

MINUTE ITEM

This Calendar Item No. 09
was presented at the meeting
of the Commission on 2/23/78
at its 2/23/78 CALENDAR ITEM
meeting.

09.

2/78
WP 4626
Atkins

REVISION IN LEASE RENTAL AFTER ROUTINE REVIEW
PRC 4626

This is an industrial lease for a term of ten years from November 20, 1970, with an existing annual rent of \$1,900, covering a 1.52-acre parcel of tide and submerged land adjacent to Blue Canyon Point, Santa Catalina Island, Los Angeles County, for the maintenance of existing barge mooring buoys.

The lease provides that the State may adjust the annual rental at a different amount for the 5-year term following the fifth anniversary of the lease, effective on such anniversary date.

In reappraising the land covered by this lease, the staff considered those factors contained in Section 2006 of Title 2, Division 3, of the California Administrative Code, and determined that subparagraph (b)(7) providing for a rental of 8% per annum of the appraised land value was reasonable and proper in this instance. The lessee was notified of the amount within the time constraints set by his lease. The delay in requesting Commission approval of the increased rental was due to the lessee's intention of providing a revised use area. The lessee has never supplied this revision.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION APPROVE ADJUSTING THE NEW ANNUAL RENTAL PER ANNUM INDICATED, FOR THE FOLLOWING LEASE EFFECTIVE ON THE DATE SHOWN:

<u>PRC NO.</u>	<u>LESSEE/ADDRESS</u>	<u>PRIOR RENTAL</u>	<u>AMOUNT OF NEW RENTAL</u>	<u>EFFECTIVE DATE</u>
4626.1	Connolly-Pacific Company 1925 Water Street Long Beach, California 90802	\$1,900 per annum	\$2,433.60 per annum	November 20, 1975

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