

MINUTE ITEM

17. (REQUEST OF C. A. HOOPER & CO. FOR TERMINATION OF LEASE NO. 17.1, CH. 69/29 AND RELEASE OF SAID COMPANY FROM CONTINGENT LIABILITY ON LEASES 14.1, 14.1 SUPPLEMENT, AND 18.1, CH. 69/29 - W.O. 3000; ISSUANCE OF NEW LEASES TO KAISER GYPSUM COMPANY, INC. - W.O. 3143, P.R.C. 2338.1 AND TO PACIFIC GAS AND ELECTRIC COMPANY - W.O. 3144, P.R.C. 2339.1.)

After consideration of Calendar Item 20 attached, and upon motion duly made and unanimously carried, the following resolution was adopted:

THE EXECUTIVE OFFICER IS AUTHORIZED TO EXECUTE THE DOCUMENT NECESSARY TO RELIEVE C. A. HOOPER & CO. OF ITS CONTINGENT LIABILITY ON LEASES 14.1, 14.1 SUPPLEMENT, AND 18.1, CHAPTER 69/29, AND THE EXECUTIVE OFFICER IS FURTHER AUTHORIZED TO ISSUE A NEW LEASE TO PACIFIC GAS AND ELECTRIC COMPANY AT AN ANNUAL RENTAL OF \$3,495.70 AND ALSO A NEW LEASE TO KAISER GYPSUM COMPANY, INC. AT A TOTAL RENTAL OF \$3,189.67.

FURTHER, THE EXECUTIVE OFFICER IS AUTHORIZED TO WITHDRAW AND RELEASE THE CLAIM OF THE STATE OF CALIFORNIA WHICH HAS HERETOFORE BEEN FILED IN THE MATTER OF C. A. HOOPER & CO., (DISSOLUTION PROCEEDING) PENDING IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA IN AND FOR THE CITY AND COUNTY OF SAN FRANCISCO AND NUMBERED 480382 IN THE FILES OF SAID COURT.

Attachment

Calendar Item 20 (2 pages)

CALENDAR ITEM

MISCELLANEOUS

20.

(REQUEST OF C. A. HOOPER & CO. FOR TERMINATION OF LEASE NO. 17.1, CH. 69/29 AND RELEASE OF SAID COMPANY FROM CONTINGENT LIABILITY ON LEASES 14.1, 14.1 SUPPLEMENT AND 18.1, CH. 69/29 - W.O. 3000.)

A request has been received from the attorneys of C. A. Hooper & Co. of San Francisco to terminate Lease 17.1, Ch. 69/29, and to relieve C. A. Hooper & Co. of its contingent liability as assignors of Leases 14.1, 14.1 Supplement, and 18.1, Ch. 69/29. C. A. Hooper & Co. was the lessee from the State of certain tidelands contained within the above-cited leases on the Sacramento River and New York Slough in the vicinity of Pittsburg, California. The three leases entered into in 1930 were pursuant to the authority granted by Chapter 69 of 1929, for a term of 40 years with a right to renew in the lessee for an additional 25 years. The rent in each of the leases was to remain constant throughout the entire term of the lease, including the renewal period, based on appraised prices of the property as determined in 1930.

C. A. Hooper & Co. has assigned Leases 14.1, 14.1 Supplement, and 18.1 to the United States Steel Corporation or its predecessor corporation, which assignment has been accepted heretofore by the State Lands Commission and for which rents are now being received from the United States Steel Corporation. Under the assignment of the leases to the United States Steel Corporation, C. A. Hooper & Co. are bound on a contingent liability as the original lessees from the State. C. A. Hooper & Co. now desires to be released of all contingent liabilities on the two aforementioned leases so that proceedings for dissolution of the company can be concluded.

C. A. Hooper & Co. is also the original lessee of Lease 17.1, Ch. 69/29, which it now proposes to terminate by mutual agreement with the State as permitted in the lease. In conjunction with termination of Lease 17.1, a portion thereof will be leased to the Pacific Gas and Electric Company, the present sublessee of C. A. Hooper & Co., for a term to expire June 20, 1970 at an annual rental of \$3,495.70, payable on or before the 21st day of June 1959 and on or before the 21st day of each succeeding June until the end of the term.

As further consideration for the State's agreement to terminate Lease 17.1, another portion of said lease will be leased to Kaiser Gypsum Company, Inc., present sublessee of C. A. Hooper & Co., for a term to end the 20th day of June 1970, at a total rent of \$3,189.67, payable in full by C. A. Hooper & Co. upon the execution of the lease between the State and Kaiser Gypsum Company, Inc.

In consideration of C. A. Hooper & Co.'s relinquishment of its right to renew Lease 17.1 for a period of 25 years from and after June 20, 1970, it appears reasonable that the State should release the company from its contingent liability on Leases 14.1, 14.1 Supplement, and 18.1 to which the United States Steel Corporation is now bound.

MISCELLANEOUS 20. (CONTD.)

IT IS RECOMMENDED THAT THE EXECUTIVE OFFICER BE AUTHORIZED TO EXECUTE THE DOCUMENT NECESSARY TO RELIEVE C. A. HOOPER & CO. OF ITS CONTINGENT LIABILITY ON LEASES 14.1, 14.1 SUPPLEMENT, AND 18.1, CHAPTER 69/29, AND THAT THE EXECUTIVE OFFICER BE FURTHER AUTHORIZED TO ISSUE A NEW LEASE TO PACIFIC GAS AND ELECTRIC COMPANY AT AN ANNUAL RENTAL OF \$3,495.70 AND ALSO A NEW LEASE WITH KAISER GYPSUM COMPANY, INC. AT A TOTAL RENTAL OF \$3,189.67.

IT IS FURTHER RECOMMENDED THAT THE EXECUTIVE OFFICER BE AUTHORIZED TO WITHDRAW AND RELEASE THE CLAIM OF THE STATE OF CALIFORNIA WHICH HAS HERETOFORE BEEN FILED IN THE MATTER OF C. A. HOOPER & CO., (DISSOLUTION PROCEEDING) PENDING IN THE SUPERIOR COURT OF THE STATE OF CALIFORNIA IN AND FOR THE CITY AND COUNTY OF SAN FRANCISCO AND NUMBERED 480382 IN THE FILES OF SAID COURT.