MINUTE ITEM

This Calendar Item No. $\underline{C17}$ was approved as Minute Item No. $\underline{17}$ by the California State Lands Commission by a vote of $\underline{3}$ to $\underline{\varnothing}$ at its $\underline{+-9-02}$ meeting.

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PRC 7624.9 WP 7624.9

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J. Lucchesi

DREDGING LEASE

APPLICANT:

Swales Anchorage 2888 Bayshore Drive Newport Beach, CA 92663

AREA, LAND TYPE, AND LOCATION:

Legislatively granted sovereign lands, with minerals reserved to the State, at Swales Anchorage Marina, Newport Bay, city of Newport Beach, Orange County.

AUTHORIZED USE:

Dredge a maximum of 5,000 cubic yards of sediment over the life of the lease to restore navigation. Deposition of sediment to be at the United States Army Corps of Engineers approved offshore disposal site LA-3.

LEASE TERM:

5 years, beginning April 1, 2002 through March 31, 2007.

CONSIDERATION:

No royalty will be charged; \$0.25 per cubic yard will be charged for any material used for privated benefit or for commercial sale purposes.

OTHER PERTINENT INFORMATION:

- The dredging activity will be located on sovereign lands, which were legislatively granted to the County of Orange pursuant to Chapter 526, Statutes of 1919, as amended, with minerals reserved to the State. This project is part of a larger dredging project that includes legislatively granted lands to the city of Newport Beach, minerals not reserved to the State and no lease from the CSLC is required.
- 2. In 2000, the city of Newport Beach received permits from the United States Army Corps of Engineers (Permit 98-00296-SDM)

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and the California Coastal Commission (CC-078-99 and CC-077-01) to allow the annual maintenance dredging of 20,000 cubic yards in and around existing permitted public, private and commercial piers and floats at various locations throughout Upper and Lower Newport Bay. The city of Newport Beach exempted the proposed project under CEQA.

3. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulation, section 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 alterations to Land; Title 14, California Code of Regulations, Section 15304 (g).

Authority: Public Resource Code section 21084 and Title 14, California Code of Regulations, section 15300 and Title 2.

4. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Codes section 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 such project, is consistent with its use classification.

APPROVALS OBTAINED:

Army Corps of Engineers; Regional Water Quality Control Board; California Coastal Commission; City of Newport Beach.

FURTHER APPROVALS REQUIRED:

None.

EXHIBIT:

A. Location Map

PERMIT STREAMLINING ACT DEADLINE:

N/A

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

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CEQA FINDING:

FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 AS A CATEGORICALLY EXEMPT PROJECT, CLASS 4, MINOR ALTERATION TO LAND; TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15304 (g).

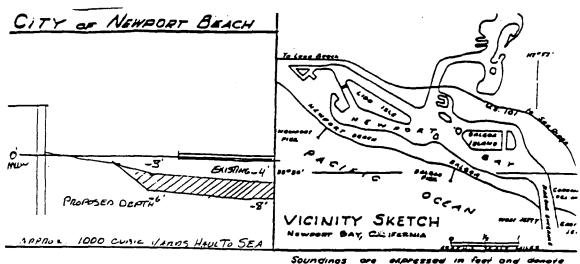
SIGNIFICANT LANDS INVENTORY FINDING:

FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTION 6370, ET SEQ.

AUTHORIZATION:

AUTHORIZE THE ISSUANCE OF A DREDGING LEASE TO SWALES ANCHORAGE MARINA, FOR A TERM OF 5 YEARS BEGINNING APRIL 1, 2002, THROUGH MARCH 31, 2007, FOR DREDGING APPROXIMATELY 5,000 CUBIC YARDS FROM THE LANDS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; SUCH PERMITTED ACTIVITY IS CONTINGENT UPON APPLICANT'S COMPLIANCE WITH APPLICABLE PERMITS, RECOMMENDATIONS, OR LIMITATIONS ISSUED BY FEDERAL, STATE AND LOCAL GOVERNMENTS. NO ROYALTY SHALL BE CHARGED AS THE PROJECT WILL RESULT IN A PUBLIC BENEFIT; \$0.25 PER CUBIC YARD SHALL BE CHARGED FOR ANY MATERIAL USED FOR PRIVATE BENEFIT OR COMMERCIAL SALE PURPOSES.





Soundings are expressed in feet and denote depths below Maan Lower Lew Worker. Maximum range of tide approximately 10 feet. Harbor line are established in this Section of Newport Bay.

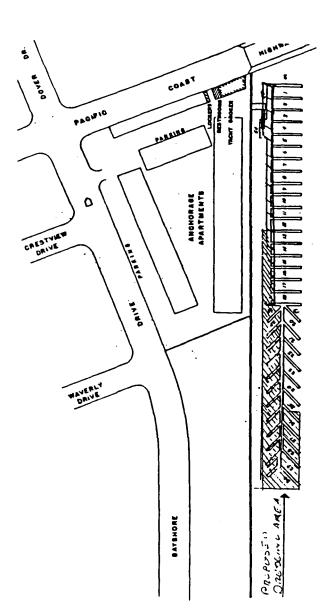


Exhibit A Location Map

APPLICATION FOR MAINTENANCE DREDGING LEASE WP 7624.9 SWALES ANCHORAGE MARINA ORANGE COUNTY



N

This Exhibit is solely for purpose of generally defining the lease premise, is based on unverified information provided by lessee or other parties, and is not intended to be, nor shall it be construed as, a waiver or limitation of any state interest in the subject or any other property.

J.L. 3/5/02