

**CALENDAR ITEM
C39**

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04/26/13
PRC 6836.1
N. Lavoie

**GENERAL LEASE – COMMERCIAL USE AND
ENDORSEMENT OF A SUBLEASE**

APPLICANT/SUBLESSOR:

George A. Heiner

SUBLESEE:

Club 2000 Inc., doing business as The Boathouse Marina

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the Sacramento River, adjacent to 13900 River Road, in the town of Locke, Sacramento County.

AUTHORIZED USE:

LEASE: The continued use and maintenance of an existing commercial marina known as The Boathouse Marina with berthing, fuel dispenser, pumpout station, launching, dry docking, and manager's quarters, and other related marina operations.

SUBLEASE: Operation and maintenance of a commercial marina.

LEASE TERM:

21 years, beginning January 1, 2013.

CONSIDERATION:

\$4,517 per year, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

SPECIFIC LEASE PROVISIONS:

Insurance:

Liability insurance in an amount no less than \$1,000,000 per occurrence and no less than \$2,000,000 aggregate.

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Bond:

Surety bond or other security in the amount of \$8,000.

Other:

The Lessee must implement the Commission's "Best Management Practices for Marina Owners/Operators" and encourage implementation of the Commission's "Best Management Practices for Berth Holders and Boaters", including additional Best Management Practices (BMPs) the Commission subsequently deems appropriate for either of the above categories. The Lessee shall provide the Commission, on the first anniversary of the lease and on every third anniversary thereafter, a report on compliance with all BMPs.

OTHER PERTINENT INFORMATION:

1. Applicant owns the upland adjoining the lease premises.
2. On May 23, 1985, the Commission authorized a 25-year General Lease – Commercial Use to Frank Schmiedel, individually, and The Boathouse in Locke, Inc., a California corporation. On December 10, 1997, Frank Schmiedel and The Boathouse in Locke, Inc. assigned the lease to River Island Land Co., Inc., a California corporation without obtaining the Commission's consent as required by the lease. On August 17, 2004, the Commission ratified the prior assignment and authorized the assignment of the lease from River Island Land Co., Inc. to George Heiner, who purchased the marina and adjacent upland. The lease expired on December 31, 2009. The Applicant is now applying for a new General Lease – Commercial Use and an endorsement of a sublease of the Lease Premises to Club 2000 Inc., d.b.a. The Boathouse Marina.
3. The Boathouse Marina is located in the town of Locke, which is listed with the National Park Service under the National Register of Historic Places Program. In addition, this area is also part of a Special Planning Area within Sacramento County. The current 'boathouse' was constructed around 1909 by the Southern Pacific Railroad after the extension of a rail line into the area in 1907. Construction of the corrugated sheet metal shed was completed by 1927, and various packing companies rented space in it.
4. Currently the Boathouse is used as a marina facility. The facility includes a portion of the Boathouse extending over State lands, which includes one marine fuel dispenser and hose reels, walkways, boat lift/launch, two

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restrooms with showers, a laundry room, dry dock boat storage spaces, a small boat repair shop, and a marina manager's quarters. On the water there are covered docks with electrical and water hookups, an accommodation and fueling dock, a pumpout station, and debris diverter.

5. The Applicant has delegated the operation of the marina through a lease to Club 2000 Inc. and is requesting an endorsement of the sublease for the day-to-day operation of the marina. Staff has reviewed the operating agreement and recommends Commission endorsement of the sublease agreement between the parties.
6. The Boathouse Marina is vulnerable to theft and property destruction and has experienced vandalism, accidents, fires, and other on-the-water problems, requiring immediate action for the overall safety and security of the facility and the public. These factors support a limited and controlled presence of navigable vessels to be occupied on a 24-hour basis for security purposes. Taking into account the size and design of the marina, staff is recommending that no more than two navigable vessels be used for security purposes. These vessels will be located in strategically designated slips subject to the approval of Commission staff. The security vessels will be required to leave the marina waters at least once every 90 days for a minimum of six hours and the Applicant is required to maintain an annual log to be made available to Commission staff upon request. The two authorized vessels will be in addition to the marina manager's quarters located within the Boathouse portion of the marina.
7. **Issuance of New Lease:** The staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

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

8. **Approval of Sublease:** The staff recommends that the Commission find that the subject approval of a sublease does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with the CEQA.

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

9. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq., but such activity will not affect those significant lands. 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.

EXHIBITS:

- A. Land Description
- B. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Issuance of New Lease: Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15061 as a categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

Approval of Sublease: Find that the subject approval of a sublease is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, 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 section 6370 et seq.

AUTHORIZATION:

1. Authorize issuance of a General Lease – Commercial Use to George A. Heiner beginning January 1, 2013, for a term of 21 years, for the continued use and maintenance of an existing

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commercial marina known as The Boathouse Marina as described in Exhibit A and as shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; annual rent in the amount of \$4,517, adjusted annually by the California Consumer Price Index, with the State reserving the right to fix a different rent periodically during the lease term as provided in the lease; liability insurance with coverage of no less than \$1,000,000 per occurrence and no less than \$2,000,000 aggregate; and surety bond in the amount of \$8,000.

2. Approve, by endorsement, a sublease between George A. Heiner; and Club 2000 Inc., d.b.a. The Boathouse Marina, with a term not to exceed the term of the lease, for the operation and maintenance of the marina.

EXHIBIT A

PRC 6838.1

LAND DESCRIPTION

A parcel of tide and submerged land, situate in the bed of the Sacramento River, lying adjacent to Lots 3 & 4 of fractional Section 26, Township 5 North, Range 4 East, MDM, as shown on Official Government Township Plat approved June 18, 1859, County of Sacramento, State of California and being more particularly described as follows:

COMMENCING at a point being the south corner, on the west line, of 'Parcel 1' as shown on that Parcel Map filed 12/26/2001 in Book 163 of Parcel Maps, Page 17, Sacramento County, which bears S 79°16'23" E 11.30 feet from a 1" iron pipe, tagged LS 5528 as shown on said map; thence S 79°16' 23" E 100 feet more or less to a point on the left bank of the Sacramento River, said point also being the POINT OF BEGINNING; thence southerly along said bank S 06° 13' 16" E 203.93 feet; thence leaving said bank S 77° 33' 07" W 77.19 feet; thence along the following four (4) courses:

- 1) N 09° 38' 16" W 453.44 feet;
- 2) N 16° 49' 57" W 488.96 feet;
- 3) N 23° 13' 43" W 359.24 feet;
- 4) N 22° 57' 32" E 133.42 feet to a point on the left bank of said river; thence southeasterly and southerly along said bank the following four (4) courses:
 - 1) S 25° 02' 00" E 329.58 feet;
 - 2) S 18° 07' 56" E 304.97 feet;
 - 3) S 14° 02' 19" E 475.02 feet;
 - 4) S 06° 13' 04" E 99.96 feet to the POINT OF BEGINNING.

EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark of the left bank of said river.

BASIS OF BEARING is Parcel Map filed 12/26/2001 in Book 163 of Parcel Maps, Page 17, Sacramento County.

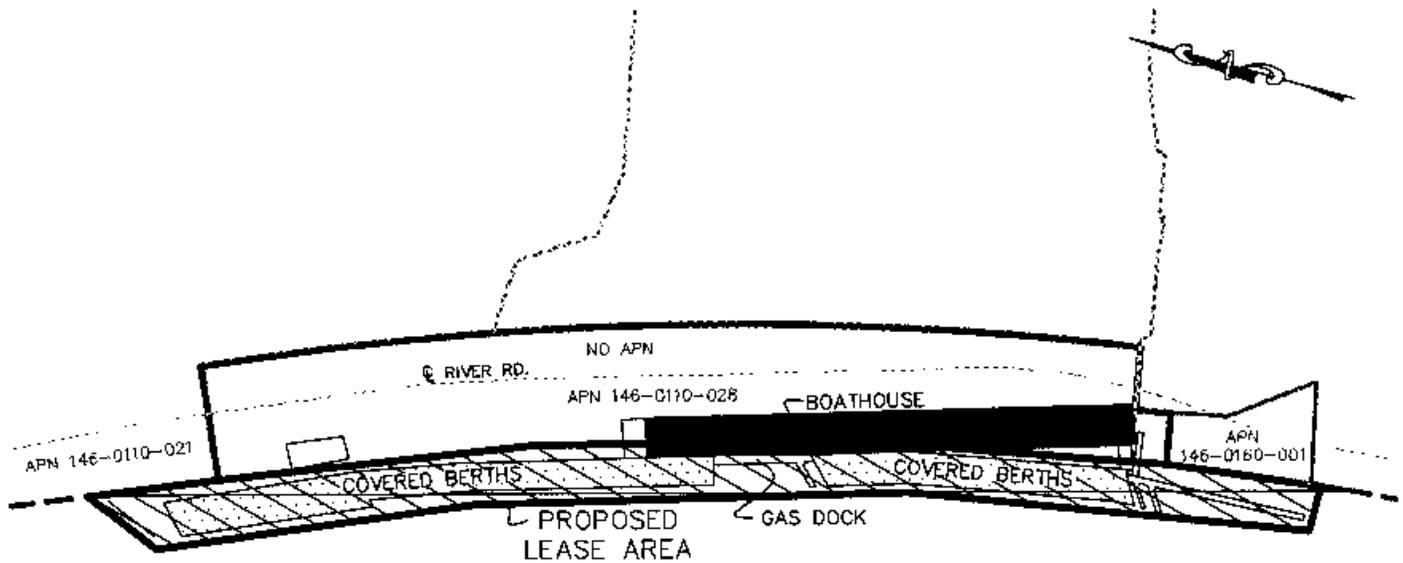
END OF DESCRIPTION

PREPARED 4/19/13 BY THE CALIFORNIA STATE LANDS COMMISSION BOUNDARY UNIT



NO SCALE

SITE

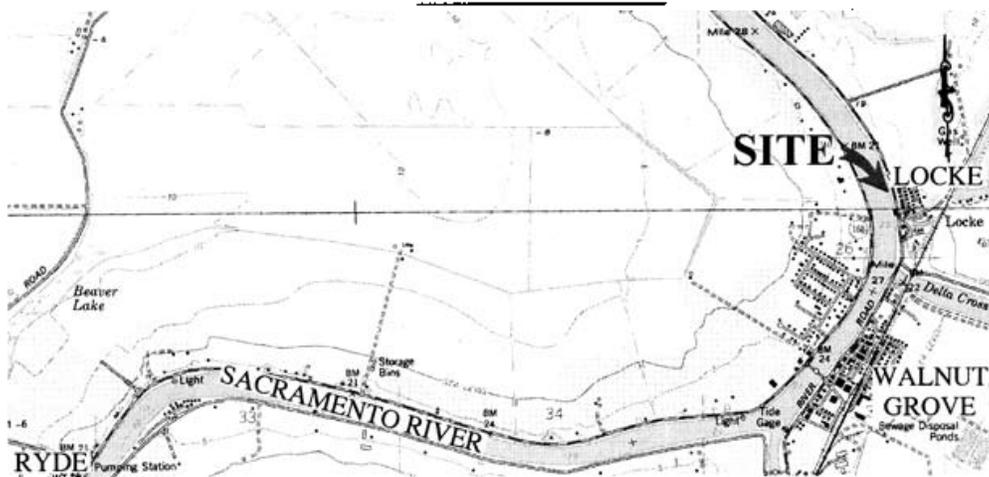


SACRAMENTO RIVER

Boathouse Marina - 13900 River Rd. Sacramento River, Locke

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit B

PRC 6836.1

HEINER

APN 146-0110-021,028,

146-0160-001

GENERAL LEASE -

COMMERCIAL USE

SACRAMENTO COUNTY



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.

MJF 4/19/13