

MINUTE ITEM

This Calendar Item No. 66
was approved as Minute Item
No. 6 by the State Lands
Commission by a vote of 2
to 0 at its 2/25/82
meeting.

CALENDAR ITEM

C 0 6

2/25/82
WP 2851
Grimmett
PRC 2851

TERMINATION OF LEASE,
RESCISSION OF PRIOR AUTHORIZATION AND
APPROVAL OF A GENERAL LEASE - COMMERCIAL USE

APPLICANT: Skyline Associates #2
1330 Crazy Pete's Road
Woodside, California 94062

AREA, TYPE LAND AND LOCATION:
A 1.14-acre parcel of tide and submerged
land in Seven Mile Slough at Andruc Island,
Sacramento County.

LAND USE: Commercial marina.

TERMS OF ORIGINAL LEASE:

Initial period: 15 years from April 28,
1961.

Renewal options: Two successive periods
of ten years each.

Surety bond: \$1,000.

Consideration: \$150 per year.

Special: The original lease did
not require any liability
insurance or provide
for five-year rent review;
however, the first lease
renewal option, approved
September 30, 1976, requires
\$300,000 combined single
limit insurance coverage
and also provided for
five-year rent review.
\$1,096 was the last current
rent.

TERMS OF PROPOSED LEASE:

Initial period: 30 years from March 21,
1980.

Surety bond: \$2,000.

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Public liability insurance: Combined single
limit coverage of \$500,000.

CONSIDERATION: \$1,744 per annum with the State reserving
the right to fix a different rental on
each fifth anniversary of the lease.

BASIS FOR CONSIDERATION:
Pursuant to 2 Cal. Adm. Code 2003.

Note that this lease was negotiated and
executed by the lessee prior to the adoption
of the present regulations. The rent is
based on eight percent of the appraised
land value.

PREREQUISITE TERMS, FEES AND EXPENSES:
Applicant is owner of upland.

Filing fee has been received.

STATUTORY AND OTHER REFERENCES:

A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.

B. Cal. Adm. Code: Title 2, Div. 3; Title 14,
Div. 6.

AB 884: N/A.

OTHER PERTINENT INFORMATION:

1. The site covered by this lease has
been sold several times since the original
lease was executed. The Commission
approved a ten-year renewal lease with
Bruno Giovannoni on September 30, 1976
as Calendar Item 9. This lease had
a ten-year renewal option. On May 20,
1977, Bruno Giovannoni assigned his
lease to Neil and Ruby Bryant. The
assignment was approved by the Commission
on November 30, 1977; however, this
assignment was not completed due to
the Bryant's not fulfilling the original
lease terms, i.e. not submitting the
required insurance coverage, and has
not been executed on behalf of the
Commission. The Bryant's sold their
interests by deed recorded March 21,
1980, which necessitates this lease
to Skyline Associates #2.

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2. This project is exempt from CEQA because it is an existing facility, 2 Cal. Adm. Code 2905, Class 1.
3. The project is situated on lands identified as possessing significant environmental values pursuant to P.R.C. 6370.1, and is classified in use category "B" which authorizes Limited Use. The existing project will not have a significant effect on identified environmental values.
4. Staff also requests authorization to take whatever action is necessary, including authority for the Attorney General to file suit, to collect back rent from Neil E. Bryant and Ruby L. Bryant for the period of their possession, May 20, 1977 to March 21, 1980, of State tide and submerged land as described in lease no. 2851, pursuant to the terms of said lease at the rate of \$1,096 per year, together with interest and penalty and to call in the surety deposit.

The Bryant's have signed a partially completed lease assignment form with Bruno Giovannoni, the State's lessee, and have posted a \$1,000 surety deposit.

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

IT IS RECOMMENDED THAT THE COMMISSION:

1. AUTHORIZE THE TERMINATION OF LEASE NO. 2851, BY RECORDING A NOTICE OF TERMINATION PURSUANT TO THE TERMS OF THE LEASE APPROVED SEPTEMBER 30, 1976, AS MINUTE ITEM 9, PAGE 1190.
2. RESCIND THE PRIOR AUTHORIZATION OF ASSIGNMENT OF LEASE NO. 2851, APPROVED NOVEMBER 30, 1977, AS MINUTE ITEM 9, PAGE 1260.
3. DETERMINE THAT AN ENVIRONMENTAL DOCUMENT HAS NOT BEEN PREPARED FOR THIS ACTIVITY AS SUCH DOCUMENT IS NOT REQUIRED UNDER THE PROVISIONS OF P.R.C. 21084, 14 CAL.

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ADM. CODE 15100 ET SEQ., AND 2 CAL. ADM. CODE 2905
AND FIND THAT THE PROJECT IS CONSISTENT WITH ITS USE
CLASSIFICATION.

4. AUTHORIZE ISSUANCE TO SKYLINE ASSOCIATES #2 OF A 30-YEAR
GENERAL LEASE - COMMERCIAL USE FROM MARCH 21, 1980;
IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF \$1,744,
WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT
RENTAL ON EACH FIFTH ANNIVERSARY OF THE LEASE; FOR
OPERATION AND MAINTENANCE OF A COMMERCIAL MARINA KNOWN
AS THE BLUE HERON HARBOR ON THE LAND DESCRIBED ON EXHIBIT
"A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

5. AUTHORIZE STAFF AND THE OFFICE OF THE ATTORNEY GENERAL
TO TAKE WHATEVER ACTION NECESSARY, INCLUDING LEGAL
ACTION, TO COLLECT BACK RENT FROM NEIL E. BRYANT AND
RUBY L. BRYANT, PREVIOUS OWNERS, PURSUANT TO TERMS
DESCRIBED IN LEASE NO. 2851 AND TO APPEAR IN ANY LEGAL
PROCEEDINGS CONCERNING THIS MATTER.

EXHIBIT "A"

LAND DESCRIPTION

WP 2851

A parcel of tide and submerged land in the bed of the Seven Mile Slough, Sacramento County, California, approximately 2,000 feet north of the junction with the San Joaquin River, and more particularly described as follows:

BEGINNING at a point on the mean high water mark on the bank of Seven Mile Slough along the westerly side of Andrus Island, said point of beginning having coordinates of $x = 2,111,387.0$ feet and $y = 162,289.0$ feet; thence from said point of beginning S $76^{\circ} 50'$ W 141 feet; thence S $13^{\circ} 10'$ E 350 feet; thence N $76^{\circ} 50'$ E 143 feet more or less to the mean high water mark on said bank of Seven Mile Slough; thence northerly along said mean high water mark 350 feet more or less to the point of beginning.

This description is based upon the California Coordinate System, Zone 2.

END OF DESCRIPTION

REVISED FEBRUARY 1, 1982 BY TECHNICAL SERVICES UNIT, ROY MINNICK, SUPERVISOR.

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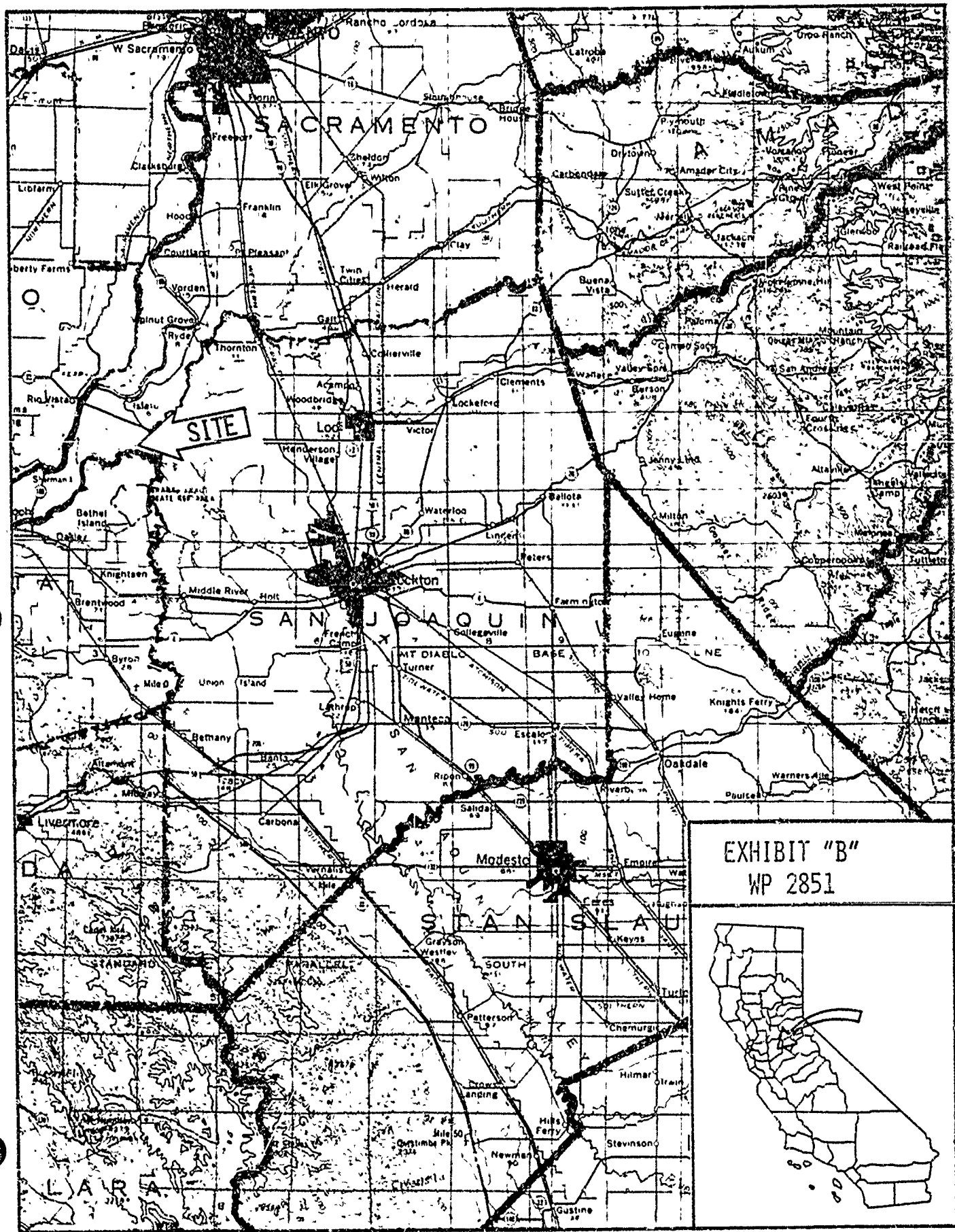


EXHIBIT "B"
WP 2851

