

**MINUTE ITEM**

This Calendar Item No. C28 was approved as  
Minute Item No. 28 by the California State Lands  
Commission by a vote of 3 to 0 at its  
12-3-99 meeting.

**CALENDAR ITEM  
C28**

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12/3/99  
PRC 4157.1  
D. Jones

**ASSIGNMENT OF LEASE AND  
AGREEMENT AND CONSENT TO ENCUMBRANCING OF LEASE**

**LESSEE/ASSIGNOR:**

Freeport Properties, a  
California Limited Partnership  
8250 Freeport Boulevard  
Sacramento, California 95832

**ASSIGNEE:**

Freeport Marina, Inc.  
8250 Freeport Boulevard  
Sacramento, California 95832

**AREA, LAND TYPE, AND LOCATION:**

3.626 acres, more or less, of tide and submerged lands in the Sacramento  
River, near the town of Freeport, Sacramento County.

**AUTHORIZED USE:**

Continued use and maintenance of an existing commercial marina containing  
121 boat slips, fuel dock, watchman's residence, marina office and canvas shop.

**LEASE TERM:**

25 years, beginning January 1, 1999.

**CONSIDERATION:**

Year 1: 3% of gross income for the berthing, mooring and launching of  
boats with a minimum annual rent of \$5,000;

Year 2: 4% of gross income for the berthing, mooring and launching of  
boats with a minimum annual rent of \$5,000;

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Years 3-25: 5% of gross income for the berthing, mooring and launching of boats with a minimum annual rent of \$8,250.

Canvas        \$100 per year  
Shop

**OTHER PERTINENT INFORMATION:**

1. At its June 14, 1999, meeting, the Commission issued a new lease to Freeport Properties. Freeport Properties is in the process of selling its business to Freeport Marina, Inc. The sale is currently in an escrow account. All economic requirements of the lease, including liability insurance, surety bond, rental, and the Assignment document, will be placed in the escrow account. At the close of escrow, these lease requirements will be submitted to Commission staff. The consent to assign this lease will expire within 60 days from the date the Commission approves the Assignment unless the sale is completed.
2. The effective date of this Assignment is the date of the close of escrow, at which time the Assignee will own the uplands adjoining the lease.
3. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), the staff has determined that this activity is exempt from the requirements of the CEQA because the activity is not a "project" as defined by the CEQA and the State CEQA Guidelines.

Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations, section 15378.

4. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

**EXHIBITS:**

- A. Site Map
- B. Location Map

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**PERMIT STREAMLINING ACT DEADLINE:**

N/A

**RECOMMENDED ACTION:**

IT IS RECOMMENDED THAT THE COMMISSION:

**CEQA FINDING:**

FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

**AUTHORIZATION:**

1. AUTHORIZE THE ASSIGNMENT OF LEASE NO. PRC 4157.1, A GENERAL LEASE - COMMERCIAL USE, OF TIDE AND SUBMERGED LANDS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, FROM FREEPORT PROPERTIES, A CALIFORNIA LIMITED PARTNERSHIP TO FREEPORT MARINA, INC., EFFECTIVE AT THE CLOSE OF ESCROW AND NO LATER THAN FEBRUARY 4, 2000.
  
2. AUTHORIZE STAFF EXECUTION OF THE DOCUMENT ENTITLED "AGREEMENT AND CONSENT TO ENCUMBRANCING OF LEASE" IN THE AMOUNT OF \$2.5 MILLION ON FILE IN THE OFFICE OF THE CALIFORNIA STATE LANDS COMMISSION, IN FAVOR OF HELLER FINANCIAL, INC. CO., AS SECURED PARTY LENDER.

EXHIBIT "A"  
LAND DESCRIPTION

PRC 4157.1

A parcel of tide and submerged land in the State owned bed of the Sacramento River, immediately north of the Freeport Bridge at Freeport, Sacramento County, California, said parcel being all that land lying immediately beneath dock and marina facilities TOGETHER WITH a 10 foot use area extending 10 feet from the extremities of said dock and marina facilities, said dock and marina facilities lying within the following described parcel of land:

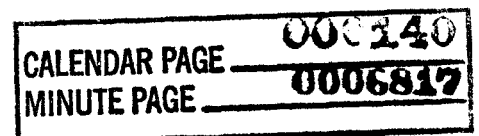
COMMENCING at a point on the westerly right-of-way line of the Southern Pacific Railroad, Walnut Grove Branch, where said line intersects the prolongation of the Freeport Bridge centerline, said point being described as the "point of beginning" of Parcel No. 1 in a deed from Anna J. Hack to County of Sacramento and recorded May 2, 1928 in Book 181, Page 322 of the Official Records of Sacramento County, from which U.S.C.&G.S. triangulation station "CONTENT" bears S 1° 58' 30" E, 4109.11 feet, more or less; thence along the centerline of the Freeport Bridge S 77° 55' 30" W, 35 feet; thence N 12° 04' 30" W, 65 feet to the TRUE POINT OF BEGINNING; thence continuing N 12° 04' 30" W, 1330 feet; thence S 77° 55' 30" W, 193.99 feet; thence S 16° 04' 30" E, 487.21 feet; thence S 12° 04' 30" E, 843.98 feet; thence N 77° 55' 30" E, 160 feet to the point of beginning.

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

END OF DESCRIPTION

REVIEWED OCTOBER 9, 1986 BY BOUNDARY SERVICES UNIT, M. L. SHAFER, SUPERVISOR.

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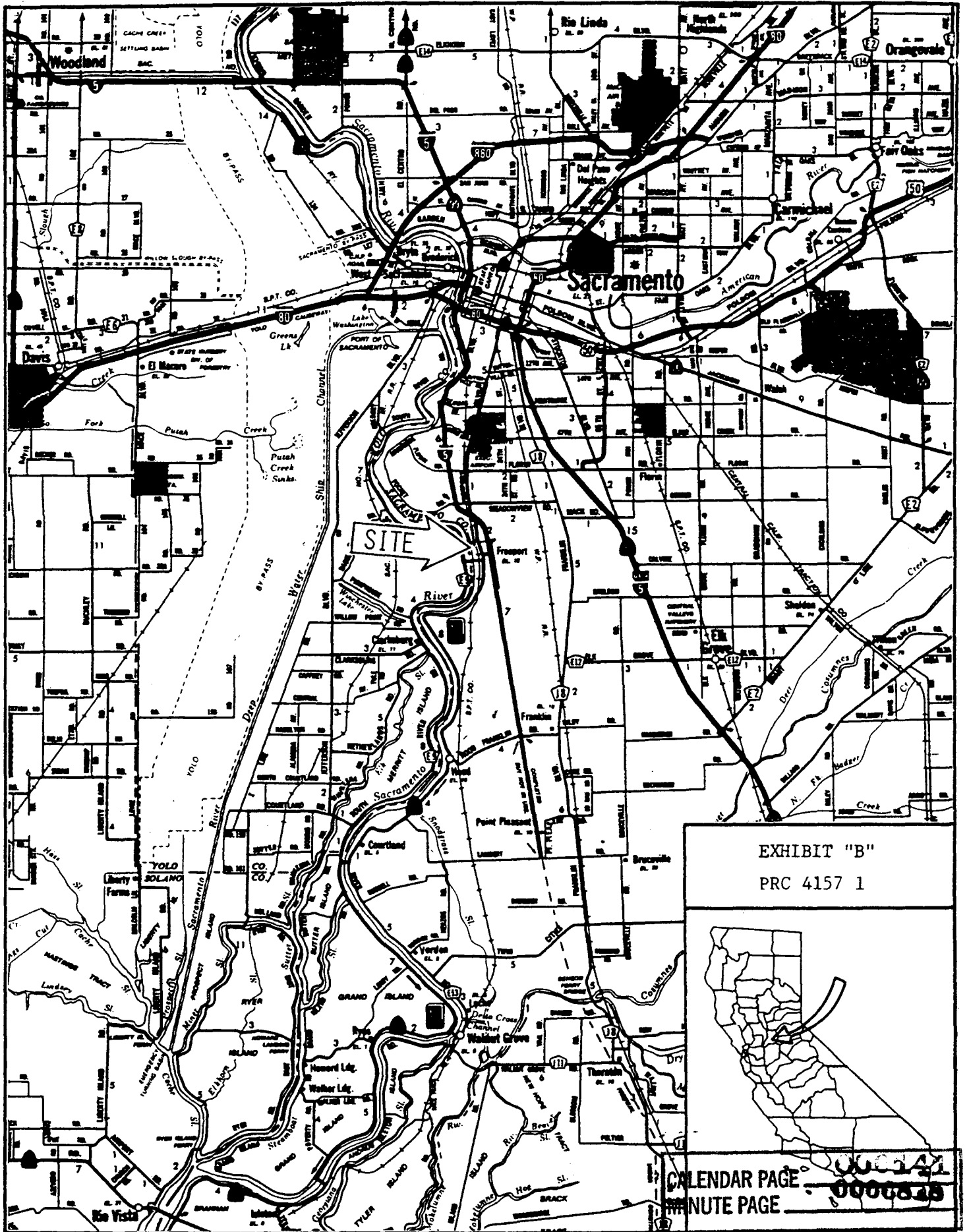


EXHIBIT "B"  
PRC 4157 1

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