

MINUTE ITEM

This Calendar Item No. C06 was approved as Minute Item No. C06 by the California State Lands Commission by a vote of 3 to 0 at its 2/2/04 meeting.

**CALENDAR ITEM
C06**

A 17, 26

S 5, 14

PRC 7631

02/02/04
WP 7631.1
D. Jones

ASSIGNMENT OF LEASE

LESSEE/ASSIGNOR:

Thomas Edward Radford
PMB 270 P. O. Box 9019
Calexico, California 92232-9019

ASSIGNEE:

Califia LLC, a California Limited Liability Company
16976 S. Harlan Road
Lathrop, California 95330

AREA, LAND TYPE, AND LOCATION:

0.72 acres, more or less, of tide and submerged lands in the San Joaquin River, near Lathrop, San Joaquin County.

AUTHORIZED USE:

Continued use and maintenance of an existing commercial marina consisting of two (2) open floating docks secured to pilings accommodating approximately 21 boats, two (2) walkways, one (1) gas pump/dispenser, bank protection and appurtenant facilities.

LEASE TERM:

20 years, beginning April 8, 2002.

CONSIDERATION:

\$1,450 per year; with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease

OTHER PERTINENT INFORMATION:

1. Assignee owns the uplands adjoining the lease premises.

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2. On May 5, 1992, the Commission approved a General Lease – Commercial Use to Elva I. Radford for a term 15 years beginning April 8, 1987 to April 7, 2002. At its April 7, 2003, meeting, the Commission issued a new 20 year lease to Thomas Edward Radford beginning April 8, 2002. On September 18, 2003, Califia, LLC, purchased the upland and the Mossdale Marina which is the subject of this lease from Mr. Radford and has applied to the Commission for an assignment of the lease.

Califia, LLC, is a single purpose entity that was created to develop the proposed master-planned community River Islands Project at Lathrop, formerly known as the Gold Rush City project. The River Islands Project is located at Stewart Tract, a Delta island near the I-205, Route 120 and I-5 function at the crossing of the San Joaquin River. The proposed River Islands Project is located adjacent to the subject lease parcel. Once approved and developed, the Project will consist of approximately 4,800 acres, 11,000 housing units and over 4 million square feet of commercial space.

The leased parcel and the River Islands Project are unrelated except that Califia is the owner of both the marina and the Project. Califia purchased the marina property to upgrade the existing facilities in order to make an attractive entry feature. No changes or improvements are proposed as part of this assignment except for repair and maintenance activities, which are authorized under this lease.

3. The applicant has a "Permit to Operate" the 1,000 gallon aboveground fuel storage tank, which serves its gasoline dispenser, from the San Joaquin Valley Air Pollution Control District. The Permit expires on April 30, 2005. The Permit states that the storage tank is served by a coaxial Phase I vapor recovery system, one fueling point with one gasoline-dispensing nozzle. According to the Air Resources Board, the Phase I vapor recovery systems are required at marinas so that the vapors are captured and not released into the air.

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Neither the State Water Resources Control Board (SWRCB) nor the California Central Valley Regional Water Quality Control Board requires a permit for the gasoline dock or the aboveground storage tank. A single storage tank holding up to 1,320 gallons of fuel is exempt from registering with, and obtaining a Storage Statement from, the SWRCB. In addition, since the fuel storage tank is double-walled and fully self-contained, it does not need a berm and secondary containment recovery area which is required for storage tanks which are not double-walled.

The Regional Board does require the owner to retain onsite a fuel spill fire response plan. The applicant has prepared the plan and retains it at the lease premises. It is also on file in the Sacramento office of the Commission.

The County of San Joaquin inspected the gasoline dispenser/pump in November 2002, and found no problems.

4. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines [Title 14, California Code of Regulations, section 15060(c)(3)], the staff has determined that this activity is not subject to the provisions of the CEQA because it 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, sections 15060 (c)(3) and 15378.

SPECIAL LEASE PROVISIONS:

Insurance:

Liability insurance: Combined single limit coverage of \$1,000,000.

Bond:

\$10,000.

EXHIBIT:

- A. Location Map

PERMIT STREAMLINING ACT DEADLINE:

N/A

CALENDAR ITEM NO. C06 (CONT'D)

RECOMMENDED ACTION:

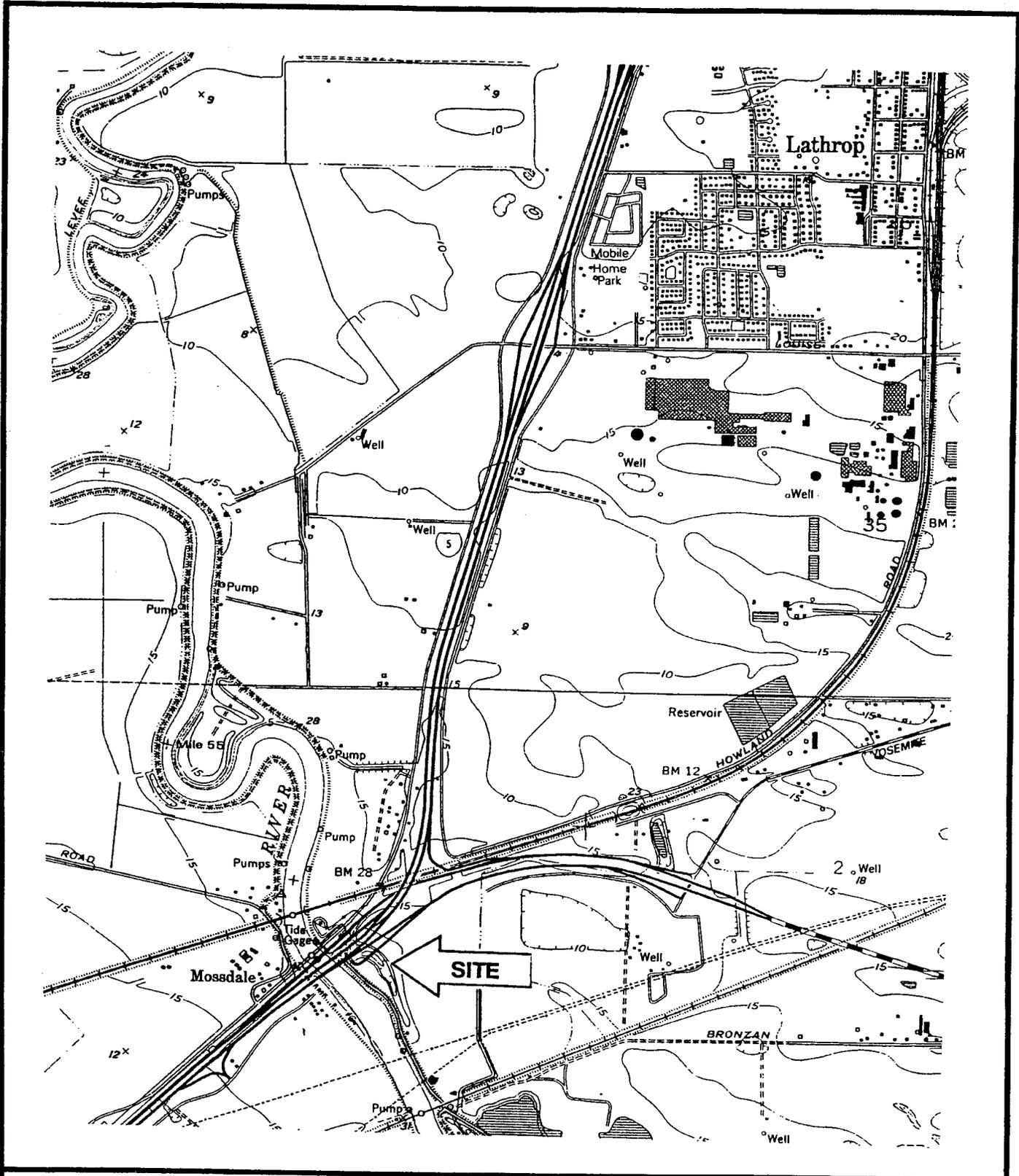
IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE ACTIVITY IS NOT SUBJECT TO THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15060(c)(3) 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:

AUTHORIZE THE ASSIGNMENT OF LEASE NO. PRC 7631.1, A GENERAL LEASE - COMMERCIAL USE, OF TIDE AND SUBMERGED LANDS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, FROM THOMAS EDWARD RADFORD TO CALIFIA LLC, A CALIFORNIA LIMITED LIABILITY COMPANY; EFFECTIVE SEPTEMBER 18, 2003.



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

EXHIBIT A
PRC 7631.1

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1/5/04 DJ