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AMENDMENT OF LEASE PRC 5542.9 AND APPROVAL OF SUBLEASE

BACKGROUND:

On September 27, 1978, the State Lands Commission approved a 35-year General Permit - Public Agency Use, PRC 5542, to the City of San Clemente for renovation, operation, and maintenance of an existing public fishing pier. At that time, the Commission also approved a 25-year sublease to the California Department of Fish and Game and existing subleases to M. Gable and D. Gable for a cafe, to M. Baker and J. Baker for a bait shop, and to J. Carden for a telescope. The lease provides that the City must obtain prior written approval of the Commission before subletting the lease premises.

CURRENT SITUATION:

The staff has been contacted by the City of San Clemente regarding a proposed sublease for a term of five years to Harlo Gene Burke for operation of a bait and tackle shop. The shop will be converted from one of two existing restrooms located on the pier. The proposed rental to the City is fifteen percent (15%) of all gross receipts received from the operation of the business, or \$2,000 per year, whichever is greater. The proposed sublease also provides insurance in the amount of (1) \$500,000 single limit liability or (2) property damage, each occurrence \$50,000; bodily injury, each occurrence \$500,000; and bodily injury, each person \$300,000. The State is named as an additional insured.

The staff has reviewed the terms and conditions of the proposed sublease and found them to be consistent with the Commission's leasing policies.

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The staff feels it is in the best interests of the State to amend Lease PRC 5542.9 to provide for an annual report by the City of income and expense on the lease premises. The amendment also provides that for any reporting period in which the income exceeds expense, the State shall have the right to set a monetary rental for that reporting period.

AB 884 DEADLINE:

5-26-82.

OTHER PERTINENT INFORMATION:

1. This project is exempt from CFQA because it consists of an existing facility with interior and exterior alteration.

Authority: Title 14, Cal. Adm. Code Section 15101(A).

2. This project is situated on State land identified as possessing significant environmental values pursuant to PRC 6370.9, and is classified in a use category, Class C, which authorizes Multiple Use.

Staff has coordinated this project with those agencies and organizations which nominated the site as containing significant environmental values. They have found this project to be compatible with their nomination.

FURTHER APPROVALS REQUIRED:

California Coastal Commission.

EXHIBITS:

- A. Description of Sublease Premises.
- B. Site Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN ENVIRONMENTAL DOCUMENT HAS NOT BEEN PREPARED FOR THIS ACTIVITY AS SUCH DOCUMENT IS NOT REQUIRED UNDER THE PROVISIONS OF PRC 21084, 14 CAL. ADM. CODE 15100 ET SEQ., AND 2 CAL. ADM. CODE 2907.

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- 2. DETERMINE THAT THE PROJECT IS CONSISTENT WITH THE PROVISIONS OF ARTICLE 6.5, OF TITLE 2, OF THE CAL. ADM. CODE.
- 3. FIND THAT GRANTING OF THE AMENDMENT/ASSIGNMENT WILL HAVE NO SIGNIFICANT EFFECT UPON ENVIRONMENTAL CHARACTERISTICS IDENTIFIED PURSUANT TO PRC 6371.
- 4. AUTHORIZE THE AMENDMENT OF LEASE PRC 5542.9 SUBSTANTIALLY IN THE FORM ON FILE IN THE PRINCIPAL OFFICE OF THE STATE LANDS COMMISSION AND THE APPROVAL OF THE SUBLEASE FROM THE CITY OF SAN CLEMENTE TO HARLO GENE BURKE FOR OFERATION OF A BAIT AND TACKLE SHOP.

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EXHIBIT "A"

DESCRIPTION OF PREMISES





