

MINUTE ITEM

This Calendar Item No. 25
was approved as Minute Item
No. 25 by the State Lands
Commission by a vote of 2
to 0 at its 5/23/85
meeting.

CALENDAR ITEM

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05/23/85
PRC 745
PRC 5254
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APPROVAL OF A LETTER AMENDMENT REGARDING RENTAL
ON GENERAL LEASE - COMMERCIAL USE, LEASE PRC 745 AND
APPROVAL OF TERMINATION OF EXISTING LEASE PRC 5254 - GENERAL
LEASE - PUBLIC AGENCY USE AND APPROVAL OF ISSUANCE
OF A FOUR-YEAR GENERAL LEASE PUBLIC AGENCY USE WHICH
PROVIDES FOR A PERCENTAGE OF GROSS INCOME RENTAL CHARGE.

LESSEES: Robert Hallmark, as to Lease PRC 745
P. O. Box 123
Trinidad, California 95570
City of Trinidad and Robert Hallmark
co-lessees as to Lease PRC 5254
P. O. Drawer "N"
Trinidad, California 95570

AREA, TYPE LAND AND LOCATION:
A 73.5-acre parcel of tide and submerged land,
located in Trinidad Bay, Pacific Ocean,
Humboldt County.

LAND USE: Seasonal installation and maintenance of
anchored mooring buoys to provide anchorage for
commercial and sport fishing boats.

TERMS OF ORIGINAL LEASE PRC 5254:
Initial period: Five years beginning May 1,
1984.

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

Consideration: \$1,000 per annum; one-year
rent review.

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TERMS OF PROPOSED LEASE:

Initial period: Four years beginning May 1, 1985.

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

CONSIDERATION: \$1,000 per annum; against five percent of gross income per annum, whichever is greater.

BASIS FOR CONSIDERATION:

Pursuant to 2 C. Min. Code 2003.

APPLICANT STATUS:

Robert Hallmark is owner of upland.

STATUTORY AND OTHER REFERENCES:

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

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

AB 884:

N/A.

OTHER PERTINENT INFORMATION:

1. In May 1984 the Commission approved renewal for a five year period of General Lease - Commercial Use, Lease PRC 745 and General Lease - Public Agency Use, Lease PRC 5254 which provided for one-year rent reviews. As staff attempted to process these rent reviews based on rental rates reflected by current appraisals, opposition to the proposed rent charges was made by the lessee Robert Hallmark. The City of Trinidad also objected in view of the uncertainty of the fishing season due to restrictions made by the Department of Fish and Game and the Pacific Fisheries Management Council. Staff also received communications from business people in Trinidad stating their concern over the uncertainty of the fishing industry. In an attempt to resolve these rental problems, staff has proposed and the lessees have agreed to the following:

For Lease PRC 745, the annual rental amount is to be \$2,826. However, if the

Department of Fish and Game places restrictions on the sport and commercial fishing season limiting the season to less than the period extending from April 15 through September 30, the annual rental shall remain at \$1,500;

For Lease PRC 5254, the rental charges shall be based on five percent of gross income with a minimum annual rental of \$1,000.

Therefore, staff recommends that a Supplementary Letter of Understanding be executed amending Lease PRC 745 with rental charges to be changed as stated in Exhibit "B" and that Lease PRC 5254 be terminated and a replacement lease be issued based on percentage of gross income.

2. Termination and Replacement of the State's Lease PRC 5254 is for administrative purposes only, and does not change or enlarge the estate or use from that granted in the original lease.
3. 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 the CEQA because the activity is not a "project" as defined by CEQA and the State CEQA Guidelines in that there will be "no change in the physical environment" and in that the proposed lease term will not extend beyond the existing lease term.

Authority: P.R.C. 21065 and 14 Cal. Adm. Code 15378.

EXHIBITS:

- A. Location Map.
- B. Supplementary Letter of Understanding for Lease PRC 745.
- C. Land Description - WP 5254.

CALENDAR ITEM NO. 25 (CONT'D)

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. ADM. CODE 15378.
2. AUTHORIZE A LETTER AMENDMENT OF LEASE PRC 745 AS SET FORTH IN EXHIBIT "B". ALL OTHER TERMS OF LEASE PRC 745 REMAIN UNCHANGED.
3. AUTHORIZE TERMINATION AND REPLACEMENT OF THE STATE'S LEASE PRC 5254.
4. AUTHORIZE ISSUANCE TO CITY OF TRINIDAD AND ROBERT HALLMARK AS CO-LESSEES OF A FOUR-YEAR GENERAL LEASE - PUBLIC AGENCY USE BEGINNING MAY 1, 1985; IN CONSIDERATION OF A BASE ANNUAL RENT IN THE AMOUNT OF \$1,000 OR FIVE PERCENT OF GROSS INCOME PER ANNUM, WHICHEVER IS GREATER, PROVISION OF PUBLIC LIABILITY INSURANCE FOR COMBINED SINGLE LIMIT COVERAGE OF \$300,000; FOR SEASONAL INSTALLATION AND MAINTENANCE OF ANCHORED MOORING BUOYS TO PROVIDE ANCHORAGE FOR COMMERCIAL AND SPORT FISHING BOATS ON THE LAND DESCRIBED ON EXHIBIT "C" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

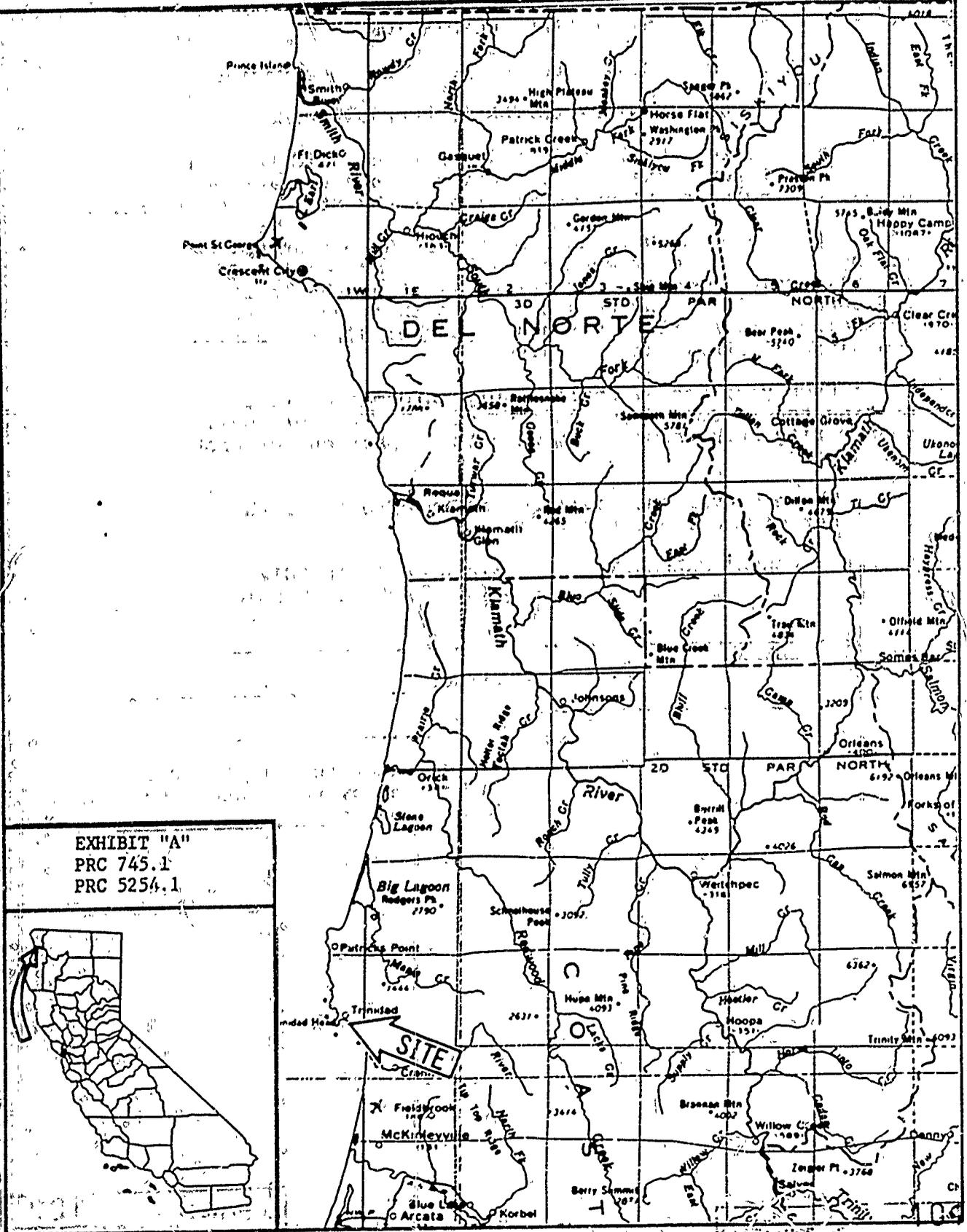


EXHIBIT "A"
 PRC 745.1
 PRC 5254.1

SITE

EXHIBIT "B"

STATE OF CALIFORNIA
STATE LANDS COMMISSION

Lease No. 745.1, Public Resources Code Series

SUPPLEMENTARY LETTER OF UNDERSTANDING

This letter shall be deemed a part of said Lease as if fully set forth therein, effective upon execution on behalf of the State Lands Commission of the State of California.

The rental amount shall be \$2,826.00 per annum. If, however, the Department of Fish and Game of the State of California imposes restrictions limiting the sport and commercial fishing season to less than the period extending from April 15 through September 30, the annual rental shall remain at \$1,500.00.

Each year Lessee shall supply information to Lessor stating the length of the fishing season. Lessor shall then verify such information with the Department of Fish and Game.

These provisions shall remain in effect for the remainder of the lease term.

LESSEE: ROBERT HALLMARK

STATE OF CALIFORNIA
STATE LANDS COMMISSION

ROBERT HALLMARK

BY: _____

TITLE: _____

DATE: _____

DATE: _____

Execution of this letter was authorized by the State Lands Commission on _____

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EXHIBIT "C"

LAND DESCRIPTION

WP 5254

All that portion of Trinidad Bay, Humboldt County, California, adjacent to Fractional Section 26, T8N, R1W, HM, described as follows:

COMMENCING at Monument 2 at the intersection of East Street and View Avenue as shown on the Map of the City of Trinidad prepared by Larson and MacMillan in 1961 and on file with the City Engineer for the City of Trinidad, California, said monument being 535.69 feet North and 786.95 feet West from the Northeast corner of said Section 26 and running thence $S 4^{\circ} 28' 30'' E$ along the southerly extension of the centerline of said View Avenue 730 feet, more or less, to the ordinary high water mark of Trinidad Bay and the POINT OF BEGINNING of the area herein described:

thence from said point of beginning westerly and southerly following said ordinary high water mark to its southern most point on Trinidad Head;

thence northeasterly along a straight line 1600 feet more or less to the ordinary high water mark on the southern most point on Prisoner Rock;

thence East 1850 feet, more or less, to the southerly extension of the east line of fractional Section 26;

thence North along said east line 1350 feet, more or less, to the ordinary high water mark of Trinidad Bay;

thence northwesterly along said ordinary high water mark 800 feet, more or less, to the point of beginning.

EXCEPTING THEREFROM:

1. Any portion of the above described lands lying landward of the ordinary high water mark.
2. Those tide and submerged lands described in that certain lease to Robert Hallmark, Executor of the estate of Neva Hallmark, filed under State Lands Commission lease P745.
3. Those tide and submerged lands identified as EXHIBIT "A" dated June 9, 1976 filed in W21053 in the office of the State Lands Commission, further described as follows:

A parcel of tide and submerged land lying in the bed of the Pacific Ocean, within Trinidad Bay, Humboldt County, State of California, said parcel also being within protracted Section 26, T8N, R1W, HM, and more particularly described as follows:

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COMMENCING at an iron pipe designated "22" as shown on the Record of Survey filed for record in Book 19 of Surveys at page 126, records of said county, said iron pipe also lying within the intersection of Van Wycke Street and Galindo Street as shown on said map; thence S 05° 05' 56" E a distance of 295.39 feet to the POINT OF BEGINNING; thence S 64° 30' E a distance of 248.75 feet; thence S 25° 30' W a distance of 120.00 feet; thence N 64° 30' W a distance of 248.75 feet; thence N 25° 30' E a distance of 120.00 feet to the point of beginning.

END OF DESCRIPTION

REVIEWED APRIL 5, 1984 BY BOUNDARY AND TITLE UNIT, LEROY WEED SUPERVISOR.

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