

MINUTE ITEM
This Calendar Item No. C07 was approved as
Minute Item No. 07 by the California State Lands
Commission by a vote of 2 to 0 at its
06/07/04 meeting.

CALENDAR ITEM
C07

A 15
S 5

06/07/04
PRC 6109.1
R. Barham

CONTINUATION OF RENT

LESSEE:

Snug Harbor Resorts, LLC
1155 Trancas Street
Napa, California 94558

AREA, LAND TYPE, AND LOCATION:

0.94 acres, more or less, of tide and submerged lands in Steamboat Slough,
near Ryer Island, Solano County.

AUTHORIZED USE:

Continued use and maintenance of a commercial marina.

LEASE TERM:

25 years, beginning September 23, 1998.

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 continued at the Minimum Annual Rent of \$3,450 against a percentage of gross, whichever is greater, of 5% gross income from berthing, 10% of all other gross income, one and one-half (1-1/2) cents per gallon of fuel sold during each reporting period up to a maximum of 100,000 gallons and two(2) cents per gallon thereafter, effective September 23, 2004.

OTHER PERTINENT INFORMATION:

1. On June 19, 1998, the Commission issued a 25-year General Lease-Commercial Use to Snug Harbor Resorts, LLC for the reconstruction of an existing commercial marina. The marina consist of 75 covered berths; 40 open berths; 60-foot gas dock; boat launch ramp; guest docking; and a 51-foot x 102-foot dredge.

CALENDAR ITEM NO. C07 (CONT'D)

2. The Solano County Hazardous Materials Section was contacted by CSLC staff regarding lessee's permit and/or violations status for the storage and refueling of boats at the fuel dock. No spills or unsafe conditions have been reported since last on-site inspection completed in March 2002.

SPECIFIC LEASE PROVISIONS:

Insurance:

Combined single limit coverage of no less than \$1,000,000

Bond:

Certificate of Deposit in the amount of \$20,000

EXHIBITS:

- A. Site map
- B. Location Map

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE ACTIVITY IS NOT SUBJECT TO THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15060(c)(3) 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:

APPROVE THE CONTINUATION OF RENT FOR LEASE NO. PRC 6109.1 AT THE MINIMUM ANNUAL RENT PER YEAR OF \$3,450 AGAINST A PERCENTAGE OF GROSS, WHICHEVER IS GREATER, OF 5% GROSS INCOME FROM BERTHING, 10% OF ALL OTHER GROSS INCOME, AND ONE AND ONE-HALF (1-1/2) CENTS PER GALLON OF FUEL SOLD DURING EACH REPORTING PERIOD UP TO A MAXIMUM OF 100,000 GALLONS AND TWO (2) CENTS PER GALLON THEREAFTER, EFFECTIVE SEPTEMBER 23, 2004.

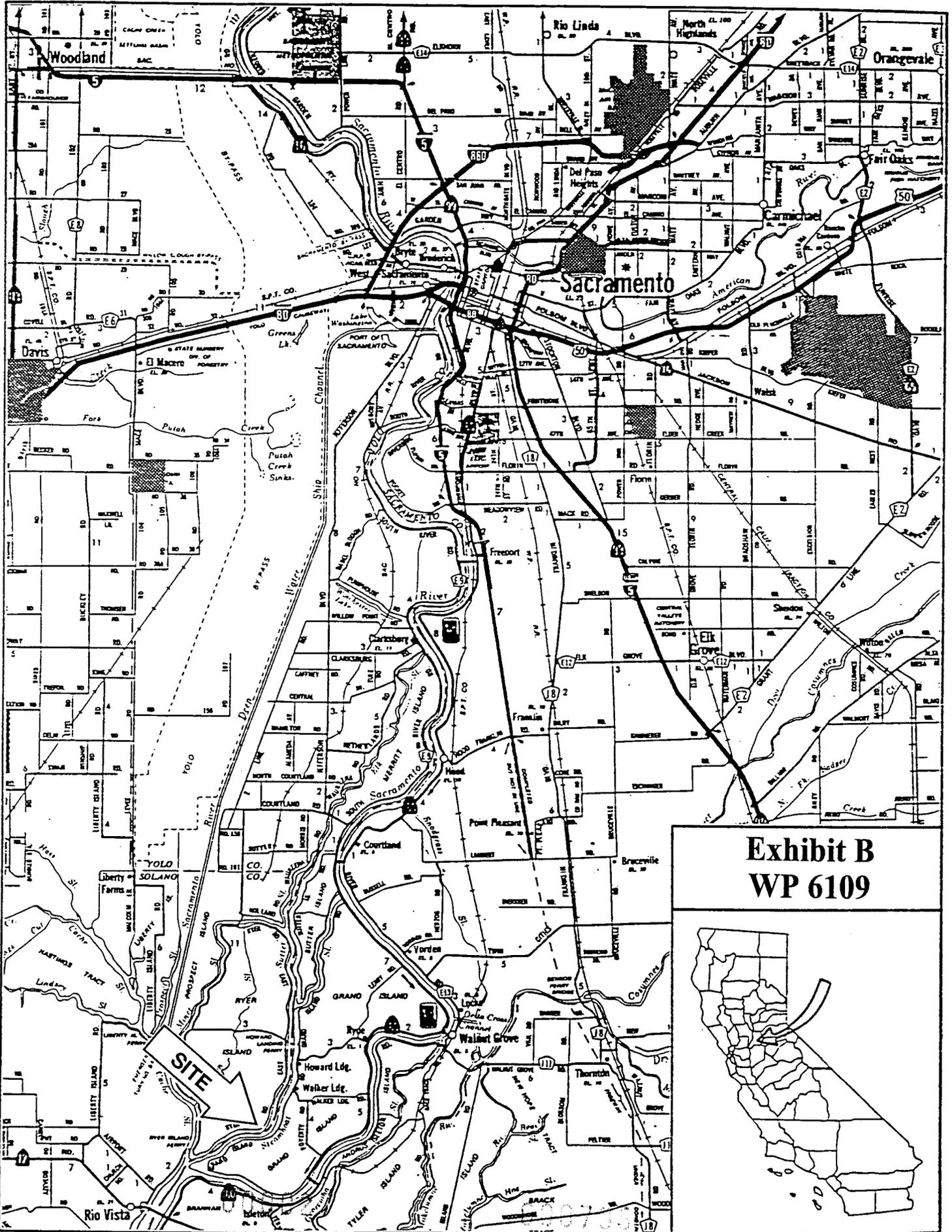


Exhibit B
WP 6109

