

MINUTE ITEM

THIS ORDER IS FOR 21  
1/21  
3"  
10/24/85  
meeting.

CALENDAR ITEM

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1/24/85  
WP 6427  
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APPROVAL OF TWO COMMERCIAL SUBLEASES, AND  
CONSENT TO REMOVAL OF PERSONAL PROPERTY AFFIXED  
TO REAL PROPERTY, UNDER DEFAULT CONDITIONS

SUBLESSOR: Riverbank Holding Company  
Attn: Mr. Thomas C. Westley,  
General Manager  
1361 Garden Highway  
Sacramento, California 95833

SUBLESSEES: Adventure Cruises, Inc. and  
Ron Harmon  
c/o Mr. Brett Olson  
P. O. Box 454  
West Sacramento, California 95691

Crawdads, A General Partnership  
c/o Mr. Jeral Thompson  
1361 Garden Highway  
Sacramento, California 95833

AREA, TYPE LAND AND LOCATION:

A 5.272-acre parcel of tide and submerged land,  
Sacramento River, Sacramento County.

LAND USE:

Commercial marina, floating restaurant, harbor  
master office, boat sales office, debris  
reflector, and all appurtenant facilities  
related thereto.

TERMS OF EXISTING LEASE PRC 6427:

Initial period: 20 years beginning August 1,  
1984.

Surety bond: \$10,000.

Public liability insurance: Combined single  
limit coverage of \$1,000,000.

CALENDAR ITEM NO. 21 (CONT'D)

CONSIDERATION: ANNUAL RENTAL:  
Percentage rental against a minimum annual  
rental of \$4,000 for the period August 1, 1984  
through July 31, 1985 and a minimum annual  
rental of \$15,000 thereafter.

PROPOSED ACTIONS (3)

- I. Approve Sublease, by Endorsement,  
Riverbank Holding Company to Adventure  
Cruises, Inc. and Ron Harmon, discussed  
in Paragraph No. 1 of Other Pertinent  
Information.
- II. Approve Sublease, by Endorsement,  
Riverbank Holding Company to Crawdad's, A  
General Partnership, discussed in  
Paragraph No. 2 of Other Pertinent  
Information.
- III. Approval of Agreement entitled 'Consent  
to Removal of Personal Property Affixed  
to Real Property', discussed in Paragraph  
No. 3 of Other Pertinent Information.

APPLICANT STATUS:

Applicant is owner of upland.

PREREQUISITE CONDITIONS, FEES AND EXPENSES:

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

AS 884:

N/A.

OTHER PERTINENT INFORMATION:

- I. Approve Sublease by endorsement, Riverbank  
to Adventure Cruises and Ron Harmon.

Sublessor: Riverbank holding Company.

Sublessee: Adventure Cruises, Inc. and Ron  
Harmon.

Term: Five years from July 15, 1985.

CALENDAR ITEM NO. 21 (CONT'D)

Area: 650 sq. ft. portion of lease premises.

Rent: (A) Initial; \$1.50 per sq. ft. per month.  
(B) Subsequent; rental subject to annual adjustment each anniversary.

Purpose: Commercial Cruise Boat Operation.

Insurance: (A) Combined single limit coverage of \$1,000,000.  
(B) Property damage coverage of \$250,000.

The staff has reviewed this sublease and finds it acceptable, provided that the State of California, its officers, agents and employees, be named as additional insured on certificates of coverage to be provided to the Commission by the sublessee.

2. Approve Sublease by endorsement, Riverbank to Crawdad's.

Sublessor: Riverbank Holding Company.

Sublessee: Crawdad's, A General Partnership.

Term: Ten years from September 15, 1985.

Area: 2,400 sq. ft. portion of lease premises.

Rent: (A) Initial; \$1.50 per sq. ft. per month, minimum, against a percentage of Gross Income.  
(B) Subsequent; rental subject to annual adjustment each anniversary.

Purpose: Restaurant and Bar Business.

Insurance: (A) Combined single limit coverage of \$1,000,000.  
(B) Property damage coverage of \$250,000.

CALENDAR ITEM NO. 21 (CONT'D)

The staff has reviewed this sublease and finds it acceptable, provided that the State of California, its officers, agents and employees, be named as additional insured on certificates of coverage to be provided to the Commission by the sublessee.

3. Approval of Agreement Entitled, 'Consent to Removal of Personal Property Affixed to Real Property'.

Parties: State Lands Commission; Bank of America, NT & SA.

Purpose: Acknowledgement of personal property and right to enter state property in recovery action by lending institution upon borrower default.

Remark: The Bank of America anticipates a loan to Crawdad's (the proposed sublessee identified in paragraph No. 2), for the installation of bar and restaurant fixtures and equipment. By authorizing execution of the 'Consent' document on file, should the lender ever need to effect recovery, the Commission will acknowledge that the fixtures and equipment are personal property, and that the lender may enter the State's property in the event that recovery is necessary. Staff has no objection thereto, and believes the document should be signed on behalf of the State.

4. On August 29, 1985, under Minute Item C6, the Commission approved a sublease to Hoig's Marine. If approval of the presently proposed subleases is granted, there will be a current total of three subleases on the land described in Lease PRC 6427.

CALENDAR ITEM NO. 21 (CONT'D)

5. Environmental Considerations

A. The Commission authorized the issuance of Lease PRC 6427 on July 12, 1984. At that time, the Commission found that an EIR was prepared and adopted for this project by the City of Sacramento Planning Department and that the Commission had reviewed and considered the information contained therein.

B. 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 under the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. The staff believes there is no possibility that this project may have a significant effect on the environment.

Authority: 14 Cal. Adm. Code 15061(b)(3).

APPROVALS OBTAINED:

None.

FURTHER APPROVALS REQUIRED:

None.

EXHIBIT:

A. Location Map.

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 THERE IS NO POSSIBILITY THAT THE ACTIVITY MAY HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT. (14 CAL. ADM. CODE 15061(b)(3))
2. APPROVE, BY ENDORSEMENT, THE SUBLEASE AGREEMENT BETWEEN RIVERBANK HOLDING COMPANY (SUBLESSOR) AND ADVENTURE CRUISES, INC., AND RON HARMON, (SUBLESSEE), PROVIDED THAT THE STATE OF CALIFORNIA IS NAMED AS ADDITIONAL INSURED ON CERTIFICATES OF LIABILITY INSURANCE COVERAGE TO BE PROVIDED TO THE COMMISSION BY SAID SUBLESSEE.

CALENDAR ITEM NO. 21 (CONT'D)

3. APPROVE, BY ENDORSEMENT, THE SUBLEASE AGREEMENT BETWEEN RIVERBANK HOLDING COMPANY (SUBLESSOR) AND CRAWLAD'S, A GENERAL PARTNERSHIP, (SUBLESSEE), PROVIDED THAT THE STATE OF CALIFORNIA IS NAMED AS ADDITIONAL COVERAGE TO BE PROVIDED TO THE COMMISSION BY SAID SUBLESSEE.
  
4. AUTHORIZE THE EXECUTION OF A DOCUMENT ENTITLED 'CONSENT TO REMOVAL OF PERSONAL PROPERTY AFFIXED TO REAL PROPERTY', AND DELIVERY THEREOF TO THE BANK OF AMERICA.

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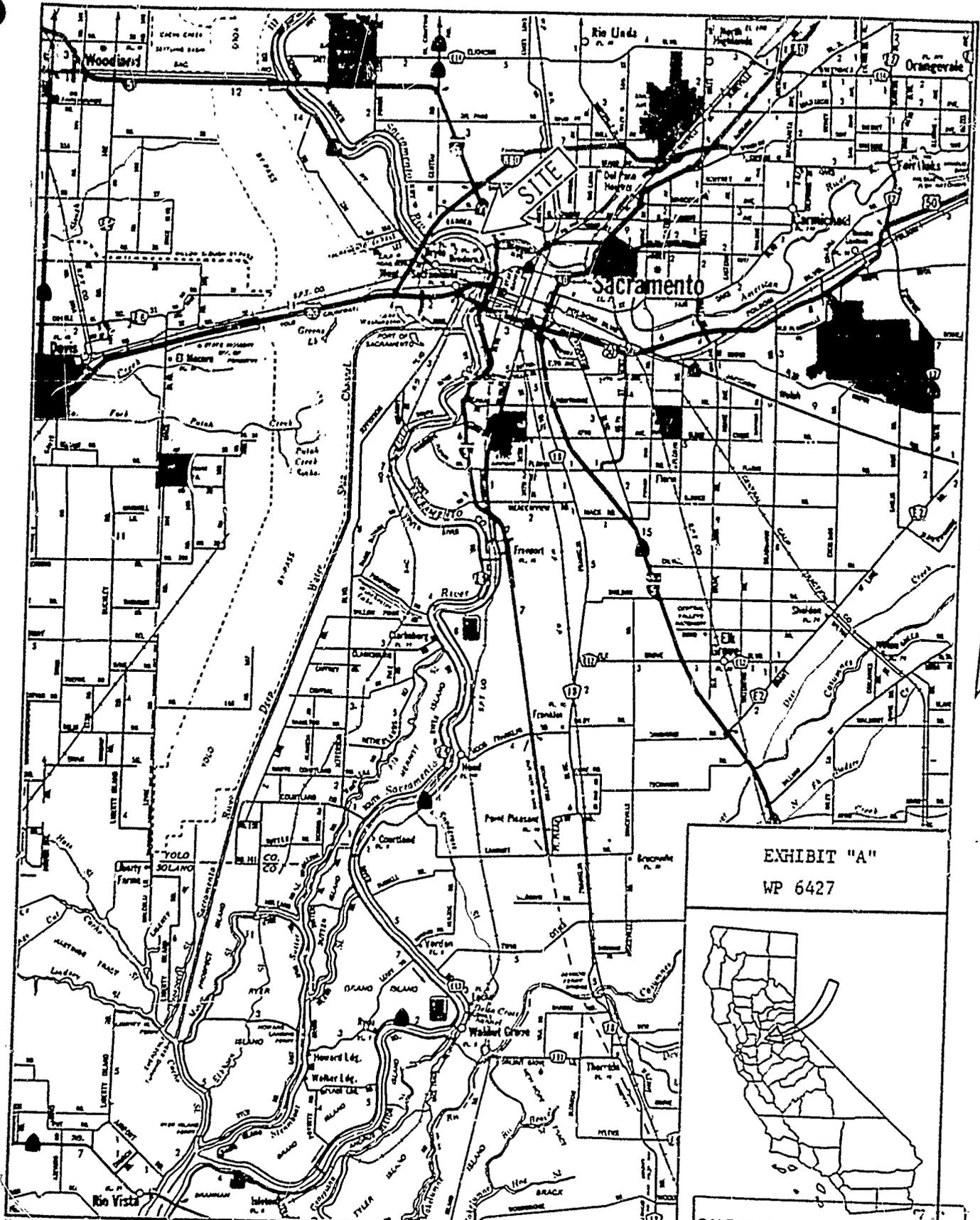


EXHIBIT "A"

WP 6427



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