MINUTE ITEM
This Calendar Item No. 9
was approved as Minute Item
No. 9 by the State Lands
Commission by a vote of 3
to 0 at its 8-20-87
meeting.

CALENDAR ITEM

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PRC 5492
Grimmett

FIVE-YEAR RENT REVIEW AND REVISIONS
TO GENERAL LEASE - COMMERCIAL USE

APPLICANT: Charles E. Finch and Judith A. Finch
10705 Lanes Road
Fresno, California 93710

AREA, TYPE LAND AND LOCATION:
An approximate 9.02-acre parcel of sovereign land in the bed of the San Joaquin River, City of Fresno, Fresno County.

LAND USE: Recreational vehicle park.

TERMS OF ORIGINAL LEASE:

Initial period: 25 years beginning September 1, 1977.

Renewal options: Two successive periods of ten years each.

Surety bond: $2,000.

Public liability insurance: Combined single limit coverage of $100,000.

Consideration: $225 per annum; five-year rent review.

CONSIDERATION: $225 per annum; with the State reserving the right to fix a different rental on each fifth anniversary of the lease.

BASIS FOR CONSIDERATION:
Pursuant to 2 Cal. Adm. Code 2003.

APPLICANT STATUS:

Applicant is owner of upland.

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. Due to the undetermined State ownership interest in this parcel, staff recommended a minimum rental of $225 per annum, which recommendation was approved by the State Lands Commission on May 31, 1971.

   During the previous five-year rent reviews, the parcel was appraised. However, due to the still unresolved title problem in this region and the unknown extent of the State's ownership, the staff recommends that the rental remain unchanged at this time.

2. Lessees Charles E. Finch and Judith A. Finch are the successors to the interests of the co-lessees, Ward J. Finch and Joy T. Finch, via a 1982 foreclosure and repurchase agreement.

3. As the area under lease for recreational use is susceptible to annual flooding, there are no structural improvements on the leased premises. Therefore, Mr. Finch has requested a reduction in the required surety deposit to $500 as well as conforming the penalty in this lease to P.R.C. Sec. 6224. Staff has inspected the site and concurs with the request.

4. 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.

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

EXHIBIT: A. Location Map.

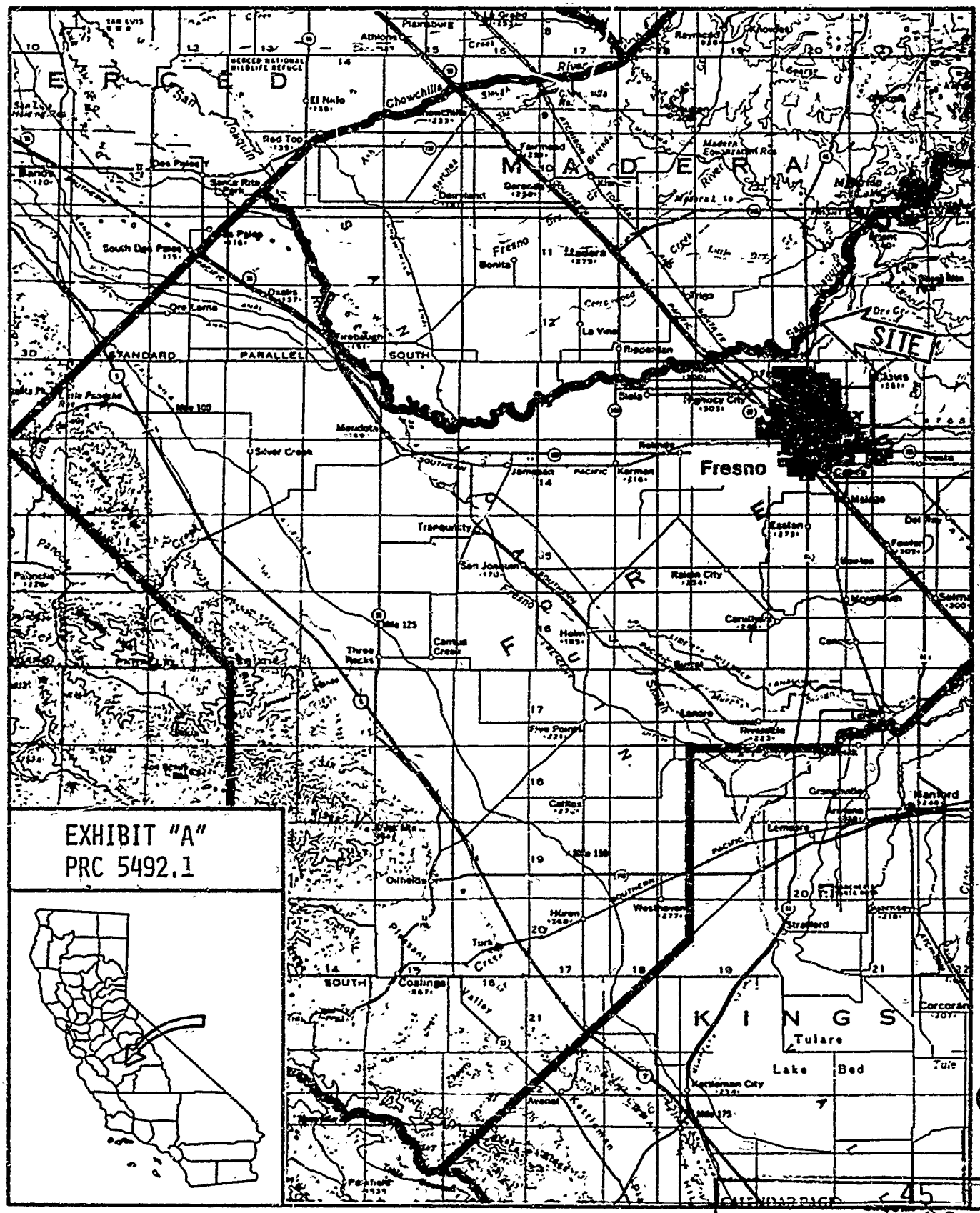
IT IS RECOMMENDED THAT THE COMMISSION:

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. APPROVE DELETING THE CO-LESSEES, WARD J. FINCH AND JOY T. FINCH, FROM THE LEASE.

3. APPROVE REDUCING THE SURETY DEPOSIT FROM $2,000 TO $500 WITH THE COMMISSION RESERVING THE RIGHT TO INCREASE THE REQUIRED SURETY DEPOSIT IF ANY IMPROVEMENTS ARE CONSTRUCTED, AND TO CONFORM THE LEASE PENALTY TO P.R.C. SEC. 6224.

4. APPROVE CONTINUATION OF THE RENTAL OF $225 PER ANNUM TO CHARLES E. FINCH, ET UX, FOR THE FIVE-YEAR PERIOD EFFECTIVE SEPTEMBER 1, 1987.



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