

**MINUTE ITEM**  
This Calendar Item No. CO4  
was approved as Minute Item  
No. CO4 by the State Lands  
Commission by a vote of 3  
to 0 at its 3/27/90  
meeting.

CALENDAR ITEM

**C O 4**

A 56

S 24

03/27/90  
W 24167 PRC 7379  
Bancroft

GENERAL LEASE - INDUSTRIAL USE

APPLICANT: Containerfreight Transportation Company  
P. O. Box 900  
Long Beach, California 90801

AREA, TYPE LAND AND LOCATION:  
One acre of proprietary land located on the  
site of Department of Corrections' proposed  
Los Angeles Reception Center in the County of  
Los Angeles.

LAND USE: Temporary parking of vehicles.

TERMS OF PROPOSED LEASE:  
Initial period: Two years beginning April 1,  
1990.

Surety bond: N/A.

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

CONSIDERATION: \$2,000 per month; subject to 30-day  
cancellation by either party.

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

PREREQUISITE CONDITIONS, FEES AND EXPENSES:  
Filing fees and first month's rent have been  
received.

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CALENDAR ITEM NO. **C 0 4** (CONT'D)

STATUTORY AND OTHER REFERENCES:

- A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.
- B. Cal. Code Regs.: Title 2, Div. 3;  
Title 14, Div. 6.

AB 884: N/A.

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Code Regs. 15061), the staff has determined that this activity is exempt from the requirements of the CEQA as a categorically exempt project. The project is exempt under Class 4, Minor Alteration to Land, 14 Cal. Code Regs. 15304(e).

Authority: P.R.C. 21084 and 14 Cal. Code Regs. 15300.

2. The State Lands Commission, by legislative action, Chapter 165, Statutes of 1987, has been assigned the interim management of the California Reception Center Site in downtown Los Angeles, acquired in 1988 by the State Department of General Services for the State Department of Corrections.

The 20+-acre site has been vacated by all but three of the original long-term tenants. Of these remaining tenants, two have been served with eviction notices, effective February 1, 1990, and are making preparations to relocate. One tenant will be staying on on a month-to-month basis.

Under authorization granted by the State Lands Commission on September 11, 1989, the site was fenced during March 1990.

In addition to the fencing, it is believed that the presence of the proposed tenant on the property will provide a measure of security for the property, as well as income to offset administrative and maintenance costs. The proposed short-term tenancy meets with the approval of the Department of Corrections.

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3. A copy of the proposed lease is attached as Exhibit "C".

APPROVALS OBTAINED:

None.

FURTHER APPROVALS REQUIRED:

None.

EXHIBITS:

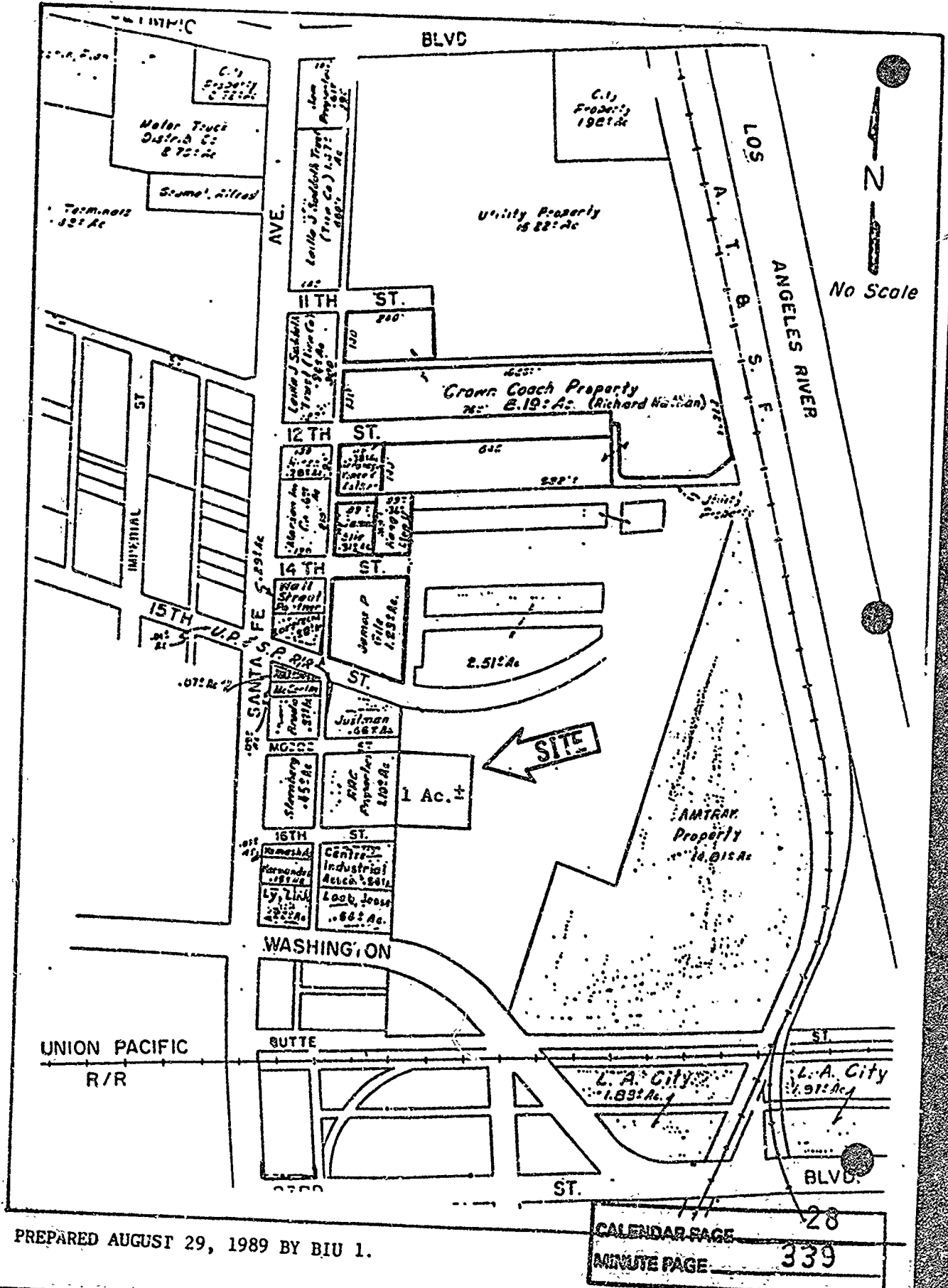
- A. Land Description.
- B. Location Map.
- C. Lease.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. CODE REGS. 15061 AS A CATEGORICALLY EXEMPT PROJECT, CLASS 4, MINOR ALTERATION TO LAND, 14 CAL. CODE REGS. 15304(@).
2. AUTHORIZE ISSUANCE TO CONTAINERFREIGHT CORPORATION, A DIVISION OF CONSOLIDATED FREIGHTWAYS, OF A TWO-YEAR GENERAL LEASE - INDUSTRIAL USE, BEGINNING APRIL 1, 1990; IN CONSIDERATION OF MONTHLY RENT IN THE AMOUNT OF \$2,000, SUBJECT TO 30-DAY CANCELLATION BY EITHER PARTY, PROVISION OF PUBLIC LIABILITY INSURANCE IN THE AMOUNT OF \$500,000 PER OCCURRENCE FOR BODILY INJURY AND \$50,000 FOR PROPERTY DAMAGE; OR PROVISION OF PUBLIC LIABILITY INSURANCE FOR COMBINED SINGLE LIMIT COVERAGE OF \$500,000; FOR TEMPORARY VEHICLE PARKING ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

EXHIBIT "A"  
LAND DESCRIPTION

W 24167



PREPARED AUGUST 29, 1989 BY BIU 1.

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EXHIBIT "C"

AGENCY: Department of Corrections

LEASE NO.: W 24167

PROJECT: California Reception Center

LEASE

THIS LEASE entered into this \_\_\_\_ day of \_\_\_\_\_, 19\_\_\_\_, by and between the State of California, acting by and through the STATE LANDS COMMISSION, as trustee under the provisions of Chapter 165 of the Statutes of 1987, hereinafter called LESSOR, and CONTAINERFREIGHT TRANSPORTATION COMPANY, a division of Consolidated Freightways, hereinafter called LESSEE. The parties agree as follows:

1. Lessor does hereby lease to Lessee that certain property in the County of Los Angeles, State of California, together with appurtenances described as follows:

(See Exhibit "A" attached)

2. The premises shall be occupied only for the following purposes: temporary vehicle parking.
3. The term of this lease shall commence on April 1, 1990, and shall terminate on March 31, 1992, with such rights of termination as are hereinafter expressly set forth, at a monthly rental rate of \$2,000, payable in advance on the first day of each month. Receipt is hereby acknowledged by the Lessor of the sum of \$2,000 from the Lessee, in payment of rental for the month of April. All subsequent rental payments shall be delivered to the State Lands Commission, 1807 - 13th Street, Sacramento, California 95814.
4. This lease shall be subject to termination by either party at any time during the term hereof by giving the other party notice in writing at least 30 days prior to the date when such termination shall become effective. In the event of any such termination, any unearned rental paid by Lessee shall be returned to Lessee.

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5. Lessee shall pay said rent as hereinabove provided, and in addition thereto, shall pay for all other services supplied to the leased premises.
6. Lessee shall not commit, suffer or permit any waste or nuisance on said premises or any acts to be done thereon in violation of any laws or ordinances, and will permit the Lessor or its agents to enter said premises at any reasonable time to inspect the same.
7. All notices which may be given by either party to the other, shall be deemed to have been given when made in writing and deposited in the United States mail, certified and postage prepaid, and addressed to such party at its address set forth under or opposite its signature to this agreement. Nothing herein contained shall preclude the giving of any such notice by personal service. Either party may change its address for the receipt of notice by giving written notice thereof to the other party in the manner herein provided.
8. Lessee shall not assign this lease or sublet the leased premises.
9. Lessee accepts premises in "as is" condition and will return said premises to Lessor as received, normal wear and tear excepted.
10. Lessee shall not make any alterations to the leased premises or construct, hang, or paint any signs on the leased premises without written consent of the Lessor, said consent will not be unreasonably denied.
11. This lease is made upon the express condition that the State of California is to be free from all liability and claims for damages by reason of any injury to any persons or persons, including Lessee, or property of any kind whatsoever and to whomsoever belonging, including Lessee, from any cause or causes whatsoever while in, upon, or in any way connected with the leased premises during the term of this lease or any occupancy hereunder. Lessee agrees to defend, indemnify, and save harmless the State of California from all liability, loss, cost, or obligation on account of the actions of Lessee and free State from all claims or liability for damages that arise out of actions of Lessee.
12. Lessee agrees that it will not discriminate against any employee or applicant for employment because of race, color, religion, ancestry, national origin, sex, age, or physical handicap. Lessee agrees to take affirmative action to ensure that applicants are employed and that employees are treated

during employment without regard to their race, color, religion, ancestry, national origin, sex, age, or physical handicap. (See Government Code Sections 12920 - 12924 for further details.)

13. Lessee agrees to pay all lawful taxes, assessments, or charges which at any time may be levied upon any interest in this agreement. It is understood that this lease may create a possessory interest subject to property taxation and Lessee may be subject to the payment of property taxes levied on such interest.
14. Should the Lessee hold over after the expiration of the term of this lease with the express or implied consent of the Lessor, such holding over shall be deemed to be a tenancy from month to month, subject otherwise to all the terms and conditions of this lease.
15. If the Lessee abandons, vacates, or surrenders the leased premises, or if dispossessed by process of law, any personal property belonging to Lessee and left on the leased premises shall be deemed to be abandoned, at the option of the Lessor. Failure by Lessee to occupy the leased premises for a period of 30 days or longer shall constitute abandonment by Lessee.
16. Lessee agrees to furnish to the Lessor evidence of insurance with limits of bodily injury of not less than \$500,000 for one person and \$500,000 for each occurrence and with limits of property damage liability of not less than \$50,000 for each occurrence or a combined single limit policy of not less than \$500,000 naming the State of California, its officers, agents, and employees as additional insureds, and providing that the policy shall not be cancelled without fifteen (15) days prior written notice to Lessor. It is agreed that the Lessor shall not be liable for the payment of any premiums or assessments on the insurance coverage required by this paragraph. Lessee agrees that the insurance coverage shall be in effect at all times during the term of this lease; Lessee agrees to provide to the Lessor, at least fifteen (15) days prior to said expiration date, new evidence of insurance coverage as provided for herein for not less than one year. In the event Lessee fails to keep in effect at all times insurance coverage as herein provided, State may, in addition to any other remedies it may have, terminate this lease upon the occurrence of such event.
17. The property to be occupied under this lease has been acquired in connection with the Department of Corrections, Los Angeles Reception Center project and will be available only in the interim between acquisition and development. Development may result in termination of



your tenancy sooner than would otherwise be expected. The projected development date is unknown at this time. Lessee will be advised of any subsequent changes in this date. The tenancy created under this lease is of a temporary nature, and Lessee agrees that no relocation payment will be sought or provided in any form as a result of this tenancy.

LESSOR:\*

STATE OF CALIFORNIA  
STATE LANDS COMMISSION

By \_\_\_\_\_

Title \_\_\_\_\_

Address: \_\_\_\_\_

Sacramento, CA 95614

LESSEE:

\_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Telephone: \_\_\_\_\_

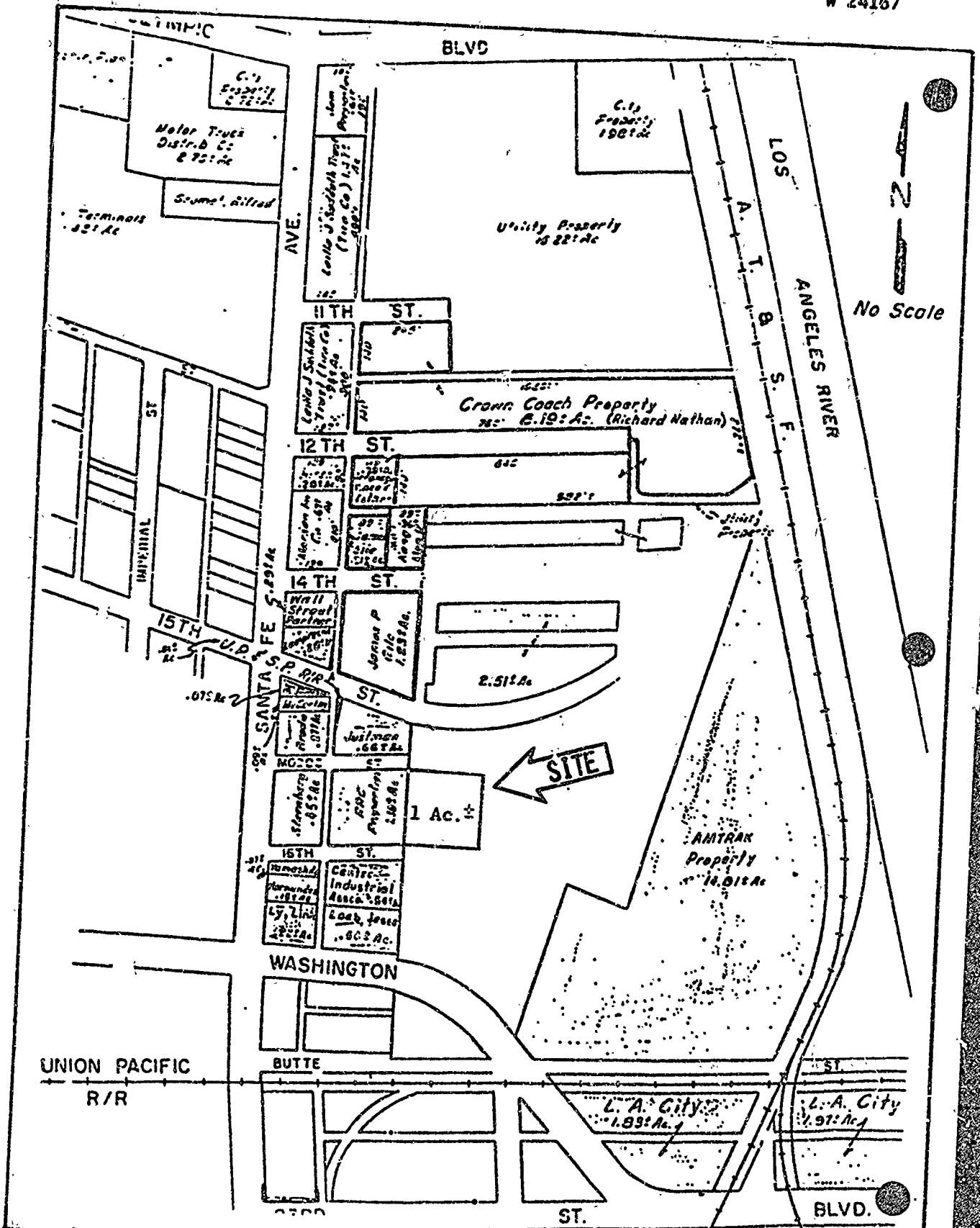
I hereby certify that all conditions for exemption set forth in State Administrative Manual Section 1209 have been complied with and this document is exempt from review or approval by the Department of Finance.

By: \_\_\_\_\_

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EXHIBIT "A"  
LAND DESCRIPTION

W 24167



No Scale

PREPARED AUGUST 29, 1989 BY BIU 1.

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