

29. APPROVAL OF A SUBLEASE OF THE SANTA CLARA COUNTY PALO ALTO AIRPORT PROPERTY, SANTA CLARA COUNTY, PURSUANT TO PROVISIONS OF LEASE PRC 4598.9 - W 8911, PRC 4598.9.

After consideration of Calendar Item 27 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION:

1. DETERMINES THAT AN ENVIRONMENTAL IMPACT REPORT HAS NOT BEEN PREPARED COVERING THIS PROJECT BUT THAT A NEGATIVE DECLARATION WAS PREPARED BY SANTA CLARA COUNTY ON NOVEMBER 21, 1973.
2. CERTIFIES THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED IN THE NEGATIVE DECLARATION.
3. DETERMINES THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
4. RESCINDS ITS APPROVAL OF JUNE 28, 1973 (MINUTE ITEM 28, PAGE 526) AS TO THE FORMER SUBLEASE TO WOODROW C. ERSTED.
5. AUTHORIZES THE APPROVAL BY ENDORSEMENT OF A SUBLEASE UNDER LEASE PRC 4598.9, BY THE COUNTY OF SANTA CLARA TO F & M AVIATION CENTER, A CALIFORNIA LIMITED PARTNERSHIP; PROVIDED THAT THE SUBLEASE SHALL BE SUBJECT TO COMPLIANCE BY THE COUNTY OF SANTA CLARA WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT OF 1970, AS AMENDED, AND THE STATE GUIDELINES FOR IMPLEMENTATION THEREOF.

Attachment:

Calendar Item 27 (3 pages)

CALENDAR ITEM

5/74
HAM
W 8911

27.

APPROVAL OF A SUBLEASE OF THE SANTA CLARA COUNTY PALO ALTO
AIRPORT PROPERTY, SANTA CLARA COUNTY, PURSUANT TO PROVISIONS
OF LEASE PRC 4598.9

On June 23, 1971 (Minute Item 3, page 369), the State Lands Commission authorized issuance of Lease PRC 4598.9 to the County of Santa Clara as to all right, title and interest of the State in and upon those sovereign lands located within those parcels of real property situated in Santa Clara County more particularly described in the sub-leases on file in the office of the State Lands Division and by reference made a part hereof. PRC 4598.9 is also recorded in Book 9672, pages 453/465, inclusive, of Official Records, Recorder's Office, Santa Clara County.

The subject agreement provides for the orderly development by the County of Santa Clara of the lands for the construction, operation and proper maintenance of yacht harbors, yacht harbor facilities, an airport and airport related facilities.

The term of the agreement, beginning June 2, 1971, is for 46 years and 4 months or through October 1, 2017.

The consideration for the lease is the public benefit, with the State reserving the right to review the consideration at any time and to set a monetary rental if in the State's best interest.

Paragraph 8, pages 4 and 5 of the agreement reads as follows:

"That Lessee as an incident to the development of yacht harbors or airport may, with the prior approval of the State sublet said lands or any portion thereof for development, operation and use for facilities related to marina and airport purposes. The State hereby approves existing subleases of Lessee to:

- Nystrom Aviation Corporation dated 12/23/69.
- Palo Alto Aviation, Inc. dated 12/23/69.
- Encinal Park, Inc. dated 12/23/69 and that certain modification of agreement for lease of Santa Clara County Palo Alto property dated 9/29/70.

Any modification or amendment of any sub-lease pursuant to this paragraph shall also require prior written approval of the State. Lessee also shall not assign this or any portion thereof without prior written approval of the State."

CALENDAR ITEM NO. 27. (CONTD)

On June 28, 1973 (Minute Item 28, page 526), the State Lands Commission authorized the approval of two sub-leases by the County of Santa Clara of the Santa Clara County Palo Alto Airport property pursuant to the provisions of the same PRC 4598.9 to:

- Lewis J. Rattner, DBA Airport Associates of Palo Alto.
- Woodrow C. Ersted, an individual.

The County of Santa Clara has informed the State Lands Division that the above sub-lease to Woodrow C. Ersted has been cancelled and a new sub-lease by the County of Santa Clara, as sublessor, to F & M Aviation Center, a California limited partnership, for the purpose of fixed base airport operations at the Santa Clara County Palo Alto Airport, has been submitted to the State Lands Division for approval.

Lease PRC 4598.9 states:

"that the Lessee shall observe and comply with all rules and regulations now promulgated by any agency of the State of California having jurisdiction therein and such reasonable rules and regulations as may hereafter be promulgated by any agency of the State of California having jurisdiction therein."

Since the issuance of Lease PRC 4598.9 to the County of Santa Clara, the California Environmental Quality Act (CEQA) of 1970 was amended and the Secretary for Resources has adopted implementing guidelines providing for and specifying the duties of the Lead Agency.

Based upon the Division's review of the sub-lease, the California Environmental Quality Act of 1970, as amended, and the Secretary for Resources Guidelines, the Division recommends that the new sub-lease be approved.

The instant sub-lease calls for the construction of improvements subsequent to final document execution. The improvements are to provide parking for 28 aircraft. This work was previously approved by the Commission and the improvements to have been placed on the property under the Ersted sub-lease were substantially the same as those called for in this sub-lease.

An environmental impact report has not been prepared covering this project but a negative declaration was prepared by the County of Santa Clara on November 21, 1973. The staff has reviewed the environmental data provided by the County of Santa Clara and concurs in the findings in said negative declaration.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN ENVIRONMENTAL IMPACT REPORT HAS NOT BEEN PREPARED COVERING THIS PROJECT BUT THAT A NEGATIVE DECLARATION WAS PREPARED BY SANTA CLARA COUNTY ON NOVEMBER 21, 1973.

CALENDAR ITEM NO. 27. (CONTD)

2. CERTIFY THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED IN THE NEGATIVE DECLARATION.
3. DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
4. RESCIND ITS APPROVAL OF JUNE 28, 1973 (MINUTE ITEM 28, PAGE 526) AS TO THE FORMER SUB-LEASE TO WOODROW C. ERSTED.
5. AUTHORIZE THE APPROVAL BY ENDORSEMENT OF A SUB-LEASE UNDER LEASE PRC 4598.9, BY THE COUNTY OF SANTA CLARA TO F & M AVIATION CENTER, A CALIFORNIA LIMITED PARTNERSHIP; PROVIDED THAT THE SUB-LEASE SHALL BE SUBJECT TO COMPLIANCE BY THE COUNTY OF SANTA CLARA WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT OF 1970, AS AMENDED, AND THE STATE GUIDELINES FOR IMPLEMENTATION THEREOF.