

MINUTE ITEM

This Calendar Item No. 29
was approved as Minute Item
No. 29 by the State Lands
Commission by a vote of 2
to 0 at its 12-16-80
meeting.

CALENDAR ITEM

29

12/80
WP 4683
Maricla

ASSIGNMENT AND LEASEBACK OF
COMMERCIAL LEASE, PRC 4683.1

ASSIGNOR: Anza Shareholders' Liquidating Trust
770 Airport Boulevard
Burlingame, California 94010

ASSIGNEE: Che Sheng Chao, Wei Yuan Chao,
Keith Kai Tsu, Carmelita Ko,
Burk H. Chung, Mary A. L. Chung,
Charles Nip, Patricia Nip,
Raymond K. Li, Chi F. Li,
Kwok Hung Szeto, Nikki Szeto
c/o Mr. Richard Szeto
American Realty & Construction Company
2 Clement Street
San Francisco, California 94118

AREA, TYPE LAND AND LOCATION:
Approximately 1.24 acres, filled sovereign
land, Burlingame, San Mateo County.

LAND USE: Automobile parking.

TERMS OF PRESENT LEASE:
Initial period: 66 years from July 1,
1972.

Public liability insurance: \$300,000/\$1,000,000
per occurrence for bodily
injury and \$200,000 for
property damage.

CONSIDERATION: \$626 per annum, fixed rental until June 30,
1988; then $\frac{1}{2}$ the net income or \$626, whichever
is greater, with the State reserving the
right to fix a different rental on July 1,
2007.

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PREREQUISITE TERMS, FEES AND EXPENSES:

\$300 expense deposit received.

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.

OTHER PERTINENT INFORMATION:

1. Lease PRC No. 4683.1 was originally issued to Anza Pacific Corporation, under the Provisions of BLA No. 131, as authorized by the Commission on July 6, 1972, Minute Item No. 26. Under Subsequent Calendar Item No. 47, dated March 25, 1976, the Commission heard and approved the assignment of the State lease from the Anza Pacific Corporation to Anza Shareholders' Liquidating Trust. Anza Pacific was reorganized as a liquidating trust for financial reasons.
2. The State land being assigned is adjacent to, and in the middle of, approximately 12.9 acres of privately-owned land, and that land is being purchased by the assignees concurrent with this proposed assignment. January 6, 1981, is the effective date for the close of escrow on the land purchase, the assignment of lease PRC 4683.1, and the 5-year leaseback to the Anza Parking Corporation.
3. The lease parcel has been subject to bonded indebtedness; the assignor and assignee are arranging full payment of all such bonds. Proof of such payment will be obtained prior to execution of approval of the assignment.

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4. This assignment is recommended for approval with the understanding that assignor is not relieved from any obligation under the terms of the lease, and is liable for faithful performance until such time as specifically relieved by the Commission.
5. The use of the subject parcel complies with the terms of BLA No. 131, as specified on Exhibit "H" thereof.
6. An EIR is not required. This transaction involves an activity that is not a project within the meaning of CEQA and the State EIR Guidelines.
7. 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.

FURTHER APPROVAL REQUIRED:

None required for this transaction.

EXHIBITS:

A. Land Description. B. 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 PRC 21065, 14 CAL. ADM. CODE 15037 AND 15060, AND 2 CAL. ADM. CODE 2903(d).
2. FIND THAT APPROVAL OF THE ASSIGNMENT WILL HAVE NO SIGNIFICANT EFFECT UPON ENVIRONMENTAL CHARACTERISTICS IDENTIFIED PURSUANT TO SECTION 6370.1, OF THE PUBLIC RESOURCES CODE.

3. AUTHORIZE APPROVAL OF THE ASSIGNMENT OF LEASE PRC 4683.1, FROM ANZA SHAREHOLDERS' LIQUIDATING TRUST TO THE FOLLOWING ASSIGNEES: CHE SHENG CHAO AND WEI YUAN CHAO, KEITH KAI TSU AND CARMELITA KO, BURK H. CHUNG AND MARY A. L. CHUNG, CHARLES NIP AND PATRICIA NIP, RAYMOND K. LI AND CHI F. LI, AND KWOK HUNG SZETO AND NIKKI SZETO; EFFECTIVE JANUARY 6, 1981, ON THE CONDITION THAT ASSIGNOR IS NOT RELEASED NOR RELIEVED OF ANY OBLIGATION TO THE STATE UNDER THE TERMS OF SAID LEASE, AND FURTHER THAT ASSIGNOR IS HELD LIABLE BY STATE FOR THE FAITHFUL PERFORMANCE OF SAID LEASE IN THE EVENT ASSIGNEE IS UNABLE OR UNWILLING TO FULFILL ANY AND ALL OBLIGATIONS REQUIRED IN THE LEASE; ASSIGNOR CAN ONLY BE RELIEVED FROM THE ABOVE OBLIGATIONS BY SPECIFIC AUTHORIZATION OF THE STATE LANDS COMMISSION.

4. APPROVE, BY ENDORSEMENT, A FIVE-YEAR GROUND LEASE FROM SAID ASSIGNEES TO THE ANZA PARKING CORPORATION, EFFECTIVE JANUARY 6, 1981, OF THE LAND DESCRIBED IN LEASE PRC 4683.1.

EXHIBIT "A"

A portion of Section 18, Township 4 South, Range 4 West, Mount Diablo Base & Meridian described as follows:

Beginning at the most southerly corner of Lot 3 of Block 7 as said lot and block are shown on that certain map of Anza Airport Park - Unit No. 6 which map was filed for record on February 27, 1970 in Volume 70 of Maps at Page 33, Records of San Mateo County, California; thence from said point of beginning along the southerly projection of the westerly line of said lot south $4^{\circ}15'37''$ west 25.00 feet to a point in the southerly line of said subdivision; thence along said southerly line north $85^{\circ}44'23''$ west 200.00 feet to a point which bears south $4^{\circ}15'37''$ west from the most westerly corner of Lot 2 of Block 7 as said lot and block are shown on said map; thence along the southerly projection of the westerly line of said Lot 2 and along the westerly line of said Lot 2 north $4^{\circ}15'37''$ east 270.00 feet to the most northerly corner of said Lot 2; thence along the northerly line of said Lot 2 and along the northerly line of said Lot 3 south $85^{\circ}44'23''$ east 200.00 feet to the most easterly corner of said Lot 3; thence along the easterly line of said lot 3 south $4^{\circ}15'37''$ west 245.00 feet to the point of beginning.

BEING Lots 2 and 3 and a portion of Lot 20 in Block 7, as shown on the above mentioned map of Anza Airport Park Unit No. 6.

EXHIBIT "A"

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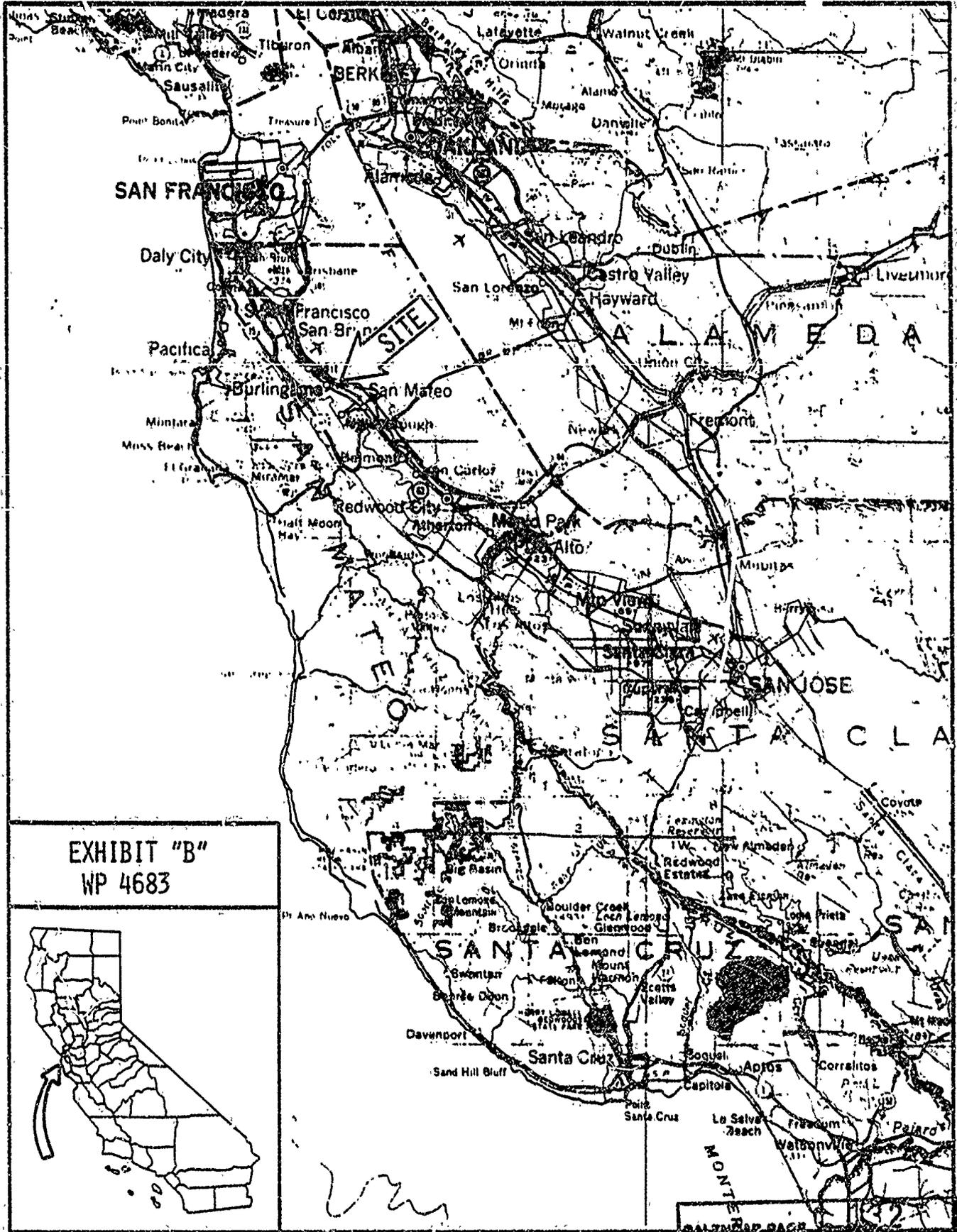


EXHIBIT "B"
WP 4683