

7. 15-YEAR INDUSTRIAL LEASE, TIDE AND SUBMERGED LAND IN HUMBOLDT BAY AT SAMOA, HUMBOLDT COUNTY; NORTH COAST EXPORT COMPANY - W 20295, PRC 4728.1.

During consideration of Calendar Item 5 attached, the Executive Officer reported that originally objections were voiced to issuance of the lease on ecological grounds. However, if the lease is issued, the lessee will be required to remove the fill that is allegedly in place, and the proposed new structure should not have any adverse effects on the Bay.

Mr. William S. Phillips, Division Timber Planning, Champion International Corporation (U.S. Plywood) appeared, stated that his company was the owner of the adjoining area, and that the new plant would overshadow its property. After the Executive Officer pointed out that the proposed tideland lease would be limited so that there would be no obstruction, Mr. Phillips withdrew his objection.

Upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION:

1. FINDS THAT, IN ACCORDANCE WITH ENVIRONMENTAL IMPACT REPORT NO. 84 ON FILE IN THE OFFICE OF THE STATE LANDS COMMISSION AND BY REFERENCE MADE A PART HEREOF, AN INDUSTRIAL LEASE, INCLUDING DREDGING, AS RECOMMENDED HEREIN WILL NOT HAVE A SIGNIFICANT DETRIMENTAL ENVIRONMENTAL EFFECT.
2. AUTHORIZES THE ISSUANCE TO NORTH COAST EXPORT COMPANY OF A 15-YEAR INDUSTRIAL LEASE IN THE FORM OF A LEASE ON FILE IN THE OFFICE OF THE STATE LANDS COMMISSION AND BY REFERENCE MADE A PART HEREOF FROM FEBRUARY 1, 1973; IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF \$10,725, WITH STATE RESERVING THE RIGHT TO RESET A REASONABLE RENTAL ON EACH FIFTH ANNIVERSARY; PROVISION OF A \$50,000 SURETY BOND, PUBLIC LIABILITY INSURANCE IN AMOUNTS OF \$500,000/\$1,000,000 FOR PERSONAL INJURY AND \$250,000 FOR PROPERTY DAMAGE; FOR THE CONSTRUCTION AND OPERATION OF A WOOD CHIP LOADING FACILITY ON THE LAND DESCRIBED IN EXHIBIT "A", PARCEL A, ATTACHED AND BY REFERENCE MADE A PART HEREOF; PROVIDED THAT A U.S. CORPS OF ENGINEERS PERMIT SHALL BE PREREQUISITE TO ISSUANCE OF SUCH LEASE.
3. AUTHORIZES THE INCLUSION IN THE LEASE TO NORTH COAST EXPORT COMPANY OF PERMISSION, EFFECTIVE CONCURRENTLY WITH THE TERM OF THE U.S. ARMY CORPS OF ENGINEERS PERMIT, TO DREDGE APPROXIMATELY 72,000 CUBIC YARDS OF MATERIAL, AT A ROYALTY RATE OF \$0.10 PER CUBIC YARD FOR ALL MATERIAL REMOVED, FROM THE LAND DESCRIBED IN EXHIBIT "A", PARCEL A-1, ATTACHED AND BY REFERENCE MADE A PART HEREOF.

Attachment:

Calendar Item 5 (3 pages)

CALENDAR ITEM

5.

1/73
EWC
W 20295

INDUSTRIAL LEASE

APPLICANT: North Coast Export Company.

LOCATION: A 14.02-acre parcel of tide and submerged land in Humboldt Bay at Samoa, Humboldt County.

LAND USE: To construct and operate a wood chip loading facility, and to dredge approximately 72,000 cubic yards of material for a mooring basin appurtenant thereto.

PROPOSED DREDGING PERMIT TERMS:

Period to run concurrently with U.S. Army Corps of Engineers permit authorizing the project.

TERMS OF PROPOSED LEASE:

Initial period: 15 years, from February 1, 1973.

Renewal options: 2 additional periods of 10 years each.

Surety bond: \$50,000.

Public liability insurance:

\$500,000/\$1,000,000 for personal injury and \$250,000 for property damage.

Special:

Lessee shall remove, at its own expense and concurrently with the construction authorized therein, existing dolphins and an existing fill extending into Humboldt Bay waterward of the lessee's upland property. The intent is to limit construction allowed upon State lands to an open pile structure.

CONSIDERATION: \$10,725 per annum, with State reserving the right to review and reset a reasonable rental on each fifth anniversary. For dredging, \$0.10 per cubic yard for material removed.

BASIS FOR CONSIDERATION:

6% of appraised value of land.

PREREQUISITE TERMS:

U.S. Army Corps of Engineers permit applied for. The issuance of such permit will be prerequisite to a lease.

Applicant is owner of upland.

CALENDAR ITEM NO. 5 (CONTD)

STATUTORY AND OTHER REFERENCES:

- a. Public Resources Code: Division 6, Parts 1 and 2.
- b. Administrative Code: Title 2, Division 3, Articles 1 and 2.

OTHER PERTINENT INFORMATION:

1. The lessee has agreed to remove, at its own expense, an existing trespassing fill constructed by the former owner of the upland property.
2. An environmental impact report has been prepared and circulated to agencies and persons with jurisdiction and expertise. Comments received as to form and substance have been noted and incorporated into the body of the report. One adverse comment was received. Investigation revealed that at least in part, it was based upon an illegal fill blocking littoral processes and apparently proposed to be left in place. Upon being notified of the requirement for removal of the fill, most respondents indicated they would not need to revise their comments.

EXHIBITS:

- A. Description of Lease and Dredge Area.
- B. Location Map.
- C. Form of Lease.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT, IN ACCORDANCE WITH ENVIRONMENTAL IMPACT REPORT NO. 84 ON FILE IN THE OFFICE OF THE STATE LANDS COMMISSION AND BY REFERENCE MADE A PART HEREOF, AN INDUSTRIAL LEASE, INCLUDING DREDGING, AS RECOMMENDED HEREIN WILL NOT HAVE A SIGNIFICANT DETRIMENTAL ENVIRONMENTAL EFFECT.
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Attachment: Exhibit "A"

EXHIBIT "A"

W 20295

Those parcels of tide and submerged land lying in Humboldt Bay, Humboldt County, State of California, more particularly described as follows:

PARCEL A:

COMMENCING at U.S. Monument No. 20 on the U.S. Harbor Base Line and running thence N 18° 06' 47" E along said Harbor Base Line 277.75 feet to the north line of the Town of Fairhaven according to the map thereof filed in the office of the County Recorder of said County in Book 1 of Maps at page 21; thence along said north line S 71° 53' 13" E 438.14 feet more or less to the east line of Tideland Survey No. 75, said Survey being patented November 29, 1871, by the State of California to George M. and Nathan Fay, and the TRUE POINT OF BEGINNING of the herein-described parcel; thence from said true point of beginning S 73° 51' 35" E 643. feet; thence N 16° 08' 25" E, parallel with the U.S. Pierhead Line, 887.86 feet; thence N 73° 51' 35" W 719.19 feet more or less to the east line of said Tideland Survey No. 75; thence along said east line of Tideland Survey No. 75 S 26° 03' 47" W 55.80 feet; thence continuing along said east line S 10° 18' 47" W 837.22 feet to the point of beginning.

PARCEL A-1:

COMMENCING at the true point of beginning of the above-mentioned Parcel A; thence S 73° 51' 35" E 450 feet to the TRUE POINT OF BEGINNING of this parcel; thence the following 11 courses:

1. S 10° W 285 feet;
2. S 28° E 220 feet;
3. N 16° 08' 25" E parallel with the before-mentioned Pierhead Line 870 feet;
4. N 36° 30' E 420 feet;
5. N 56° E 330 feet;
6. N 4° E 520 feet;
7. S 75° W 820 feet;
8. S 01° 30' E 610 feet;
9. S 21° W 390 feet;
10. S 19° E 200.16 feet;
11. S 10° W 26.71 feet to the point of beginning.

EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark.

The basis of bearings of these descriptions are based on the U.S. Army Corps of Engineers "Map of Harbor Lines of Humboldt Bay, August 1, 1957."

END OF DESCRIPTION

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