

MINUTE ITEM

This Calendar Item No. C06  
was approved as Minute Item  
No. 6 by the State Lands  
Commission by a vote of 3  
to 0 at its 5/7/84  
meeting.

CALENDAR ITEM

A 58  
S 31

C 06 4

05/07/84  
W 2453  
Louie  
PRC 6616

GENERAL LEASE - PUBLIC AGENCY USE AND  
APPROVAL OF SUBLEASES

SUBLESSOR: City of Huntington Beach  
P. O. Box 190  
Huntington Beach, California 92648

SUBLESSEES: Ella Christenson and  
Joy Smith  
633 Hartford  
Huntington Beach, California 92648

Roger Cowdrey  
27621 Agrado  
Mission Viejo, California 92692

AREA, TYPE LAND AND LOCATION:  
Four acres of tideland and submerged land in  
the Pacific Ocean at the City of Huntington  
Beach, Orange County.

LAND USE: Public recreational use and related concessions.

TERMS OF PROPOSED LEASE:

Initial period: 35 years from February 1,  
1984.

Renewal options: One additional period of  
14 years.

CONSIDERATION: The public use and benefit; with the State  
reserving the right at any time to set a  
monetary rental if income generated from the  
lease premises exceeds expenses thereon or if  
the Commission finds such action to be in the  
State's best interest.

BASIS FOR CONSIDERATION:

Pursuant to 2 Cal. Adm. Code 2003.

CALENDAR ITEM NO. 1006 CONT'D

APPLICANT STATUS:

Applicant is owner of upland.

PREREQUISITE CONDITIONS, FEES AND EXPENSES:

Filing fee and processing costs have been received.

STATUTORY AND OTHER REFERENCES:

- A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.
- B. Cal. Adm. Code: Title 2, Div. 3; Title 14, Div. 6.

AB 884'

N/A.

OTHER PERTINENT INFORMATION:

1. The City of Huntington Beach presently operates an existing pier at Main Street and Pacific Coast Highway, Huntington Beach. Recent winter storms have damaged the pier and have required the City to replace portions of the pier that have been damaged as well as building structures on the pier. The City is presently replacing a restaurant that was destroyed during the March 1983 storms, and also plans to reconstruct a docking and landing facility.
2. There are three existing subleases on the lease premises. The subleases along with the approximate revenues generated include the following:
  - (a) Captains Galley - \$9,395/year.  
Sublessees: Ella Christenson,  
Roger Cowdrey.
  - (b) Neptune's Locker - \$27,976/year.  
Sublessees: Ella Christenson,  
Joy Smith.
  - (c) Tackle Box - \$10,138/year.  
Sublessees: Ella Christenson,  
Joy Smith.

All three subleases commenced on May 20, 1980, and will expire on May 20, 1985.

The City is planning to negotiate a fourth sublease once the replacement of the damaged restaurant has been completed. Past annual income from the restaurant facility was approximately \$21,468.

3. The annual rental value of the site is estimated to be \$62,000. The State's lease requires that the City submit an annual report covering income and expenses generated by operation of the pier. Should income exceed expenses for any given year, the State reserves the right to set a monetary rental for that year. Any income not paid to the State as rental shall be used exclusively for operation of the lease premises.
4. The lease also provides that upon termination, the Lessee shall not be obligated to remove the pier if the pier is in good repair and is structurally safe and sound. The State has the right to hire, at the City's sole expense, a registered engineer for the purpose of inspecting the pier and providing the State with a report on the condition and structural soundness of the pier at the time of termination.
5. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that this activity is exempt from the requirements of CEQA as a categorical exempt project. The project is exempt under Class 2, Reconstruction of Damaged Facilities, 2 Cal. Adm. Code 2905.  
  
Authority: PRC 21084, 14 Cal. Adm. Code 15300, and 2 Cal. Adm. Code 2905.
6. This activity involves lands identified as possessing significant environmental values

pursuant to PRC 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with the land's use classification

FURTHER APPROVALS REQUIRED:

California Coastal Commission for reconstruction of restaurant on pier.

EXHIBITS:

- A. Land Description.
- B. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 AS A CATEGORICAL EXEMPT PROJECT, CLASS 2, RECONSTRUCTION OF DAMAGED FACILITIES, 2 CAL. ADM. CODE 2905; AND FIND THAT THE PROJECT IS CONSISTENT WITH THE LAND'S USE CLASSIFICATION PURSUANT TO PRC 6370, ET SEQ.
2. AUTHORIZE ISSUANCE TO THE CITY OF HUNTINGTON BEACH OF A 35-YEAR GENERAL LEASE - PUBLIC AGENCY USE FROM FEBRUARY 1, 1984, WITH LESSEE'S OPTION TO RENEW FOR ONE ADDITIONAL PERIOD OF 14 YEARS; IN CONSIDERATION OF THE PUBLIC USE AND BENEFIT, WITH THE STATE RESERVING THE RIGHT TO SET A MONETARY RENTAL FOR ANY YEAR IN WHICH INCOME GENERATED FROM THE LEASE PREMISES EXCEEDS EXPENSES THEREON OR IF AT ANY TIME THE COMMISSION FINDS SUCH ACTION TO BE IN THE STATE'S BEST INTEREST; FOR A PUBLIC RECREATIONAL PIER AND RELATED CONCESSIONS ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.
3. APPROVE THE EXISTING SUBLEASES TO ELLA CHRISTENSON, JOY SMITH AND ROGER COWDREY ON FILE IN THE OFFICE OF THE STATE LANDS COMMISSION PROVIDED THAT THE SUBLESSEES EXECUTE AN APPROPRIATE DOCUMENT WITH THE STATE AGREEING TO BE BOUND BY THE PROVISIONS OF THE STATE LEASE TO THE CITY OF HUNTINGTON BEACH AND NAME THE STATE AS ADDITIONAL INSURED ON ANY LIABILITY INSURANCE POLICY REQUIRED BY THE SUBLEASES.

Exhibit "A"

Land Description

W 2453

A strip of tide and submerged land 120 feet wide situate within the City of Huntington Beach, Orange County, State of California, the centerline of said strip being described as follows:

BEGINNING at the intersection of the northeasterly line of Ocean Avenue with the centerline of Main Street, thence S 41° 41' 37" W 2,065.92 feet to the end of said centerline of said strip of tide and submerged land.

EXCEPTING THEREFROM all that portion lying landward of the ordinary high water mark of the Pacific Ocean.

END OF DESCRIPTION

REVISED JANUARY 26, 1984, BY BOUNDARY AND TITLE UNIT, LEROY WEED, SUPERVISOR.

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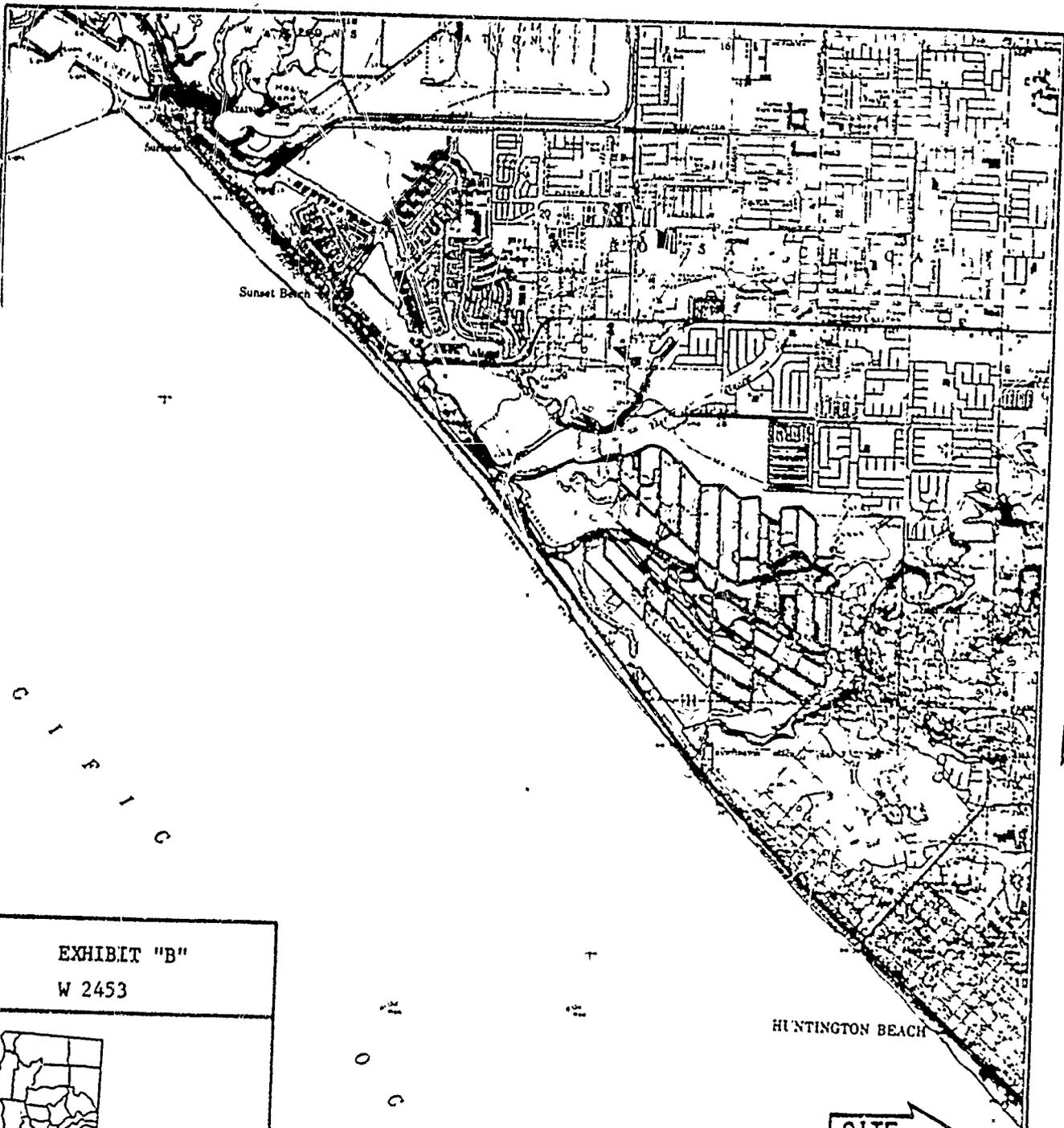


EXHIBIT "B"  
W 2453



SITE →

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