

**CALENDAR ITEM  
C09**

A 10  
S 7

12/02/13  
PRC 4813.1  
R. Boggiano

**REVISION OF RENT**

**LESSEE:**

Forestar (USA) Real Estate Group, Inc.

**LAND TYPE AND LOCATION:**

Sovereign land in the San Joaquin River, adjacent to 2301 Wilbur Road, near the city of Antioch, Contra Costa and Sacramento counties.

**AUTHORIZED USE:**

Continued use and maintenance of non-operational pulp mill facilities including a maintenance pier, two dolphins, a 42-inch-diameter water intake pipeline, one 18-inch and one 26-inch-diameter discharge pipeline and diffusers, and a 36-inch-diameter effluent pipeline.

**LEASE TERM:**

15 years, beginning January 8, 2007.

**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 rent be revised from \$31,978 per year to \$34,151 per year, effective January 8, 2014.

**OTHER PERTINENT INFORMATION:**

1. On December 3, 2008, the Commission authorized Lease No. PRC 4813.1, a General Lease - Industrial Use, to Forestar (USA) Real Estate Group, Inc.(Forestar) for the use and maintenance of a non-operational maintenance pier, two dolphins, a 42-inch-diameter water intake pipeline, one 18-inch- and one 26-inch-diameter discharge pipeline and diffusers, and a 36-inch-diameter effluent pipeline. The lease will expire on January 7, 2022.
2. The facilities have been used in conjunction with the upland east mill recycle paper site in Antioch. The Lessee purchased the facilities to resell

CALENDAR ITEM NO. **C09** (CONT'D)

at a later date with no intent to operate the paper mill. The east mill site was shut down in 1991 and both the effluent discharge and water intake pipelines have now been capped and sealed. Under the terms and conditions of the lease, Forestar is required to seek prior authorization from the Commission for any proposed new uses and prior to the re-activation of the improvements on the Lease Premises.

3. Staff conducted a rent review called for in the lease and recommends that the rent be increased.
4. Staff recommends that the Commission find that the subject revision of rent 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 California Environmental Quality Act (CEQA).

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

**EXHIBIT:**

- A. Site And Location Map

**RECOMMENDED ACTION:**

It is recommended that the Commission:

**CEQA FINDING:**

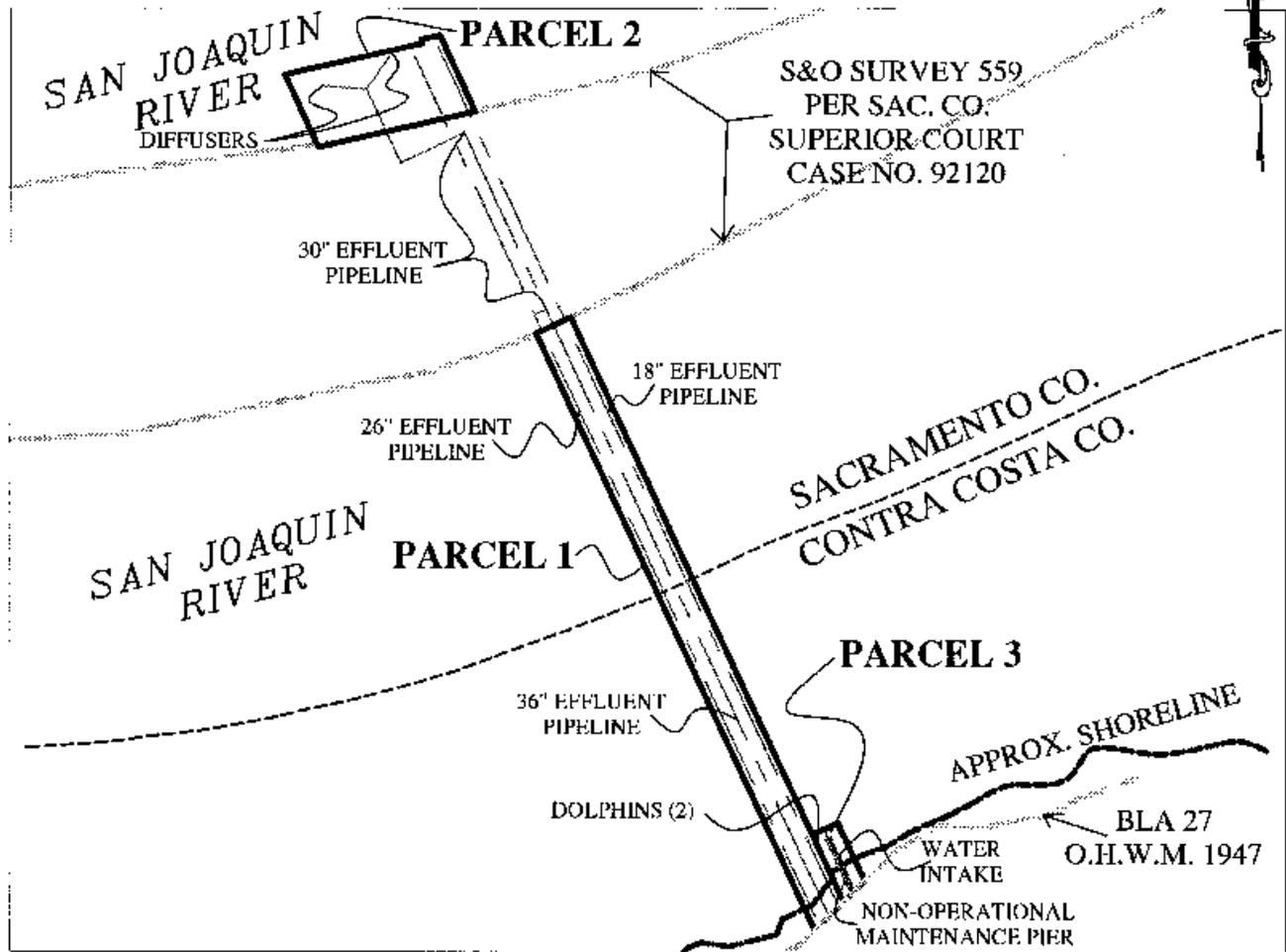
Find that the subject revision of rent is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.

**AUTHORIZATION:**

Approve the revision of rent for Lease No. PRC 4813.1 from \$31,978 per year to \$34,151 per year, effective January 8, 2014.

NO SCALE

### SITE



2301 Wilbur Avenue, Antioch

NO SCALE

### LOCATION



MAP SOURCE: USGS QUAD

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.

### Exhibit A

PRC 4813.1  
 APN 051-031-005, 158-0100-001  
 FORESTAR (USA) REAL ESTATE  
 GROUP, INC.  
 GENERAL LEASE - INDUSTRIAL USE  
 CONTRA COSTA & SACRAMENTO  
 COUNTY

