

MINUTE ITEM

This Calendar Item No. C11
was approved as Minute Item
No. 11 by the State Lands
Commission by a vote of 2
to 0 at its 5-28-81
meeting.

CALENDAR ITEM

L.C 11

5/81
PRC 3376.1
Atkins

AMENDMENT GENERAL LEASE - COMMERCIAL USE

LESSEE:

The Huntington Partnership
2029 Century Park East
Suite 1220
Los Angeles, California 90067
Attention: Matthew Fragner

BACKGROUND:

On July 17, 1979, the Commission approved the Assignment of Lease PRC 3376.1, as amended, to the Huntington Partnership. Subsequent to the Commission's original approval, the Commission authorized various amendments to meet the lessee's needs and the Commission's requirements. These later Commission actions were taken in October 1979 and May 1980.

This General Lease - Commercial Use currently includes the following provisions:

1. The term of the lease is 42 years commencing June 15, 1980.
2. The annual rental is 6% of Gross Income with a \$9,000 minimum.
3. A construction beginning date of December 1, 1980 with completion by December 1, 1981.
4. A royalty of \$0.15 per cubic yard for any material removed from the lease area and not sold commercially. The royalty is \$0.25 per cubic yard for material removed from the lease area and sold commercially. No royalty shall be charged for material removed from the lease area, which is placed on publically owned land in an approved disposal site.
5. A rental review is provided after 25 years from the beginning of the lease.

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6. The Lessor will not unreasonably withhold consent to an assignment of the lease.
7. The lease must be appurtenant to an access or use right with respect to littoral land.
8. Various inappropriate standard covenants are deleted.
9. Provision is made for a \$5,000 surety bond and liability insurance in the amount of \$1,000,000 combined single limit.
10. Authorization for 83 boat slips.
11. Authorization for the encumbrancing of this lease with a Security Agreement with a lender that is acceptable to the Executive Officer of the Commission.

CURRENT SITUATION:

Due to project changes and delays resulting from the requirements of various regulatory agencies, the amount of boat slips has been reduced to 41, and the anticipated construction beginning date of December 1, 1980 has passed by. Due to the current situation, it is proposed the following two amendments to the Commission's earlier authorizations be made:

1. Authorization for a total of 41 boat slips in the lease area and a reduction of the minimum rent to \$5,000 per year.
2. The construction beginning date should be August 1, 1981 and completion of construction by June 1, 1982.

STATUTORY AND OTHER REFERENCES:

- A. P.R.C.: Div. 6, Parts 1 and 2.
- B. Cal. Adm. Code: Title 2, Div. 3.

OTHER PERTINENT INFORMATION:

1. The Commission made all appropriate environmental and significant land findings concerning this lease at its

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July 17, 1979 and October 29, 1979 meetings.

2a. Permits obtained: Coastal Commission, Regional Water Quality Board.

2b. Permit to be obtained: United States Corps of Engineers.

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

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE COMMISSION MADE ALL APPROPRIATE ENVIRONMENTAL AND SIGNIFICANT LAND FINDINGS CONCERNING LEASE PRC 3376.1 AS AMENDED AT ITS MEETING ON JULY 17, 1979 AND OCTOBER 29, 1979.
2. AUTHORIZE THE AMENDMENT OF PRC 3376.1, A GENERAL LEASE - COMMERCIAL USE, EFFECTIVE DECEMBER 31, 1980, TO THE HUNTINGTON PARTNERSHIP, SUBSTANTIALLY IN THE FORM ON FILE IN THE OFFICE OF THE COMMISSION, AMENDING THE TOTAL NUMBER OF BOAT SLIPS TO 41, THE MINIMUM RENT TO \$5,000 PER YEAR AND THE CONSTRUCTION BEGINNING DATE TO AUGUST 1, 1981, AND CONSTRUCTION COMPLETION DATE TO JUNE 1, 1982 WITH ALL OTHER TERMS AND CONDITIONS TO REMAIN UNCHANGED ON THE LAND DESCRIBED IN EXHIBIT "A".

EXHIBIT "A"

LAND DESCRIPTION

WP 3376

A parcel of submerged land in the State-owned channel of Huntington Harbour, fractional Section 19, T5S, R11W, and fractional Section 24, T5S, R12W, S8M, in the City of Seal Beach, Orange County, California, described as follows:

BEGINNING at the most easterly corner of Tideland Location No. 141, as shown upon that certain map filed in Book 3, Page 45, Record of Surveys, Orange County Recorders Office, thence the following five courses:

1. N 73° 45' 00" W 545.24 feet (along the northeasterly line of said Tideland Location No. 141)
2. N 16° 15' 00" E 260.00 feet;
3. S 73° 45' 00" E 598.66 feet;
4. S 41° 53' 59" W 210.65 feet;
5. S 12° 03' 54" E 79.63 feet to the point of beginning.

END OF DESCRIPTION

Prepared J. H. KunnuckeChecked J. H. KunnuckeReviewed Gary A. HoldenDate 6/29/79RNS

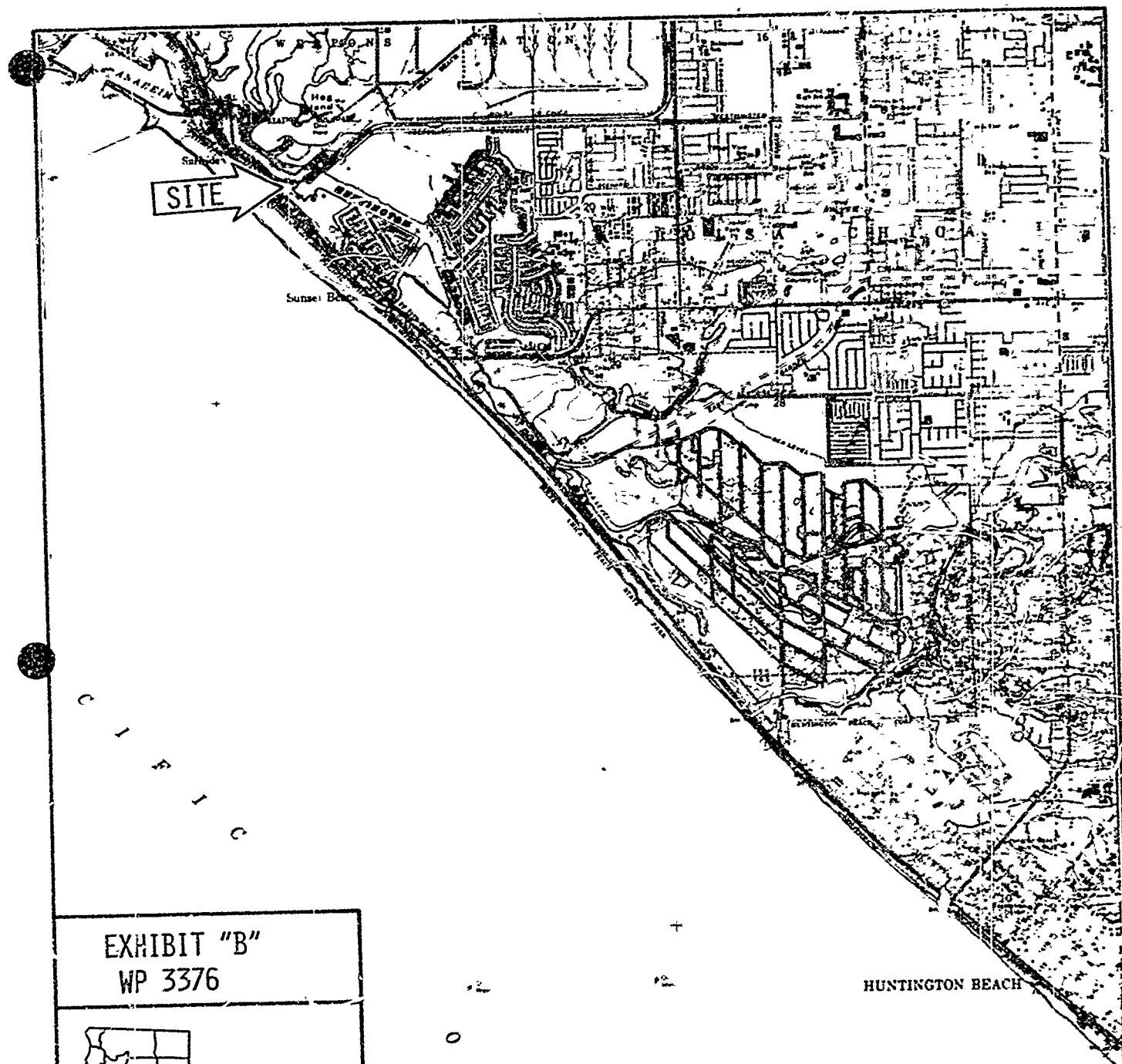


EXHIBIT "B"
WP 3376



HUNTINGTON BEACH