

MINUTE ITEM

This Calendar Item No. ~~C50~~ was approved as Minute Item No. ~~50~~ by the California State Lands Commission by a vote of ~~3~~ to ~~0~~ at its 9-3-99 meeting.

**CALENDAR ITEM
C50**

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09/03/99
PRC 2148.1 WP 2148.1
N. Smith

**ASSIGNMENT OF LEASE
REVISION OF RENT
EXTENSION OF CONSTRUCTION DATES**

LESSEE:

Pullman Building Company
926 Bransten Road
San Carlos, California 94070

ASSIGNEE:

K.M.C. Inc.
926 Bransten Road
San Carlos, California 94070

AREA, LAND TYPE, AND LOCATION:

3.42 acres, more or less, of sovereign lands in Paradise Cay, near the town of Tiburon, Marin County.

AUTHORIZED USE:

Existing breakwaters and construction of a public park.

LEASE TERM:

20 years, beginning April 7, 1993.

CONSIDERATION:

This lease provides that Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff has conducted a review of the rent under this lease, and recommends that the rent be revised from \$5,650 per year to \$6,700 per year, effective April 7, 2000.

The recommended adjustment of rent is based on adjustment of the prior rent by application of the Consumer Price Index (CPI). Application of the CPI to adjust rents at this time is an interim measure necessitated by budget constraints and

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resultant losses in staff, and does not obligate the Commission to use the CPI to adjust rents other than as specifically set forth herein.

EXTENSION OF CONSTRUCTION DATES:

Staff recommends changing the construction beginning date from August 24, 1994 to August 24, 1999 and ending date from August 24, 1999 to August 24, 2001, due to unforeseen delays.

OTHER PERTINENT INFORMATION:

1. Assignee owns the uplands adjoining the lease premises.
2. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), the staff has determined that these activities are exempt from the requirements of the CEQA because the activity is not a "project" as defined by the CEQA and the State CEQA Guidelines.

Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations, section 15378.

EXHIBITS:

- A. Site Map

PERMIT STREAMLINING ACT DEADLINE:

N/A

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS FOR THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

AUTHORIZATION:

CALENDAR ITEM NO. C50 (CONT'D)

AUTHORIZE THE ASSIGNMENT OF LEASE NO. PRC 2148.1, A GENERAL LEASE-COMMERCIAL USE, OF SOVEREIGN LANDS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, FROM PULLMAN BUILDING COMPANY TO K.M.C. INC.; EFFECTIVE UPON COUNTERSIGNATURE BY ASSIGNEE AND SIGNATURE BY THE STATE LANDS COMMISSION.

APPROVE THE REVISION OF RENT FOR LEASE NO. PRC 2148.1 FROM \$5,650 PER YEAR TO \$6,700 PER YEAR, EFFECTIVE APRIL 7, 2000.

APPROVE THE EXTENSION OF THE CONSTRUCTION DATES FROM BEGINNING AUGUST 24, 1994 AND ENDING AUGUST 24, 1999, TO BEGINNING AUGUST 24, 1999 AND ENDING AUGUST 24, 2001.

