MINUTE ITEM
This Calendar Item No. C03 was approved as Minute Item No. 03 by the California State Lands Commission by a vote of 3 to Ø at its 11/27/00 meeting.

CALENDAR ITEM
C03

A 35

S 18

11/27/00
PRC 5582.1
B. Dugal

TERMINATION OF LEASE

LESSEE:

Pacific Properties
101 W. Ash Street
San Diego, California 92101

AREA, LAND TYPE, AND LOCATION:

260 acres, more or less, of sovereign lands in the Pacific Ocean, near Point Conception, Santa Barbara County.

AUTHORIZED USE:

Construction, operation and maintenance of a marine terminal for the purpose of receiving, storing and the regassification of liquified natural gas.

LEASE TERM:

30 years, beginning January 1, 1979, including a renewal option of two successive periods each; one period of ten years and one period of nine years.

CONSIDERATION:

$10,000 per year.

BACKGROUND INFORMATION:

On November 27, 1978, the California State Lands Commission (CSLC) approved the issuance of a General Lease – Industrial Use (Lease No. PRC 5582.1) to Western LNG Terminal Associates (a general partnership composed of subsidiaries of Pacific Lighting Corp., and Pacific Gas and Electric Company). On December 4, 1986, Western LNG Terminal Associates provided notice to the CSLC of their name change to Pacific Properties.

Lease No. PRC 5582.1 authorized the construction, operation and maintenance of a liquefied natural gas (LNG) receiving, storage and regassification terminal. The marine terminal was proposed to be used to import LNG from Indonesia and South Alaska in accordance with the Liquefied Natural Gas Act of 1977 (Public

Utilities Code Section 5551, et seq.) Section 5559 of the Act provided in part that if a lease of State land were required for the LNG marine terminal, then the CSLC would issue a lease. While the proposed LNG project did receive permits, it was never constructed. Further, in 1987, the Public Utilities Commission was provided with notice that the LNG marine terminal would not be built.

On November 18, 1999, Pacific Properties sold the uplands that adjoin the lease premises to another party. On July 14, 2000, Pacific Properties provided a written notice to CSLC staff of their intent to terminate their interest in Lease No. PRC 5582.1.

OTHER PERTINENT INFORMATION:

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 this activity is 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. Location Map
B. Lease Description

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 OF 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:

AUTHORIZE THE ACCEPTANCE FROM PACIFIC PROPERTIES (LESSEE) OF A LEASE QUITCLAIM DEED FOR GENERAL LEASE – INDUSTRIAL USE, LEASE NO. PRC 5582.1 EXECUTED BY THE CALIFORNIA STATE LANDS COMMISSION ON DECEMBER 1, 1978, WHEREIN THE LESSEE QUITCLAIMS BACK TO THE STATE, EFFECTIVE JANUARY 1, 2000, ALL RIGHT, TITLE, AND INTEREST IN THE LEASED LANDS DESCRIBED IN EXHIBIT B.

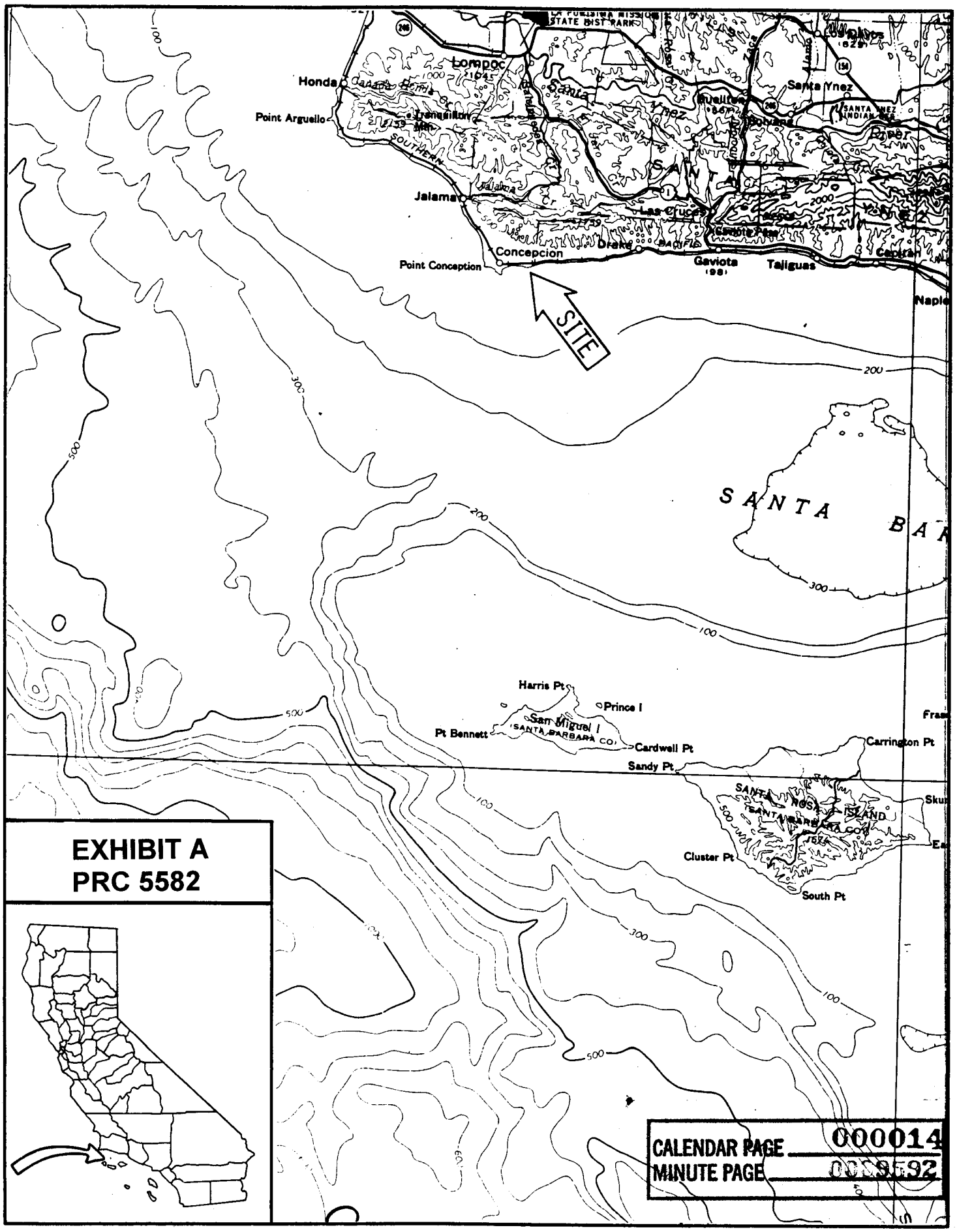

EXHIBIT A
PRC 5582

EXHIBIT B
PRC 5582

LAND DESCRIPTION

A parcel of tide and submerged land in the Pacific Ocean, lying southerly of the Rancho Nuestra Senora del Refugio and approximately 2 miles east of Point Conception, in Santa Barbara County, State of California, more particularly described as follows:

COMMENCING at Station 456 of the mean high tide line as said line is delineated on the State of California, State Lands Commission Map, "Survey of the Mean High Tide Line, December 1957", filed in Book 41, Miscellaneous Maps, at page 43, in the Office of the County Recorder, Santa Barbara County; said station having California Coordinate System, Zone 5 coordinates of X = 1,273,645 and Y = 355,978; thence along said mean high tide line N 79° 55' 03" E 63.05 feet to the POINT OF BEGINNING, thence from said point of beginning and leaving the mean high tide line the following nine courses:

1.	N 12° 00' 00" E	50.00 feet;
2.	N 79° 00' 00" E	1,001.03 feet;
3.	South	1,729.48 feet;
4.	East	1,500.11 feet;
5.	South	2,500.18 feet;
6.	West	1,500.11 feet;
7.	South	1,100.08 feet;
8.	West	2,074.85 feet;
9.	N 12° 00' 00" E	5,203.52 feet to the point of beginning.

EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark.

The basis of bearings for this description is the California Coordinate System, Zone 5.

All distances described herein are ground distances; corresponding grid distances may be obtained by multiplying the ground distances by the factor 0.9999355.

END OF DESCRIPTION

Prepared _____ Checked _____

Reviewed _____ Date 10/25/78

LICENSED LAND SURVEYOR DAVID SCHUMANN # L.S. 4017 STATE OF CALIFORNIA

CALENDAR PAGE 000015
MINUTE PAGE 0009593