MINUTE ITEM
This Calendar Item No. 35
was approved as Minute Item
No. 35 by the State Lands
Commission by a vote of 3
to 0 at its 2/6/89
meeting.

CALENDAR ITEM

A 4 35 02/06/89
PRC 5630
S 5 Maricle

ASSIGNMENT OF COMMERCIAL LEASE

ASSIGNOR: Milton C. Lane, Jr.
1050 Longcroft Street
West Sacramento, California 95691

ASSIGNEE: Lighthouse Marina and Riverbend Development,
a California general partnership
1450 Harbor Boulevard
West Sacramento, California 95691

AREA, TYPE LAND AND LOCATION:
A 2.7-acre parcel of tide and submerged land, Sacramento River in Yolo County.

LAND USE: Commercial Marina.

TERMS OF CURRENT LEASE:

Initial period: 25 years beginning November 1, 1978.

Surety bond: $2,000.

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

Consideration: $3,768 per annum; against five percent (5%) of income from docking facilities and three percent (3%) of bar and restaurant income, whichever is greater, with the State reserving the right to fix a different rental on each fifth anniversary of the Lease.

(ADDED 02/03/89)

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

APPLICANT STATUS:
Applicant is owner of upland adjoining the leased property.

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. Code Regs.: Title 2, Div. 3; Title 14, Div. 6.

AB 884: N/A.

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Code Regs. 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. Code Regs. 15378.

2. The pending Assignee acquired the Assignor's upland property by deed recorded February 1, 1988. The applicant and lessee Lane entered an assignment agreement in March 1988. The Lane lease provides that such an assignment is not valid unless and until approved by the State Lands Commission. This calendar item is to secure that approval. The staff proposes that date as the effective date of the assignment should the conditions for the effectiveness of the assignment be met.

3. The pending Assignee has agreed to cure existing rental arreages, and will pay all back rent, penalty and interest as provided in the lease prior to the effectiveness of the assignment.

4. The staff of the State Lands Commission and the Applicant have negotiated a proposed agreement to implement the assignment of the Lane lease. The Agreement and its attachment include commitments by the Applicant to operate the leased facilities actively by June 1, 1989, for all the purposes described in the lease document. The Agreement also requires the Applicant to operate the lease until its natural termination date, October 31, 2003. The Agreement is on file in the offices of the Commission and is incorporated by reference as a part of this calendar item.

5. The attachment to the Agreement assigning the Lane lease is a letter from the Applicant to the Executive Officer. There had been concern that the Applicant intends to use the assigned lease as part of a larger project along the Sacramento River shoreline. The letter disavows such a plan and commits to an EIR with a cumulative impact study should the Applicant ever seek to expand the lease premises.

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. CODE REGS. 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. CODE REGS. 15378.

2. AUTHORIZE THE ASSIGNMENT OF LEASE PRC 5630, EFFECTIVE FEBRUARY 1, 1988, FROM MILTON C. LANE, AS ASSIGNOR, TO LIGHTHOUSE MARINA AND RIVERBEND DEVELOPMENT, A CALIFORNIA GENERAL PARTNERSHIP, ASSIGNEE, UPON RECEIPT OF ALL DUE RENTAL, PENALTY AND INTEREST THEREON AS PROVIDED IN SAID LEASE, AND THE EXECUTION OF THE AGREEMENT ON BEHALF OF THE COMMISSION AND BY THE APPLICANT.

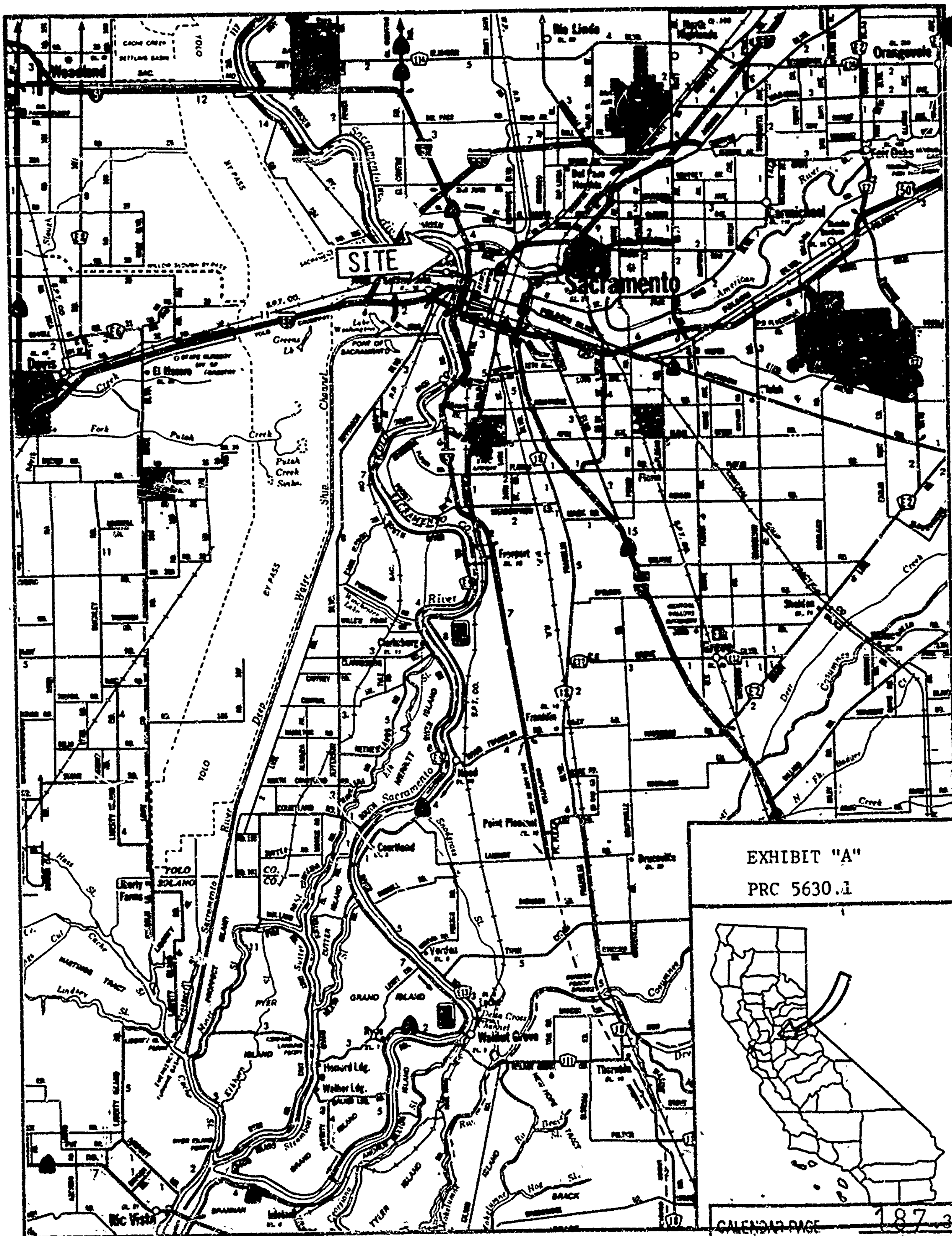

EXHIBIT "A"

PRC 5630.1

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