

MINUTE ITEM  
This Calendar Item No. 49  
was approved as Minute Item  
No. 49 by the State Lands  
Commission by a vote of 3  
to 0 at its 1-21-88  
meeting.

CALENDAR ITEM

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APPROVAL OF LITIGATION SETTLEMENT  
AND PROPOSED LEASE

PROSPECTIVE  
LESSEE:

Seven Resorts, Inc., A Nevada Corporation,  
dba: Seven and Crown Resorts,  
dba Paradise Point Marina  
688 Wells Road  
Boulder City, Nevada 89005-1717

AREA, TYPE LAND AND LOCATION:

A 1.758-acre parcel of tide and submerged land  
in Disappointment Slough, San Joaquin County.

LAND USE:

Operation of a commercial marina.

BACKGROUND:

At its June 29, 1982 meeting, the Commission authorized litigation for ejectment and damages against Robert L. Breeze, Playmate Resorts Marina, for operation of a commercial marina (Paradise Point Marina) in the bed of Disappointment Slough without a lease or other entitlement from the State Lands Commission. The marina's primary business activity is the renting of houseboats for recreational use. Pursuant to such authorization, an action for recovery of possession of real property, for damages in trespass, and for injunction and declaratory relief, was filed against Mr. Breeze and Playmate Resort in Superior Court for San Joaquin County, in August of 1982 (San Joaquin County Superior Court No. 165664). Subsequently, settlement discussions were initiated between the State and Mr. Breeze (Playmate Resorts) and the later successor to his business interests at Paradise Point, Seven Resorts, Inc. Under the proposed settlement, the litigation would be dismissed based on Seven Resorts, Inc. entering into a non prejudicial commercial lease and Settlement Agreement, the

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essential terms of which are as follows: The settlement includes back rental in the amount of \$2,200, for the period of 1979 to Sept 1986. Mr. Breezes interest are not held by, Seven Resorts, Inc.

TERMS OF PROPOSED LEASE:

Initial period: Seven and one-half (7 1/2) years, beginning September 26, 1986 and ending March 25, 1994, with two (2) successive ten (10) year renewal options.

Consideration: \$6,600 upon execution of the lease and \$2,200 per annum commencing on September 1, 1988 for the initial term of the lease with the State reserving the right to fix a different rental on each fifth anniversary during the renewal periods.

Facilities: Existing floating docks, walkways, piers, pilings, boat hoist, bulkhead, etc.

Insurance: Combined single limit coverage of \$1,000,000 for bodily injury and property damage.

Surety bond: \$20,000.

AB 884: N/A.

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that this activity is exempt from the requirements of the CEQA as a categorical exempt project. The project is exempt under Class 1, Existing Facilities, 2 Cal. Adm. Code 2905(a)(7).

Authority: P.R.C. 21084, 14 Cal. Adm. Code 15300, and 2 Cal. Adm. Code 2905.

CALENDAR ITEM NO. 49 (CONT'D)

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

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 AS A CATEGORICAL EXEMPT PROJECT, CLASS 1, EXISTING FACILITIES, 2 CAL. ADM. CODE 2905(a)(Z).
2. AUTHORIZE ISSUANCE OF A NON-PREJUDICIAL COMMERCIAL LEASE TO SEVEN RESORTS, INC., A NEVADA CORPORATION, DBA: SEVEN AND CROWN RESORTS, DBA PARADISE POINT MARINA FOR A TERM OF SEVEN AND ONE-HALF (7 1/2) YEARS BEGINNING SEPTEMBER 26, 1986 AND ENDING MARCH 25, 1994; IN CONSIDERATION OF \$6,600, UPON EXECUTION OF THE LEASE AND \$2,200 PER ANNUM COMMENCING ON SEPTEMBER 1, 1988, FOR THE INITIAL LEASE TERM; WITH LESSEE'S OPTION TO RENEW FOR TWO SUCCESSIVE PERIODS OF TEN YEARS EACH; WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT RENTAL UPON EACH LEASE RENEWAL AND ON EACH FIFTH ANNIVERSARY OF THE LEASE DURING THE RENEWAL PERIODS; PROVISION OF PUBLIC LIABILITY INSURANCE FOR COMBINED SINGLE LIMIT COVERAGE IN THE AMOUNT OF \$1,000,000 PER OCCURRENCE FOR BODILY INTJURY AND PROPERTY DAMAGE; AND OTHER PROVISIONS AS ON FILE IN THE OFFICES OF THE COMMISSION.
3. AUTHORIZE SETTLEMENT OF AND DISMISSAL OF LITIGATION FOR UNAUTHORIZED USE OF TIDE AND SUBMERGED LANDS (PEOPLE OF THE STATE OF CALIFORNIA V. ROBERT L. BREEZE, DBA PLAYMATE RESORTS MARINAS ET AL., SAN JOAQUIN COUNTY SUPERIOR COURT NO. 165664) CONCURRENT WITH AND CONDITIONED UPON EXECUTION OF THE PROPOSED LEASE AND PAYMENT OF INITIAL RENT DUE (\$6,600) BY SEVEN RESORTS, INC., ET AL, SAID SETTLEMENT AGREEMENT AND LEASE BEING ON FILE IN THE OFFICE OF THE COMMISSION.

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EXHIBIT "A"

LAND DESCRIPTION

W 20732

A parcel of tide and submerged land in Disappointment Slough, County of San Joaquin, State of California, described as follows:

COMMENCING at the northeast corner of Parcel B as shown on that Parcel Map filed September 17, 1979, in Book 8 of Parcel Maps, Page 43, Records of said County; thence along the boundary of said Parcel B the following three courses, (1) S 3°27'10" W, 2331.51 feet; (2) N 81°31'00" E, 358.50 feet; and (3) S 0°05'00" W, 304.00 feet; thence leaving the boundary of said Parcel B, S 17°57'10" W, 122.30 feet to a point on the north bank of Disappointment Slough and the POINT OF BEGINNING of this description; thence along the north bank of Disappointment Slough the following sixteen courses:

- (1) S 88°39'04" W, 50.87 feet;
- (2) S 66°52'13" W, 32.43 feet;
- (3) N 75°41'42" W, 42.49 feet;
- (4) N 65°35'38" W, 25.76 feet;
- (5) N 45°21'17" W, 49.76 feet;
- (6) N 38°56'50" W, 77.91 feet;
- (7) N 45°03'24" W, 92.63 feet;
- (8) N 64°29'03" W, 85.23 feet;
- (9) N 73°16'19" W, 42.04 feet;
- (10) N 78°47'30" W, 80.39 feet;
- (11) N 56°43'01" W, 17.10 feet;
- (12) S 80°32'31" W, 60.58 feet;
- (13) S 82°35'47" W, 17.37 feet;
- (14) N 78°43'27" W, 69.40 feet;
- (15) N 74°50'39" W, 47.26 feet;
- (16) N 72°11'39" W, 93.93 feet; thence

leaving said bank, S 17°48'21" W, 41.85 feet; thence S 9°36'25" W, 66.12 feet; thence S 79°55'38" E, 499.28 feet; thence S 41°50'17" E, 188.36 feet; thence S 64°02'21" E, 67.65 feet; thence East, 126.74 feet; thence North 40.00 feet; thence N 7°06'27" E, 38.22 feet to the point of beginning.

EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark of Disappointment Slough.

Bearings in the above description are based on that Parcel Map filed September 17, 1979, in Book 8 of Parcel Maps, Page 43, Records of the County of San Joaquin.

END OF DESCRIPTION

PREPARED JANUARY 7, 1987 BY LITIGATION SUPPORT UNIT, RICHARD HANSEN, SUPERVISOR.

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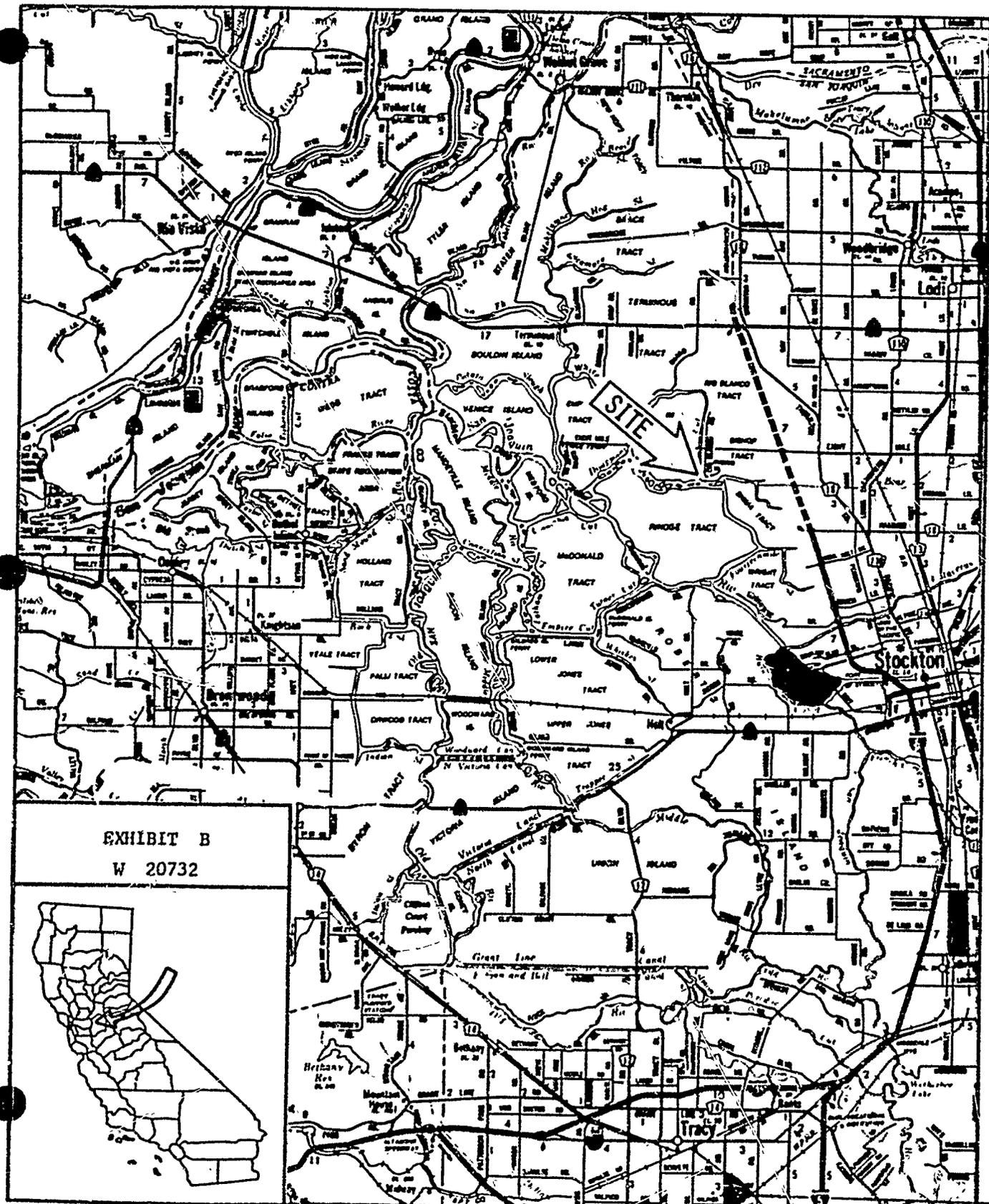


EXHIBIT B  
W 20732



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