MINUTE ITEM
This Calendar Item No. C12 was approved as Minute Item No. 12 by the California State Lands Commission by a vote of 3 to Ø at its 4-24-01 meeting.

CALENDAR ITEM
C12

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04/24/01
PRC 8229.1
L. Burks

APPROVAL OF AN AGREEMENT AND CONSENT TO ENCUMBRANCING OF LEASE

LESSEE:

Willow Berm Nexgen, LLC
a Limited Liability Company
169 West Brannan Island Road
Isleton, California 95641

SECURED PARTY-LENDER:

Debis Financial Services, Inc.
P. O. Box 18511
Tampa, Florida 33679-8511

BACKGROUND INFORMATION:

On February 5, 2001, the California State Lands Commission (CSLC) approved the assignment of a 30 year General Lease - Commercial Use (PRC 8229.1) from Willow Berm Ltd., a Limited Liability Partnership to Willow Berm Nexgen, LLC, a Limited Liability Company, for a commercial marina located in the Mokelumne River, adjacent to Andrus Island, Sacramento County.

CURRENT SITUATION:

Willow Berm Nexgen requires, and will obtain, indebtedness in the amount of $6,200,000 pursuant to a loan agreement for purchase of the marina. The State's lease requires the Commission's approval of all transactions where its lease is pledged as security for a loan. All parties have agreed as to the form of the Agreement and Willow Berm Nexgen, and the Secured Party Lender have executed the Agreement. The terms of the loan agreement are set forth in the Agreement and Consent to Encumbrancing of Lease document, which is on file in the principal office of the CSLC.

OTHER PERTINENT INFORMATION:

1. 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.

2. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

EXHIBIT:

A. Location 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 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.

SIGNIFICANT LANDS INVENTORY FINDING:

FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET SEQ.

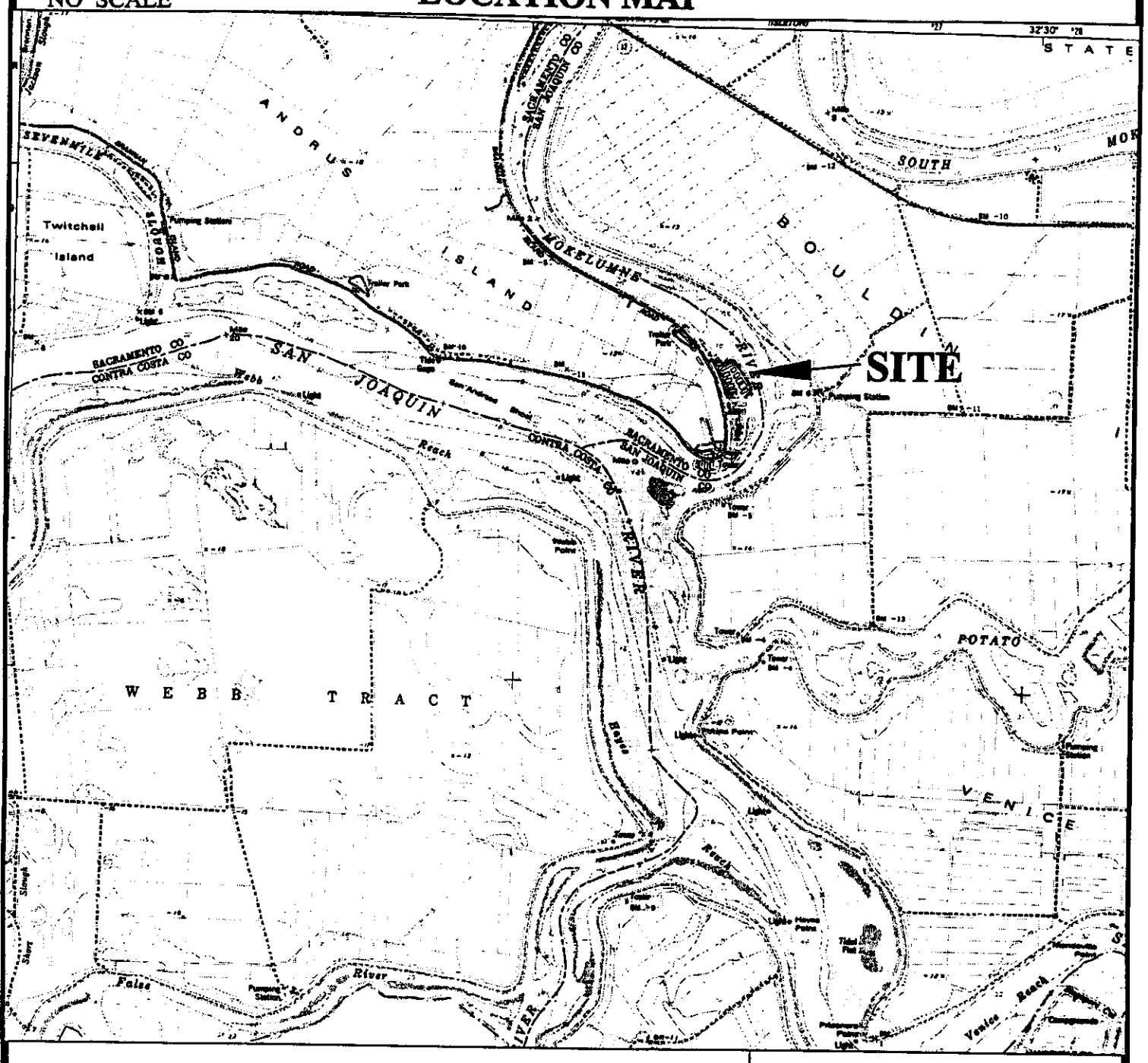
AUTHORIZATION:

AUTHORIZE EXECUTION BY THE CALIFORNIA STATE LANDS COMMISSION'S EXECUTIVE OFFICER OF AN "AGREEMENT AND CONSENT TO ENCUMBRANCING OF LEASE" OF LESSEE'S RIGHT, TITLE AND INTEREST IN LEASE NO. PRC 8229.1 IN THE AMOUNT OF $6,200,000, IN FAVOR OF DEBIS FINANCIAL SERVICES, INC., AS SECURED-PARTY LENDER.

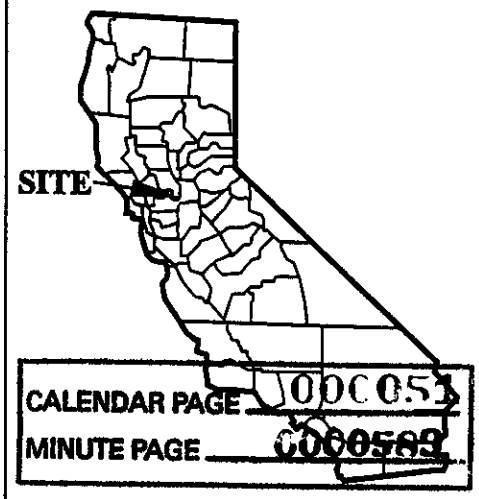
EXHIBIT A

NO SCALE

LOCATION MAP



PRC 8229.1
Willow Berm Ltd.
Mokelumne River
Andrus Island
SACRAMENTO COUNTY



This Exhibit is solely for purposes of generally defining the lease premises, and is not intended to be, nor shall it be construed as, a waiver or limitation of any state interest in the subject or any other property.

SSG 12/00