

MINUTE ITEM

This Calendar Item No. 23
was approved as Minute Item
No. 23 by the State Lands
Commission by a vote of 3
to 0 at its 2/6/91
meeting.

CALENDAR ITEM

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02/06/91
PRC 6427
W 503.1655
Valentine
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**CONSIDER STAFF RECOMMENDATION OF SETTLEMENT
OF AMOUNT OF RENT OWED FOR 1990 FROM
RIVERBANK HOLDING COMPANY FOR LEASE OF MARINA SITE
ON THE SACRAMENTO RIVER, CITY AND COUNTY OF SACRAMENTO**

LESSEE:

Riverbank Holding Company
Attn: Mr. Thomas Westley
1371 Garden Highway, Suite 200
Sacramento, California 95833

AREA, TYPE LAND AND LOCATION:

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

LAND USE:

Commercial marina, floating restaurant, harbormaster office,
boat sales office, debris deflector, and all appurtenant
facilities related thereto.

TERMS OF EXISTING LEASE PRC 6427:

Initial period:

Twenty (20) years beginning August 1, 1984.

Surety bond:

\$10,000.

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

CONSIDERATION:

Six percent (6%) of the gross income derived from the rental of boat docks and moorings; three percent (3%) of the gross income derived from the operation of restaurant and bar; twenty-five percent (25%) of the gross income derived from the operation of coin-operated vending and electronic game machines; a percentage of the gross income derived from boat sales (yacht brokerage); ten percent (10%) of the gross income derived from sources exclusive of those described above; 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.

STATUTORY AND OTHER REFERENCES:

- A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.
- B. Cal. Code Regs.: Title 3, 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 staff has been working with Riverbank Holding Company to resolve questions of rental default for the rental year ending July 31, 1990. A total of \$38,396.78 has been paid by Riverbank and the staff finds that the payment settles such default. Accordingly, staff believes it appropriate to recommend approval of the settlement to the Commission.

Riverbank Holding Company had initially asserted that it had overpaid rent for the period ending July 31, 1990 in the amount of \$17,878. This assertion was based on the fact that State Lands staff has calculated the percentage of gross rental due for boat docks and moorings on Riverbank's total facilities. Some of these facilities are, however, located within an area which Riverbank leases from Virgin Sturgeon, Inc. located immediately adjacent to Riverbank. Staff have examined Riverbank's contentions and have concluded that there has been an overpayment in rental for the years 1987-1990, although, in an amount considerably less than that claimed by Riverbank. To arrive at the amount of overpayment, staff calculated the percentage of the total square footage of Riverbank's marina which is located on lands leased from Virgin Sturgeon.

Annual refunds were then calculated on a pro rata basis. Staff have preliminarily authorized Riverbank to deduct the amount of \$6,476.63 (overpayment for years 1987-90) from the 1990 rent. All other rental issues have been settled and rental payments have been received.

EXHIBITS:

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 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. CODE REGS. 15378.
2. APPROVE STAFF ACTION IN THE COLLECTION OF \$38,396.78 FROM RIVERBANK HOLDING COMPANY AND THE ALLOWANCE OF \$6,476.63 IN OVERPAYMENT TO BE DEDUCTED FROM RIVERBANK'S 1990 RENT IN SETTLEMENT OF RENTAL ARREARAGES FOR THE 1987-90 RENTAL YEARS ENDING JULY 31, 1990.

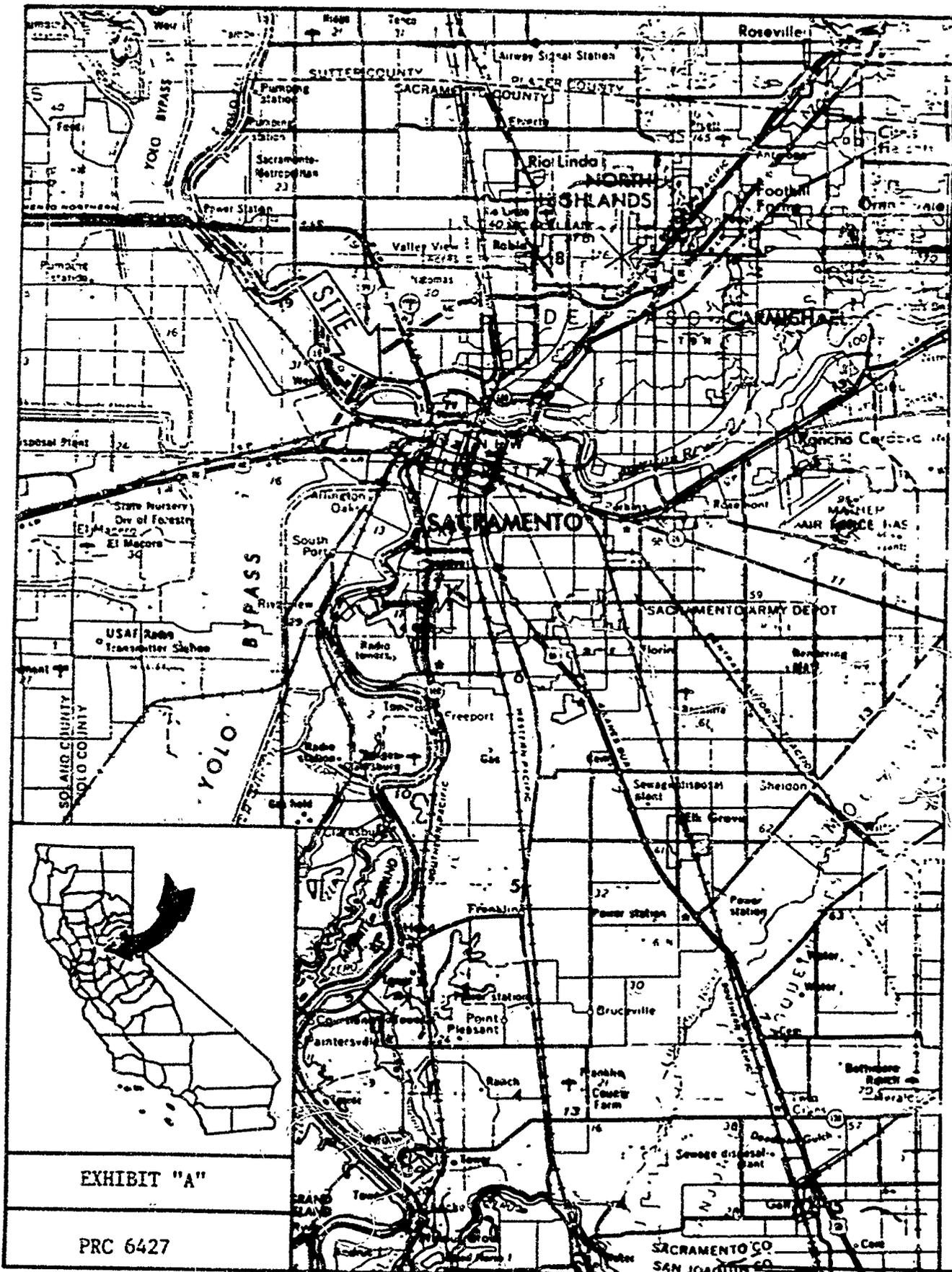


EXHIBIT "A"

PRC 6427

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