

8. AMENDMENT OF INDUSTRIAL LEASE PRC 3414, SUBMERGED LAND IN SAN PABLO BAY, CONTRA COSTA COUNTY; SEQUOIA REFINING CORPORATION - W 6620, PRC 3414.

During consideration of Calendar Item 6 attached, Mr. James F. Trout, Manager, Land Operations, summarized the proposed application from Sequoia Refining Corporation. He explained that the action would amend their existing Industrial Lease to 1) reflect a revised and higher rental schedule and 2) amend the land description to reflect a recent boundary line agreement. Mr. Trout provided the Commission with background information on the matter of the retroactive rent and the new rental rates. Controversial questions arose concerning both of these rates.

Kenneth Cory appeared stating that the item should be put over until the rental rate problem had been resolved.

Because of the controversy involved, Chairman Flournoy moved, which was later seconded, that the Office of the Attorney General study the matter further and research the options that are involved. The item was deferred until a later date.

Attachment:

Calendar Item 6 (3 pages)

CALENDAR ITEM

12/74
GRH
W 6620

6.

AMENDMENT OF INDUSTRIAL LEASE PRC 3414.1

APPLICANT: Sequoia Refining Corporation.

AREA, TYPE LAND AND LOCATION:

A 20.084-acre parcel of submerged land in San Pablo Bay,
Contra Costa County.

LAND USE: Wharf site and pipeline for transmission of petroleum
products.

TERMS OF ORIGINAL LEASE:

Initial period: 15 years, from November 18, 1965.

Renewal options: 3 additional periods of 10 years each.

Surety bond: \$50,000.

Consideration: \$10,000 per annum unadjusted rental pending
establishment of firm rental.

TERMS OF AMENDED LEASE:

Period: 15 years, from November 18, 1965.

Renewal options: 3 additional periods of 10 years each.

Surety bond: \$50,000.

CONSIDERATION: \$14,509.93 per annum.

BASIS FOR CONSIDERATION:

6% of appraised value of land underlying the wharf and
mooring area; and \$0.01 per diameter inch per lineal foot
for the land underlying the pipelines.

PREREQUISITE TERMS:

U. S. Army Corps of Engineers permit issued.

Applicant is owner of upland.

STATUTORY AND OTHER REFERENCES:

a. Public Resources Code: Div. 6, Parts 1 and 2.

b. Administrative Code: Title 2, Div. 3, Arts. 1, 2 & 10.

CALENDAR ITEM NO. 6. (CONTD)

OTHER PERTINENT INFORMATION:

Minute Item 36, dated November 18, 1965, authorized the issuance to Sequoia Refining Corporation of a 15-year Industrial Lease, for the maintenance and operation of a wharf and appurtenant pipelines for the transmission of petroleum products. This does not change the status of land use; it effects a small reduction in the lease area and sets a firm rental. The action is therefore not a project as defined in CEQA, as amended.

The terms of the original lease provided that Sequoia Refining Corporation would pay an unadjusted annual rental of \$10,000 until a firm annual rental was established by mutual agreement. It was agreed that when a firm rental is established there shall be a retroactive adjustment to the end that the total of all rentals theretofore accrued under the lease shall equal the amount that would have accrued had the firm rental been in effect since November 18, 1965.

Sequoia has now agreed to the annual rental stated herein. An amendment of the land description was necessary because of the recently approved Boundary Line and Exchange Agreement (BLA 144); which agreement defines the boundary between State and Sequoia property.

EXHIBITS: A. Land Description. B. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN ENVIRONMENTAL IMPACT REPORT HAS NOT BEEN PREPARED FOR THIS ACTIVITY AS SUCH REPORT IS NOT REQUIRED UNDER THE PROVISIONS OF PRC 21065; 14 CAL. ADM. CODE 15037; AND 2 CAL. ADM. CODE 2910.
2. AUTHORIZE THE ISSUANCE TO SEQUOIA REFINING CORPORATION OF AN AMENDMENT TO INDUSTRIAL LEASE PRC 3414.1 TO SET A FIRM ANNUAL RENTAL OF \$14,509.93 RETROACTIVE TO NOVEMBER 18, 1965; AND TO CHANGE THE LAND DESCRIPTION TO THAT SHOWN ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF; PROVIDED THAT ALL OTHER TERMS AND CONDITIONS OF LEASE PRC 3414.1 SHALL REMAIN IN FULL FORCE AND EFFECT.

Attachment: Exhibit "A"

EXHIBIT "A"

W 6620

Two contiguous parcels of submerged land lying in the bed of San Pablo Bay, situated in the City of Hercules and the City of Rodeo, Contra Costa County, State of California, and being more particularly described as follows:

PARCEL 1:

A strip of submerged land 50 feet wide lying 25 feet on each side of the following described centerline:

COMMENCING at the most northerly corner of Parcel 2 as shown on that Parcel Map MSH-1 on file in the office of the County Recorder of said County; thence S 04° 00' W, 150.58 feet along the agreed boundary line as shown on said parcel map to the TRUE POINT OF BEGINNING; thence N 37° 47' 18" W, 508 feet; thence N 10° 09' 18" E, 6588.66 feet to a point designated as Point "A" for the purposes of this description and the end of the herein-described centerline.

PARCEL 2:

BEGINNING at the above-mentioned Point "A" thence N 77° 00' 30" E, 712.00 feet; thence N 12° 59' 30" W, 400.00 feet; thence S 77° 00' 30" W, 1300.00 feet; thence S 12° 59' 30" E, 400.00 feet; thence N 77° 00' 30" E, 588.00 feet to the point of beginning.

This description is based on the California Coordinate System Zone 3.

END OF DESCRIPTION