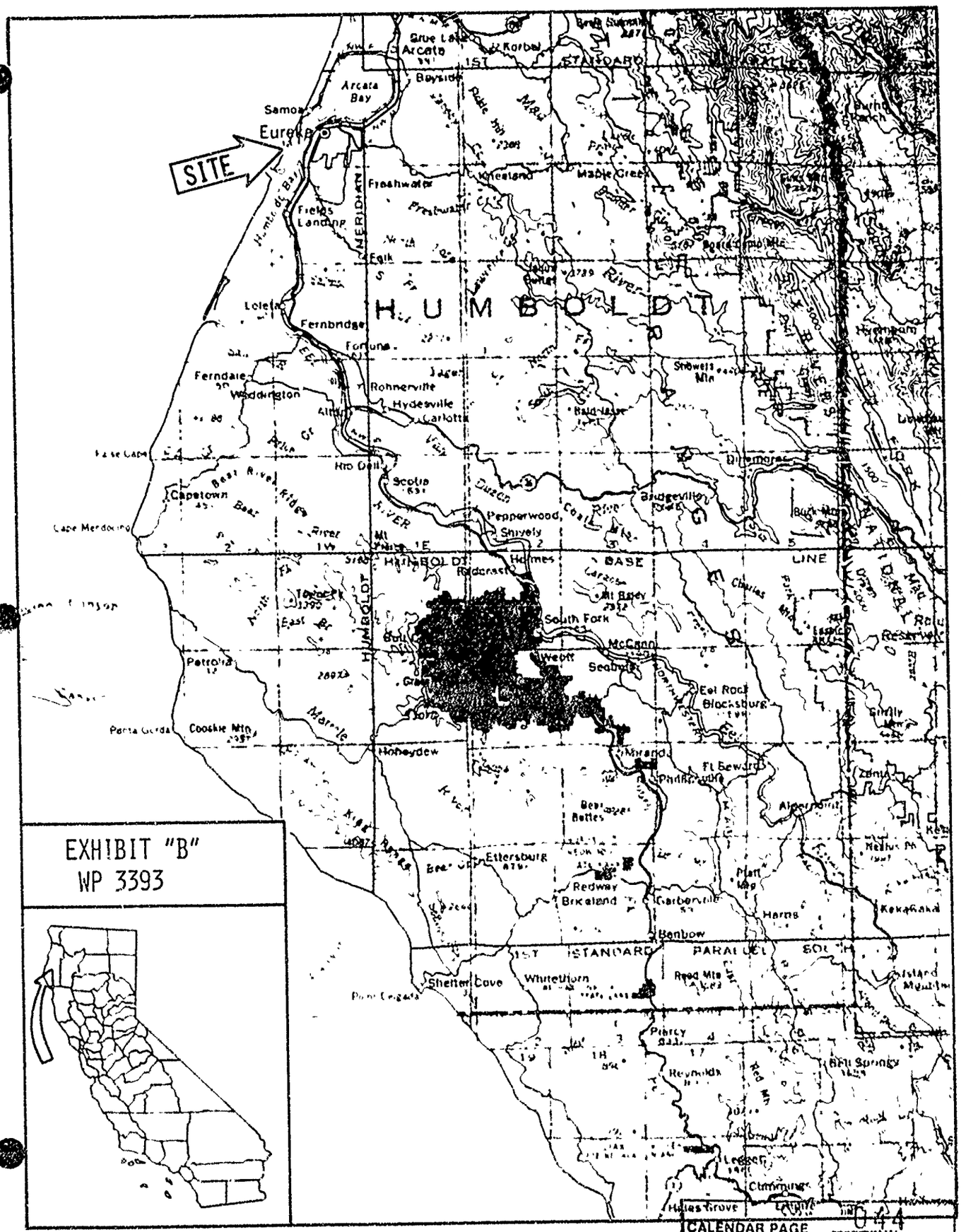
Land Description

A strip of tide and submerged land 10 feet wide in the Pacific Ocean, situated near the City of Eureka, Humboldt County, California, being 5 feet on each side of the following described centerline:

Beginning at a point on the mean high water line of the Pacific Ocean which bears N. 86° 17' W. A distance of 3526 feet from the corner common to Sections 20, 21, 28, 29, T. 5 N., R. 1 W., H.B.M. Thence from the point of beginning N. 57° 00' W. A distance of 3136 feet.

Said parcel containing 0.72 acre more or less.

End of Description



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