MINUTE ITEM

This Calendar Item No. C16 was approved as Minute Item No. 16 by the State Lands Commission by a vote of 3 to 0 at its 4/24/86 meeting.

CALENDAR ITEM

C16

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04/24/86
PRC 3264
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AUTHORIZATION TO EXECUTE DOCUMENT,
AGREEMENT AND CONSENT TO ENCUMBRANCING OF LEASE,
LEASE PRC 3264

APPLICANT: Alvin Stultz - Lessee
dba Cliff's Marina
8651 River Road
Sacramento California 95832

SECURED PARTY-LENDER:
Bank of Alex Brown (Pam Kolb)
7201 South Land Park Drive
Sacramento, California 95831

BACKGROUND:

At its May 23, 1985 meeting, the Commission authorized the issuance of a lease for the realignment, reconstruction, and continued maintenance of an existing marina located in the Sacramento River downstream from Freeport, Sacramento County. In order to finance the proposed work, the Lessee is obtaining a loan from the Bank of Alex Brown.

AB 884: N/A.

OTHER PERTINENT INFORMATION:

1. This is a 20-year lease beginning January 1, 1985. It covers a 5.134-acre parcel of sovereign land in the Sacramento River, south of Freeport. Construction of the previously approved facilities which reduces the total number of berths entails the execution of a financing security agreement. The lender has requested approval and execution of the encumbrancing

agreement as partial security for the construction loan. The encumbrancing document has been prepared by the staff and is on file in the offices of the Commission.

2. As written, the lease agreement between the State and Alvin Stults has a limiting construction date of November 1, 1985. The parties wish to extend that date to November 1, 1986. The staff has no objection, and is of the view that a letter of agreement should be executed to achieve that purpose.

3. At the meeting of May 23, 1985, the Commission adopted a Negative Declaration, prepared by the County of Sacramento, as to the construction proposed by the lessee, and found the activity to be consistent with the use classification of the land under lease.

4. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that the encumbrancing agreement, and an agreement to extend the limiting construction date to November 1, 1986, are activities which are exempt from the requirements of the CEQA because they are not a "project" as defined by CEQA and the State CEQA Guidelines.

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

5. This activity involves lands identified as possessing significant environmental values pursuant to P.R.C. 6370 et seq. but will not affect those significant lands.

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 THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. ADM. CODE 15378.

2. AUTHORIZE THE AGREEMENT AND CONSENT TO ENCUMBRANCING OF LESSEE'S RIGHTS, TITLE AND INTERESTS IN LEASE PRC 3264 IN FAVOR OF THE BANK OF ALEX BROWN FOR THE PURPOSE OF OBTAINING A LOAN, IN THE AMOUNT OF $360,000, TO CONSTRUCT FACILITIES AUTHORIZED UNDER THE TERMS AND CONDITIONS OF SAID LEASE.

3. AUTHORIZE ISSUANCE OF A LETTER OF AGREEMENT TO CHANGE THE CONSTRUCTION LIMITING DATE IN SAID PRC 3264 FROM NOVEMBER 1, 1985 TO NOVEMBER 1, 1986.

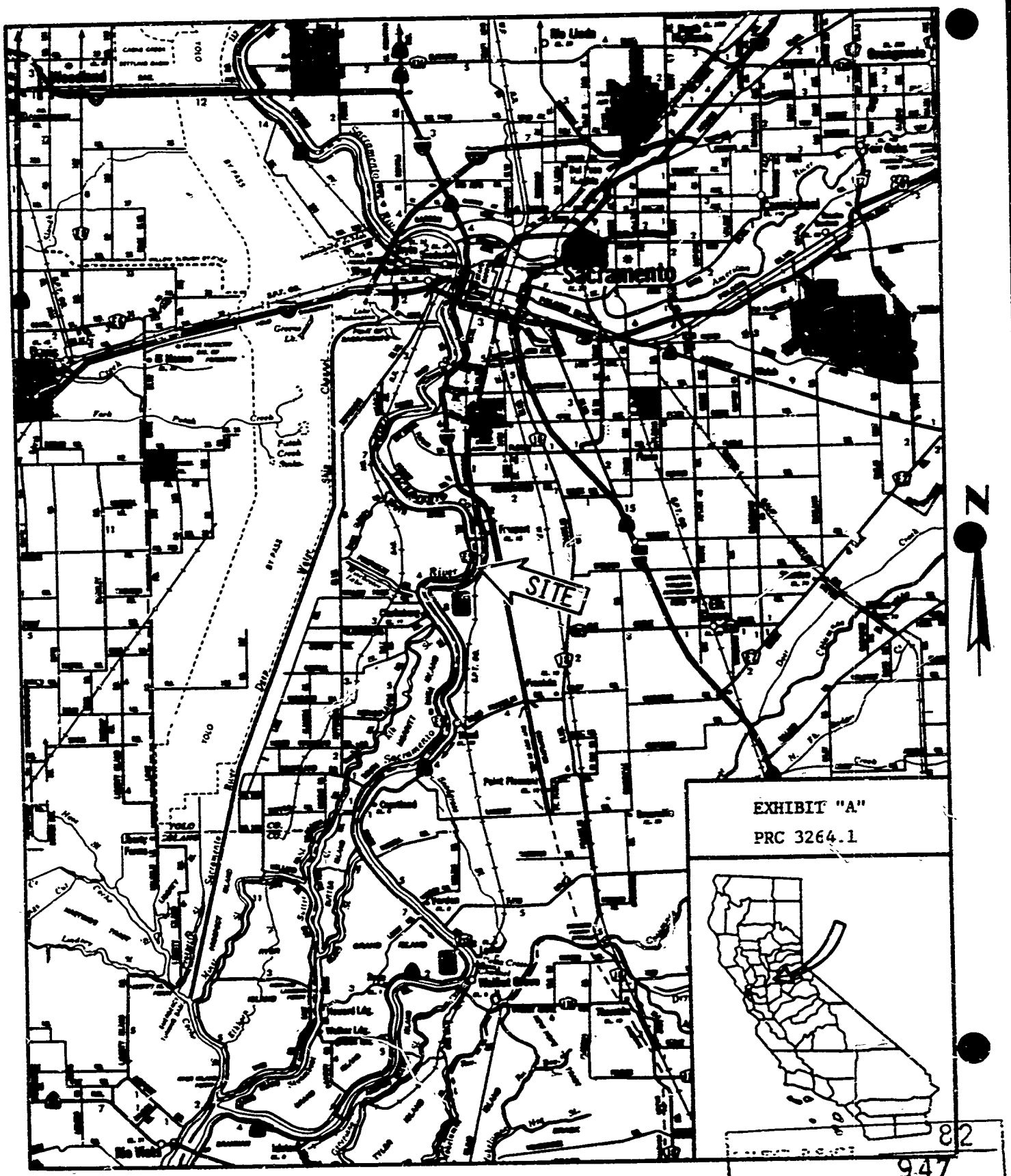
Sacramento
SITE
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EXHIBIT "A"
PRC 3264.1