

**CALENDAR ITEM
C49**

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06/28/10
PRC 7235.1
PRC 8449.9
D. Oetzel

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**RESCISSION OF APPROVAL OF A DREDGING LEASE
AND AMENDMENT OF LEASE**

LESSEE/APPLICANT:

City of Petaluma
11 English Street
Petaluma, California 94952

AREA, LAND TYPE, AND LOCATION:

Sovereign lands located at Petaluma Marina in the city of Petaluma,
Sonoma County.

AUTHORIZED USE:

PRC 7235.1: Commercial marina with 220 uncovered berths, fuel dock,
launching ramp, and maintenance dredging of a maximum of 13,000 cubic
yards of material annually.

PRC 8449.9: Maintenance dredge a maximum of 25,303 cubic yards of
material annually from Petaluma Marina in the city of Petaluma, Sonoma
County. Dredged sediments placed at the U.S. Army Corps of Engineers
designated upland disposal site at the Petaluma City Dredge Disposal
Area and/or Winter Island.

LEASE TERM:

PRC 7235.1: Thirty years, beginning July 1, 1988.

PRC 8449.9: Ten years, beginning February 18, 2003.

CONSIDERATION:

PRC 7235.1: Minimum annual rent of \$8,078 against a percentage of
gross income from berthing and fuel sales. PRC 8449.9: No royalty
charged as the project has a public benefit. The dredged material may not
be sold.

CALENDAR ITEM NO. **C49** (CONT'D)

PROPOSED AMENDMENT:

Amend PRC 7235.1 to:

1. Lessee is authorized to maintenance dredge a maximum of 38,303 cubic yards of material annually from Petaluma Marina in the city of Petaluma, Sonoma County. Dredged sediments will be placed at the Petaluma City Dredge Disposal Area and/or Winter Island.

All other terms and conditions of the lease shall remain in effect without amendment.

OTHER PERTINENT INFORMATION:

1. On August 10, 1988, the Commission authorized issuance of Lease No. PRC 7235.1, a General lease – Commercial use, to the City of Petaluma for a term of 30 years. That lease authorized operation of a commercial marina and annual maintenance dredging of up to 13,000 cubic yards.
2. On February 21, 2003, the Commission authorized issuance of a Dredging Lease to the City of Petaluma to dredge an additional 24,000 cubic yards of material annually. The lease will expire on February 17, 2013.
3. Due to the need to dredge more volume than that authorized under Lease Nos. PRC 7235.1 and PRC 8449.9, the Lessee applied for a new Dredging Lease. On January 29, 2009, the Commission authorized the acceptance of a quitclaim for the remaining term on Dredging Lease No. PRC 8449.9 and authorized the issuance of a new Dredging Lease. Because the dredging lease area is within the lease area of the commercial marina, staff is now recommending that Lease No. PRC 7235.1 be amended to include the new maintenance dredging and that the January 29, 2009 authorization for the Dredging Lease be rescinded. Thus, all the authorized uses and activities of the two leases will be consolidated under Lease No. PRC 7235.1
4. **Termination of Lease No. PRC 8449.9:** Pursuant to the Commission's delegation of authority and the State CEQA Guidelines [Title 14, California Code of Regulations, Section 15060(c)(3)], the staff has determined that this activity is not subject to the provisions of CEQA because it is not a "project" as defined by CEQA and the State CEQA Guidelines.

CALENDAR ITEM NO. **C49** (CONT'D)

Authority: Public Resources Code Section 21065 and Title 14, California Code of Regulations, Sections 15060(c)(3) and 15378.

5. **Amendment of Lease No. 7235.1:** 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 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.

6. **Maintenance Dredging:** 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 CEQA as a categorically exempt project. The project is exempt under Class 4, Minor Alterations to Land Title 14, California Code of Regulations, section 15304(g).

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

7. 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.

APPROVALS REQUIRED:

U.S. Army Corps of Engineers
San Francisco Bay Conservation and Development Commission
Regional Water Quality Control Board.

EXHIBIT:

- A. Location and Site Map

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CALENDAR ITEM NO. **C49** (CONT'D)

CEQA FINDING:

Issuance of an Amendment to Lease No. PRC 7235.1: Find that the activity is exempt from the requirements of 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)

Maintenance Dredging:

Find that the activity is exempt from the requirements of CEQA pursuant to Title 14, California Code of Regulations, section 15061 as a categorically exempt project, Class 4, Minor Alterations to Land; Title 14, California Code of Regulations, Section 15304(g)

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:

Rescind authorization of Lease No. PRC 8449.9, a Dredging Lease, issued to the city of Petaluma effective June 28, 2010. Authorize amendment of Lease No. PRC 7235.1, a General Lease – Commercial Use, of lands shown on Exhibit A attached and by this reference made a part hereof, effective June 28, 2010, to maintenance dredge a maximum of 38,303 cubic yards of material annually from Petaluma Marina in the city of Petaluma, Sonoma County. Dredged material will be placed at the U.S. Army Corps of Engineers designated upland disposal site at the Petaluma City Dredge Disposal Area and/or Winter Island. All other terms and conditions of the lease will remain in effect without amendment.

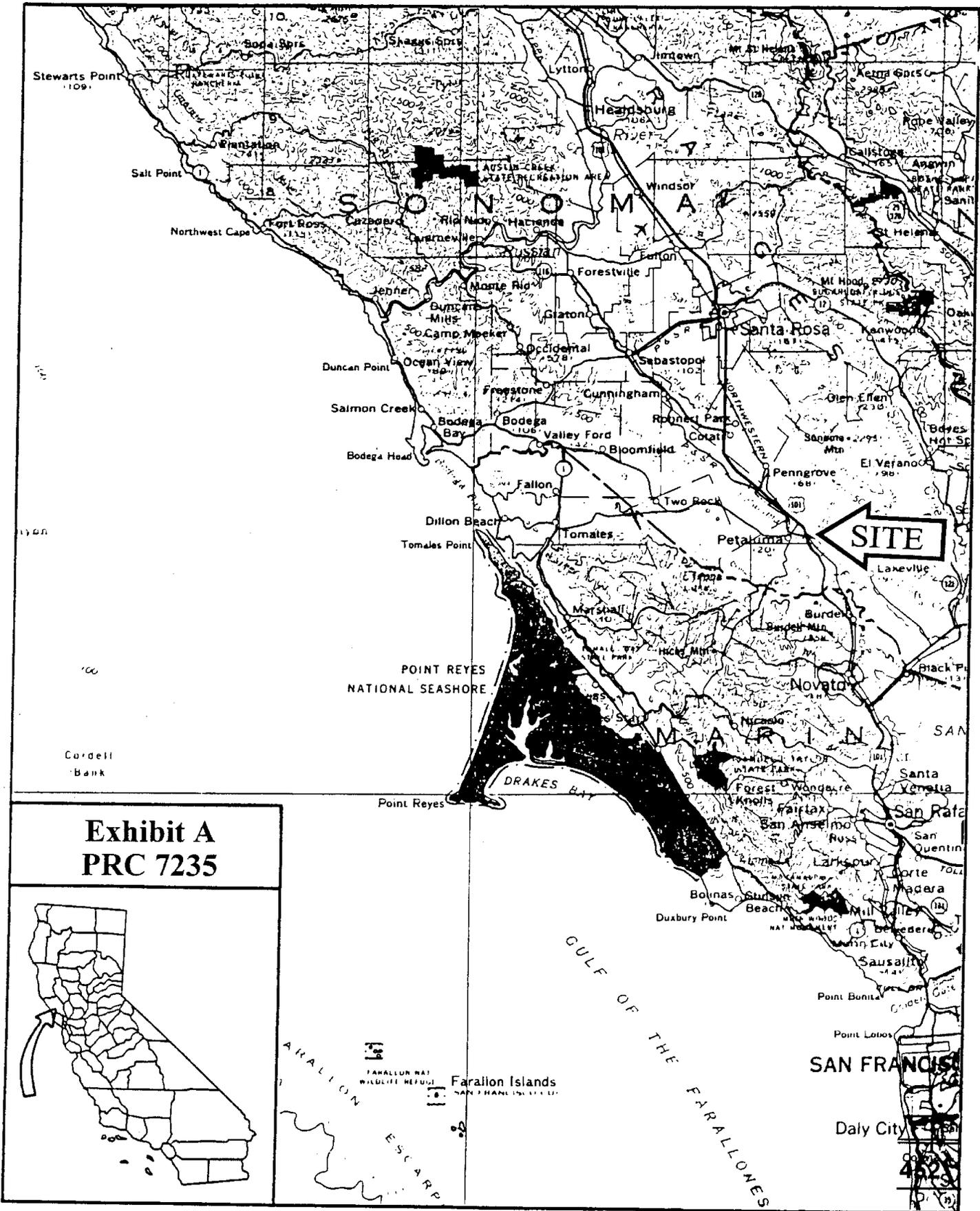


Exhibit A
PRC 7235



FARALLON ISLANDS
WILDLIFE REFUGE
FARALLON ESCARP

452