

STAFF REPORT

59

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06/28/19
PRC 6696.1
D. Simpkin

REVISION OF RENT

LESSEE:

City of Avalon

AREA, LAND TYPE, AND LOCATION:

10.5 acres, more or less, of sovereign land in the Pacific Ocean at Hamilton Cove, Santa Catalina Island, Los Angeles County.

AUTHORIZED USE:

Continued use and maintenance of 10 mooring buoys.

LEASE TERM:

15 years, beginning July 1, 2014.

CONSIDERATION:

This lease provides that the Commission may modify the rent periodically during the lease term. Pursuant to this provision, staff reviewed the rent under this lease and recommends that minimum rent be revised from \$4,580 per year to \$5,650 per year, against 25 percent of the gross income derived from the leased moorings, effective July 1, 2019.

OTHER PERTINENT INFORMATION:

1. On December 18, 2015, the Commission authorized a General Lease – Commercial Use to City of Avalon for a term of 15 years beginning July 1, 2014 ([Item C92, December 18, 2015](#)). The lease will expire on June 30, 2029.
2. Approval or denial of the revision of rent is a discretionary action by the Commission. Each time the Commission approves or rejects a revision of rent, it exercises legislatively delegated authority and responsibility as trustee of the State's Public Trust lands as authorized by law. Upon expiration or prior termination of the lease, the lessee has no right to a new lease or to renewal of any previous lease.

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3. This action is consistent with Strategy 2.2 of the Commission's Strategic Plan to ensure timely receipt of revenues and royalties from the use and development of State lands and minerals.
4. Approving the revision of rent is not a project as defined by the California Environmental Quality Act because it is an administrative action that will not result in direct or indirect physical changes in the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, title 14, section 15378, subdivision (b)(5).

EXHIBIT:

- A. Site and Location Map

RECOMMENDED ACTION:

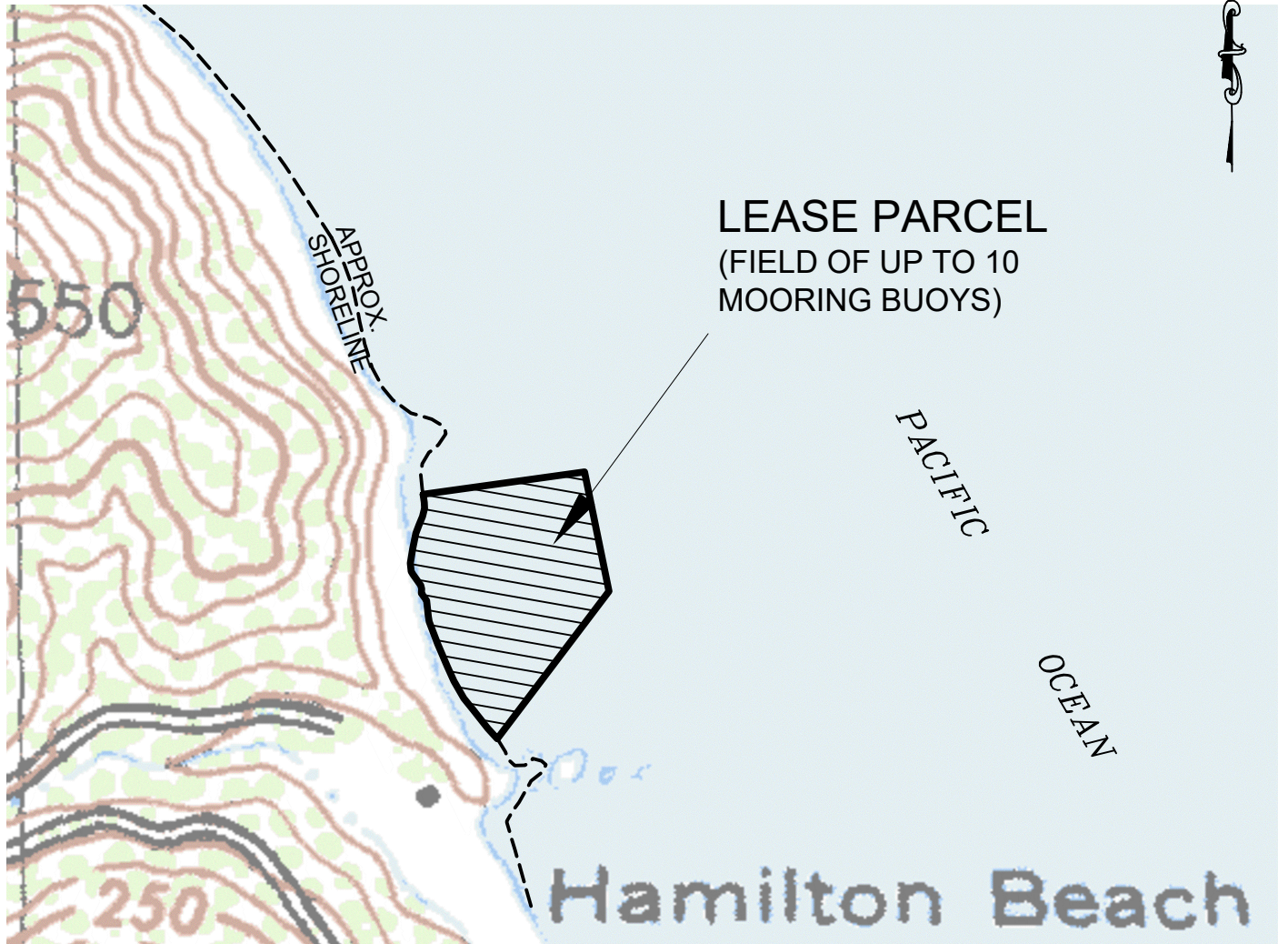
It is recommended that the Commission:

AUTHORIZATION:

Approve the revision of minimum rent for Lease No. PRC 6696.1 from \$4,580 per year to \$5,650 per year, against 25 percent of gross income derived from the leased moorings, effective July 1, 2019.

NO SCALE

SITE



HAMILTON COVE, CITY OF AVALON

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 6696.1
CITY OF AVALON
GENERAL LEASE-
COMMERCIAL USE
LOS ANGELES COUNTY

