MINUTE ITEM
This Calendar Item No. C15 was approved as Minute Item No. 15 by the California State Lands Commission by a vote of 2 to 0 at its 06/07/04 meeting.

CALENDAR ITEM
C15

A 9

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PRC 3264

06/07/04
WP 3264.1
D. Jones

TERMINATION OF GENERAL LEASE - COMMERCIAL USE AND ISSUANCE OF GENERAL LEASE - COMMERCIAL USE

APPLICANT:

Cliff's River Marina, Inc.
8651 River Road
Sacramento, California 95852

AREA, LAND TYPE, AND LOCATION:

5.13 acres, more or less, of tide and submerged lands in the Sacramento River, near the town of Freeport, Sacramento County.

AUTHORIZED USE:

The continued use and maintenance of an existing commercial marina consisting of 126 covered and uncovered berths, side ties measuring 700 lineal feet, 536 lineal feet and 76 lineal feet, respectively, debris barrier, harbor master's office, gas pump, sewage pumpout facility, boat launch storage shed, access bridge, other ancillary facilities, and potential dredging. Dredged Material may not be sold.

LEASE TERM:

25 years, beginning June 1, 2004.

CONSIDERATION:

A minimum annual rental of $6,800.00, against a percentage of gross receipts:

5% of gross income for berthing, mooring and launching of boats.
25% of the gross income from vending and electronic game machines
10% of all other gross income.
Fuel sales – $.015 per gallon up to 100,000 gallons and $.02 per gallon thereafter.

Dredging:

No royalty will be charged, as the project will result in a public benefit.

Applicant has agreed to pay $30,000 as full payment for back rent, and penalty and interest, if any.

SPECIFIC LEASE PROVISIONS:

Insurance:

$1,000,000 combined single limit.

Bond:

$20,000.

OTHER PERTINENT INFORMATION:

1. Applicant owns the uplands adjoining the lease premises.

2. On May 23, 1985, the Commission issued a General Lease – Commercial Lease to Alvin Stults, dba: Cliff's Marina, for a 20 year period beginning January 1, 1985, terminating December 31, 2004. Subsequently, Cliff's River Marina, Inc. purchased the marina. Cliff's River Marina, Inc. is now applying to terminate the existing lease and requesting a new lease.

   The lease will contain a provision, which would allow the Lessee to conduct dredging to provide for safe navigation. The exercise of this provision would require the prior authorization of lessor in writing and proof of Lessee's compliance with the rules and regulations, i.e., permits, of the applicable public agencies having jurisdiction over such activity, such as the U.S. Army Corps of Engineers, U.S. Fish and Wildlife Service, NOAA Fisheries, California Department of Fish and Game, State Reclamation Board, and the California Regional Water Quality Control Board.

3. A permit has been issued by the State Department of Industrial Relations for the gas pump, and is inspected twice yearly. A Permit has been issued by the Regional Water Quality Control Board, for the sewage pumpout facility. There have been no violations reported.

4. 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 as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; Title 2, California Code of Regulations, section 2905 (a)(2).

Authority: Public Resources Code section 21084 and Title 14, California Code of Regulations, section 15300 and Title 2, California Code of Regulations, section 2905.

5. 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. Site Map and 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 AS A CATEGORICALLY EXEMPT PROJECT, CLASS 1, EXISTING FACILITIES; TITLE 2, CALIFORNIA CODE OF REGULATIONS, SECTION 2905(a)(2).

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:

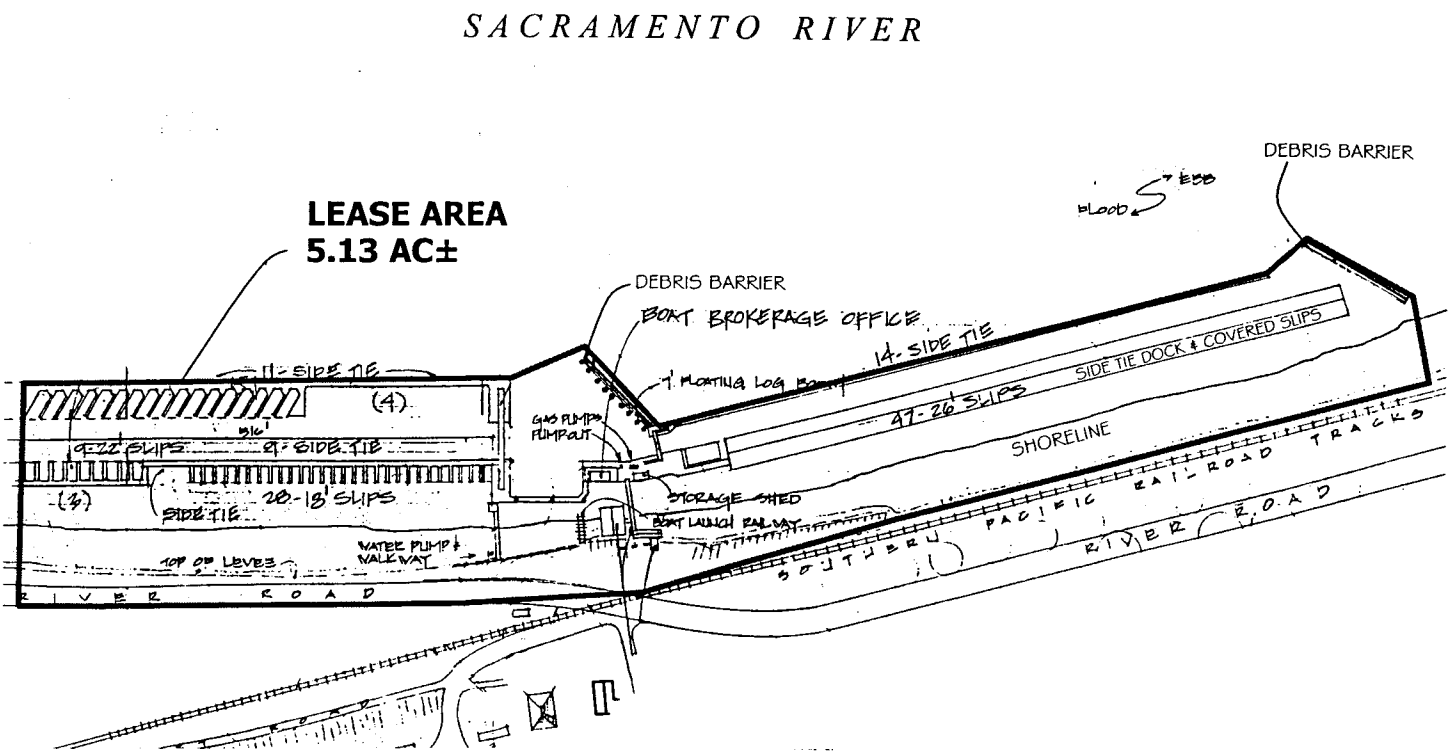
1. AUTHORIZE TERMINATION OF GENERAL LEASE – COMMERCIAL USE, PRC 3264.1, EFFECTIVE MAY 31, 2004.

2. AUTHORIZE ACCEPTANCE OF $30,000.00 AS THE PAYMENT OF BACK RENT, INCLUDING ANY PENALTY AND INTEREST OWING AS OF MAY 31, 2004.

3. AUTHORIZE ISSUANCE TO CLIFF'S RIVER MARINA, INC. OF A GENERAL LEASE - COMMERCIAL USE, BEGINNING JUNE 1, 2004, FOR A TERM OF 25 YEARS, FOR, CONSISTING OF APPROXIMATELY 126 BERTHS, SIDE TIES MEASURING 700 LINEAL FEET, 536 LINEAL FEET, AND 76 LINEAL FEET, RESPECTIVELY, A DEBRIS BARRIER, HARBOR MASTER'S OFFICE, GAS PUMP, SEWAGE PUMPOUT, BOAT LAUNCH, STORAGE SHED, ACCESS BRIDGE, OTHER ANCILLIARY FACILITIES, AND DREDGING, PROVIDED THAT PRIOR TO ANY DREDGING THE LESSEE SHALL OBTAIN PRIOR WRITTEN CONSENT OF THE STAFF OF THE COMMISSION, ON THE LAND SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; CONSIDERATION: MINIMUM ANNUAL RENTAL OF $6, 800.00 AGAINST A PERCENTAGE OF GROSS RECEIPTS: 5% OF GROSS INCOME FOR THE BERTHING, MOORING AND LAUNCHING OF BOATS; 25% OF GROSS INCOME FROM COIN OPERATING VENDING AND ELECTRONIC GAME MACHINES, AND 10% OF OTHER GROSS INCOME; POTENTIAL DREDGING: NO ROYALTY SHALL BE CHARGED; NO ROYALTY SHALL BE CHARGED, AS THE PROJECT WILL RESULT IN A PUBLIC BENEFIT. FUEL SALES: $.015 PER GALLON UP TO 100,000 GALLONS AND $.02 PER GALLON THEREAFTER; WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT RENT PERIODICALLY DURING THE LEASE TERM, AS PROVIDED IN THE LEASE; INSURANCE: $1,000,000 COMBINED SINGLE LIMIT; SURETY BOND: $20,000.

NO SCALE

SITE



CLIFF'S RIVER MARINA
8651 RIVER ROAD, SACRAMENTO RIVER
APN 119-020-44, 47&54

NO SCALE

LOCATION

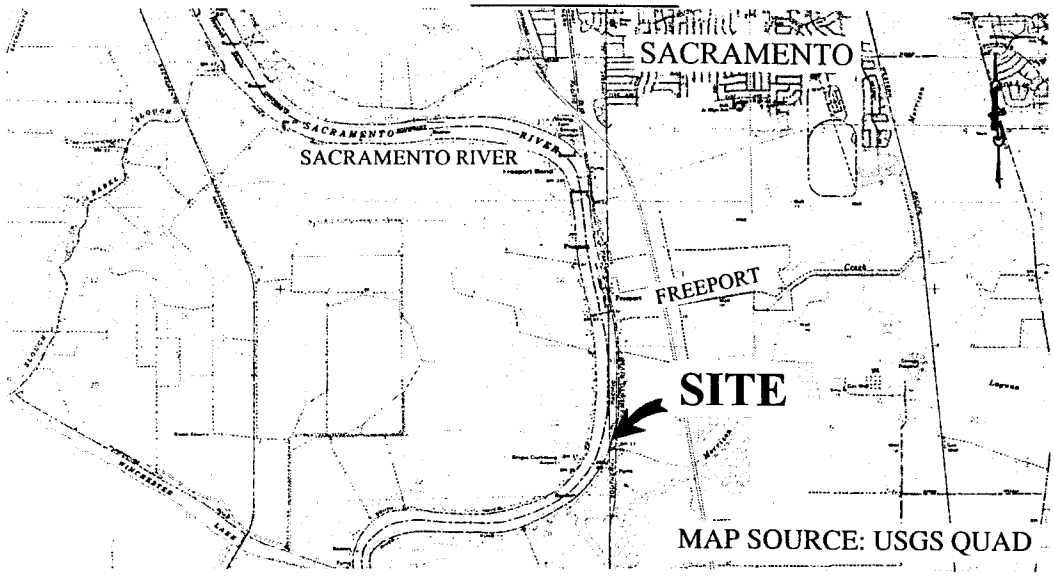


Exhibit A

PRC 3264.1
GENERAL LEASE
COMMERCIAL USE
SACRAMENTO RIVER
SACRAMENTO CO.

MJJ 05/04

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties 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.