MINUTE ITEM
This Calendar Item No. 17
was approved as Minute Item
No. 17 by the State Lands
Commission by a vote of 3
to 0 at its 9-23-87
meeting.

CALENDAR ITEM

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09/23/87
PRC 6723
Grimmett

TERMINATION OF GENERAL LEASE - COMMERCIAL USE

PARTY: Riverboat Delta King, Inc.
901 Tamalpais Avenue, Suite 200
San Rafael, California 94901

AREA, TYPE LAND AND LOCATION:
A 0.905-acre parcel of tide and submerged land, located in the Sacramento River, City of Sacramento, Sacramento County.

LAND USE: Temporary mooring of the Riverboat "Delta King" at the existing River Lines Pier for renovation purposes and use of the dock facilities for access, limited storage, and parking use, and a trailer for security purposes.

TERMS OF PRESENT LEASE:

Initial period: One year beginning September 4, 1986.

Public liability insurance: Combined single limit coverage of not less than $1,000,000.

Surety bond: $5,000.

Special: Lessee to maintain marine hull protection and indemnity insurance, including removal of wreck and salvage, coverage of not less than $2,700,000 in the event the "Delta King" should sink or become loose from its mooring.

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CONSIDERATION: $912.50 per month.

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

APPLICANT STATUS:
Applicant is permittee 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:

BACKGROUND

1. The Commission approved a one-year proposed lease at its November 20, 1986 meeting for the temporary mooring of the Riverboat "Delta King" at the existing River Lines Pier, including some limited pier use.

2. On February 9, 1987, a portion of the Sacramento River floodwall under the River Lines Pier collapsed along with a portion of the adjacent pier. With concern for the safety of the Riverboat "Delta King" and fearing further pier collapse, the owners moved the riverboat upstream to the City's "Old Sacramento" lease area on February 11, 1987.

   Although the riverboat was moved, Riverboat Delta King, Inc., continued to use a portion of the River Lines Pier, until approximately early August 1987, for storage of riverboat materials.

CURRENT SITUATION:

3. Although they have not returned a signed lease, the Riverboat Delta King, Inc. has paid the full monthly rent up to the time the riverboat was moved.

4. The approved, but unsigned lease, provides that:

   "This agreement may be terminated by either the Lessee or the Lessor by giving 30-day's written notice to other party. This supersedes the notice term specified in Paragraph 12 of Section 4."

   Notice to terminate this lease on August 3, 1987 was provided by letter dated June 17, 1987.

5. The City of Sacramento has let a contract for the demolition of the River Lines Pier and the reconstruction of the floodwall.

6. 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.

7. 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 THIS ACTIVITY WILL INVOLVE LANDS IDENTIFIED AS POSSESSING SIGNIFICANT ENVIRONMENTAL VALUES PURSUANT TO P.R.C. 6370, ET SEQ., BUT THAT SUCH ACTIVITY WILL HAVE NO DIRECT OR INDIRECT EFFECT ON SUCH LANDS.

2. 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.

3. AUTHORIZE STAFF TO ACCEPT $4,916.08 AS FULL RENTAL PAYMENT FOR THE PERIOD FROM SEPTEMBER 4, 1986 THROUGH AUGUST 3, 1987 FOR RIVERBOAT MOORING AND PIER USAGE AND TO WAIVE ALL PENALTY AND INTEREST DUE PURSUANT TO P.R.C. 6224 AND 2 CAL. ADM. CODE, DIV. 3, SEC. 1911.

4. TERMINATE THE LEASE AUTHORIZED BY THE COMMISSION AT ITS MEETING OF NOVEMBER 20, 1986, OR ANY OTHER TENANCY EFFECTIVE AUGUST 4, 1987, AND AUTHORIZE RELEASE OF THE $5,000 SURETY BOND.

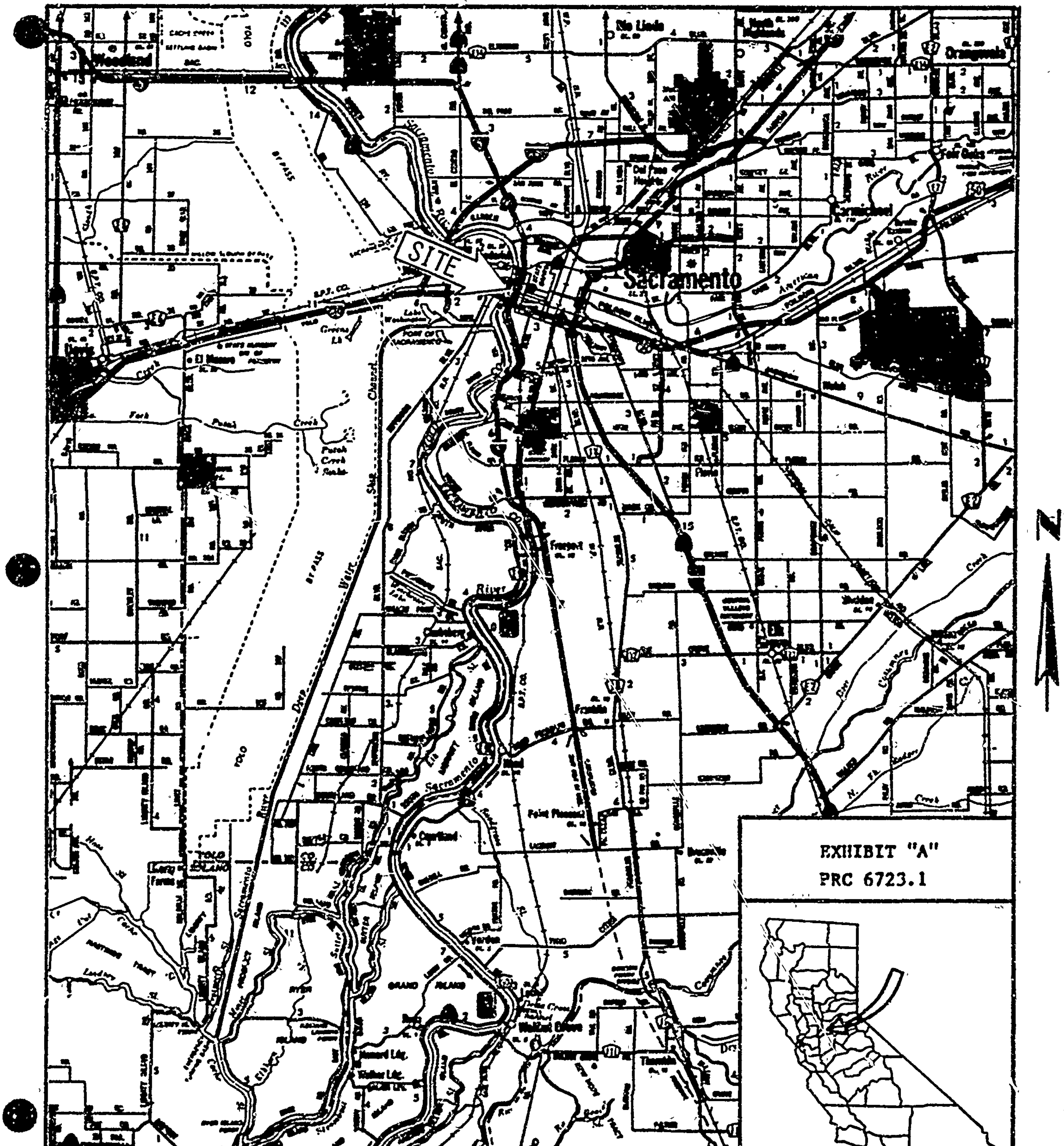

EXHIBIT "A"
PRC 6723.1

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