

CALENDAR ITEM
C13

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08/17/04
PRC 6427 WP 6427.1
D. Jones

**APPROVAL OF AN AGREEMENT AND CONSENT TO
ENCUMBRANCING OF LEASE**

APPLICANT:

Riverbank Holding Company, LLC
P. O. Box 340658
Sacramento, California 95834

AREA, LAND TYPE, AND LOCATION:

Five acres, more or less, of sovereign lands in the Sacramento River, in the city
of Sacramento, Sacramento County.

AUTHORIZED USE:

The continued use and maintenance of an existing commercial marina, sewage
pumpout, debris deflector, two speed signs, a restaurant with an accommdation
dock and two floating offices.

LEASE TERM:

25 years, beginning September 1, 2002.

CONSIDERATION:

A minimum annual rental of \$41,658 paid quarterly against a percentage of gross
receipts.

SPECIFIC LEASE PROVISIONS:

Insurance:
\$1,000,000 Combined Single Limit.
Bond:
\$20,000.

OTHER PERTINENT INFORMATION:

1. Applicant owns the uplands adjoining a portion of its lease premises and
has a use right and/or is the best-qualified applicant as to the remainder of
the lease premises. Riverbank Holding Company, LLC (Riverbank) is the

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best qualified applicant for the lease premises that adjoin the uplands because it has long-standing improvements on the sovereign lands which have provided recreational opportunities to the public for over twenty years.

2. On October 1, 2002, the Commission issued a new 25-year lease to Riverbank for a commercial marina, sewage pumpout, debris deflector, two speed signs, a restaurant with an accommodation dock and two floating offices. At that meeting, the Commission also authorized an Agreement and Consent to Encumbrancing of Lease in favor of Ohio National Life Insurance Company in the amount of \$5,000,000.

Lessee is currently seeking new supplemental financing in the amount of \$1,150,000 from the same lender, Ohio National. The new loan will be used to make repairs to the marina, including replacing the floating systems under the dock areas. The Commission will enter into another Encumbrancing Agreement with the Lessee and Ohio National for \$1,150,000.

The total loan amount for the two Encumbrancing Agreements will be \$6,150,000.

3. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines [Title 14, California Code of Regulations, section 156060 (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.
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

PERMIT STREAMLINING ACT DEADLINE:

N/A

CALENDAR ITEM NO. C13 (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.

SIGNIFICANT LANDS INVENTORY FINDING:

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

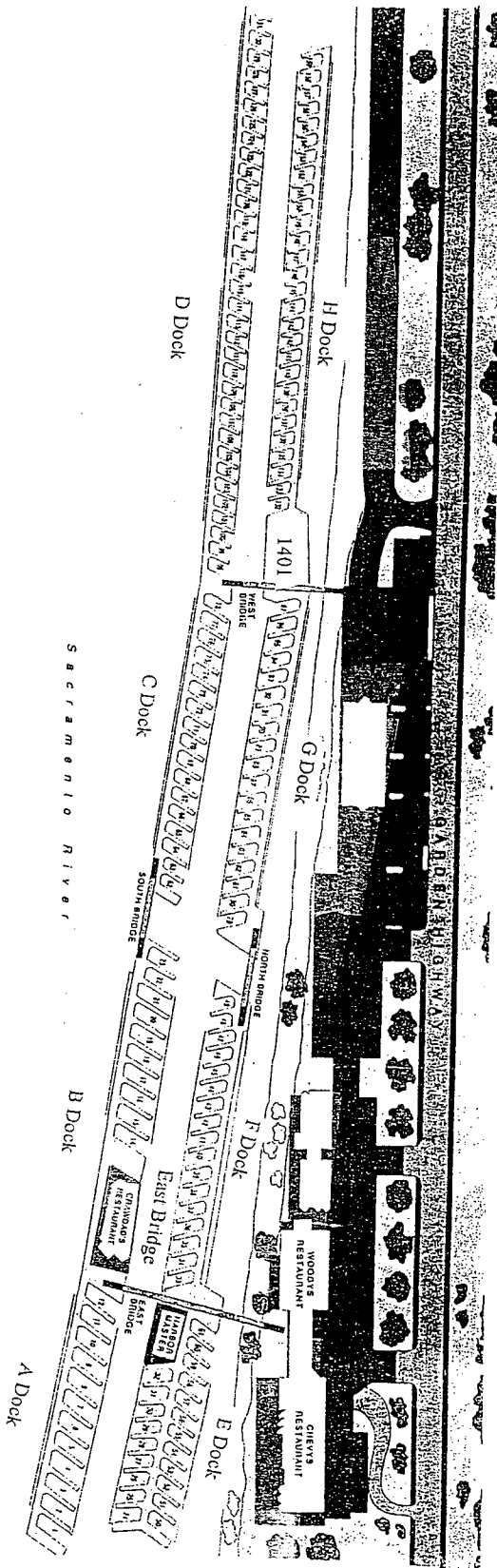
AUTHORIZATION:

AUTHORIZE EXECUTION OF THE DOCUMENT ENTITLED "AGREEMENT AND CONSENT TO ENCUMBRANCING OF LEASE" IN THE AMOUNT OF \$1,150,000 ON FILE IN THE OFFICE OF THE COMMISSION BETWEEN THE COMMISSION, RIVERBANK HOLDING COMPANY, LLC, AND OHIO NATIONAL LIFE INSURANCE COMPANY, EFFECTIVE UPON THE APPROVAL OF THE NEW LOAN BY OHIO NATIONAL LIFE INSURANCE COMPANY, BUT NO LATER THAN DECEMBER 1, 2004.

SLIP #	SIZE	SLIP #	SIZE	SLIP #	SIZE	SLIP #	SIZE
1	U40'	24-47	C30'	78-79	U30'	117-130	C24'
2-11	C40'	48-49	U24'	80-96	C30'	132-133	U24'
12	U40'	50-58	C30'	97	U30'	134-144	C24'
14	U40'	59-61	U30'	98-100	U24'	145-146	U24'
15-21	C40'	62-63	U24'	101-114	C24'	147-158	C24'
22-23	U33'	64-77	C30'	115-116	U24'	159	U24'



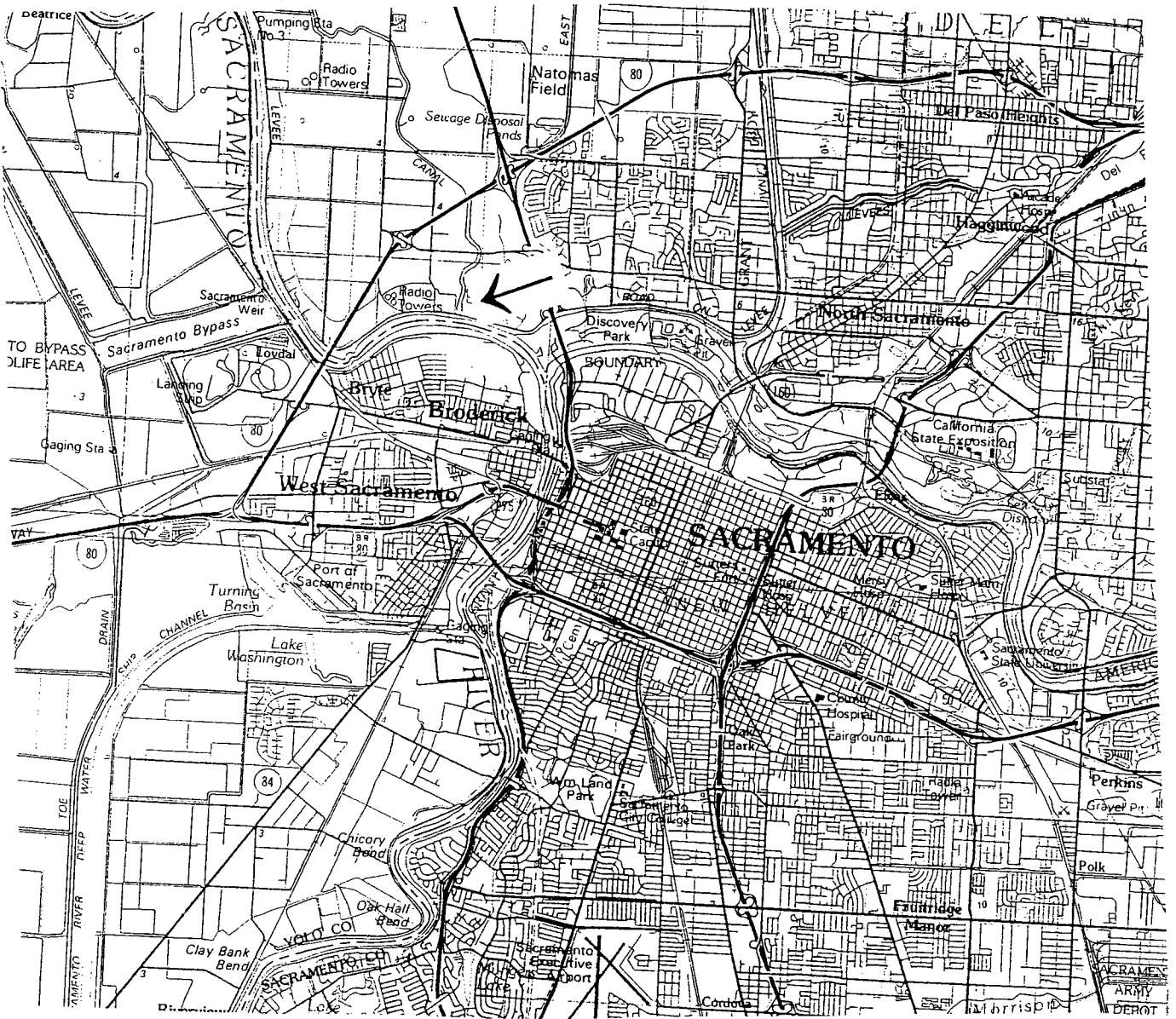
**RIVERBANK
MARINA**
1371 Garden Highway, Sacramento, CA 95813
(916) 922-0720



This exhibit is solely for purposes of generally defining the lease premises, 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 other property.

**Exhibit A
PRC 6427.1**

QUAD: USGS



This exhibit is solely for purposes of generally defining the lease premises, 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 other property.

EXHIBIT B
PRC 6427.1

Dj 7/24/04

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