

MINUTE ITEM
This Calendar Item No. C13 was approved as
Minute Item No. 13 by the California State Lands
Commission by a vote of 3 to 0 at its
12-03-07 meeting.

CALENDAR ITEM

C13

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12/03/07
PRC 6427 WP 6427.1
V. Caldwell

APPROVAL OF SUBLEASE AND REVISION IN RENT

LESSEE/SUBLESSOR:

Riverbank Holding Company, LLC
P.O. Box 340658
Sacramento California 95834-0658

SUBLESSEES:

Carolyn Langenkamp and Beth Curtis
dba Langenkamp & Curtis, LLP
1371 Garden Highway Suite 100
Sacramento California 95834

AREA, LAND TYPE, AND LOCATION:

Five acres, more or less, of sovereign lands in the Sacramento River, adjacent to
the Garden Highway, Sacramento County.

AUTHORIZED USE:

LEASE: The continued use and maintenance of an existing commercial
marina, restaurant, and floating offices.

SUBLEASE: Office use for non-trust related services.

TERM:

LEASE: 25 years, beginning September 1, 2002.

SUBLEASE: 3 years, beginning October 1, 2007.

CONSIDERATION:

LEASE: The current minimum annual rental is \$41,660, paid quarterly,
against a percentage of gross receipts:

- 6% of gross income for the berthing, mooring of boats;

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- 1.5% of gross income for the operation of restaurants and bars;
- 0.5% of the total sales price derived from boat sales and servicing of new and used yachts, boats, personal watercraft and related equipment by Lessee or sublessees of Lessee regularly engaged in the business of selling boats on or by consignment;
- 25% of gross income from coin operated vending and electronic game machines; and
- 10% of all other Gross Income generated from the Lease Premises.

This lease provides that Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff has conducted a review of the rent under this lease, and recommends that the minimum annual rent be revised from \$41,660 per year to \$60,484 per year, effective September 1, 2008.

OTHER PERTINENT INFORMATION:

1. The Lessee owns the uplands adjoining a portion of the Lease Premises and has a right to use the Lease Premises adjoining the adjacent uplands.
2. Riverbank Holding, LLC (Riverbank) has a total of five authorized subleases, three with public trust related tenants and two non-public trust related tenants. The public trust related subleases include Crawdad's Restaurant, Marinemax, Inc., and River City Surveys. The non-public trust related subleases are the Law Offices of Laura Taylor and Carolyn Langenkamp. This latter sublease with Carolyn Langenkamp recently expired and Carolyn Langenkamp and Beth Curtis have formed a new company, Langenkamp & Curtis, LLP, which have signed a new sublease agreement with the Lessee, effective October 1, 2007 for a period of three years.
3. Prior to the submission of approval of a new sublease or a renewal, Riverbank is required to conduct a market survey demonstrating a demand for public trust related office space. The market survey consisted of mailing flyers to over 100 small and marine related businesses, as well as advertising, in the Sacramento Bee and various websites, no

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responses were received. Staff has concluded that Riverbank has demonstrated that, at this time, demand is limited for public trust related tenants. Riverbank is now requesting that the Commission approve the non-public trust related sublease to Carolyn Langenkamp and Beth Curtis, dba Langenkamp & Curtis, LLP. Staff has reviewed the sublease and has concluded the sublease is consistent with the master lease.

4. 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 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.

5. 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.

EXHIBIT:

- A. Site and Location Map

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

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LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370,
ET SEQ.

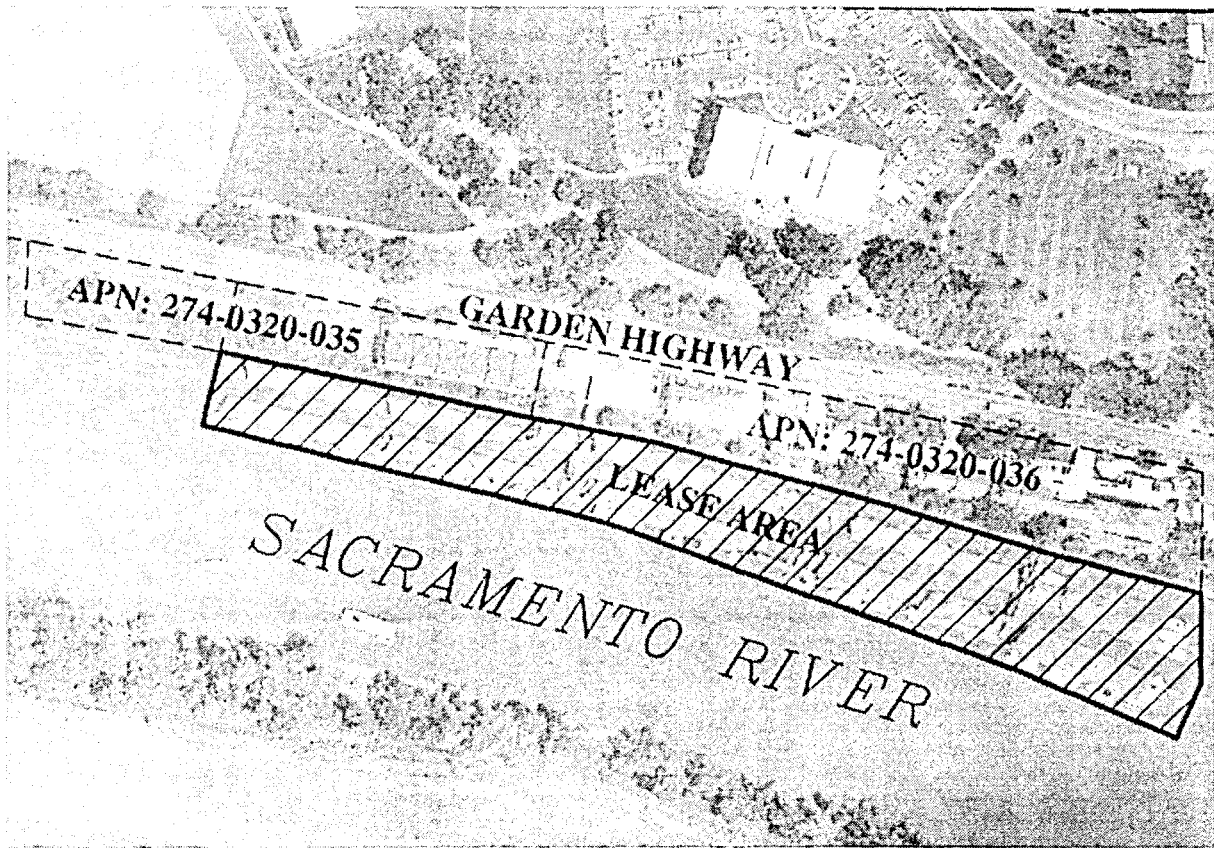
AUTHORIZATION:

1. AUTHORIZE A SUBLEASE FROM RIVERBANK HOLDING COMPANY, LLC, TO CAROLYN LANGENKAMP AND BETH CURTIS, DBA LANGENKAMP & CURTIS, LLP, ON FILE WITH THE CALIFORNIA STATE LANDS COMMISSION, EFFECTIVE OCTOBER 1, 2007, FOR A TERM OF THREE YEARS, AS SHOWN ON EXHIBIT A AND BY THIS REFERENCE MADE A PART HEREOF.

2. APPROVE THE REVISION OF THE MINIMUM ANNUAL RENT FOR LEASE NO. PRC 6427.1 FROM \$41,660 PER YEAR TO \$60,484 PER YEAR, EFFECTIVE SEPTEMBER 1, 2008.

NO SCALE

SITE



1361-1371 Garden Highway, Sacramento

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit A

WP 6427.1
 RIVERBANK MARINA
 APN: 274-0320-035, 036
 GENERAL LEASE
 COMMERCIAL USE
 SACRAMENTO COUNTY



MJF: 11/09/07

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This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the 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.