

**CALENDAR ITEM
C16**

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01/29/09
PRC 7067.1
V. Caldwell

REVISION OF RENT

LESSEE:

Delta Bay Club, Inc.
32392 South Coast Highway, Suite 170
Laguna Beach, California 92651

AREA, LAND TYPE, AND LOCATION:

1.58 acres, more or less, of sovereign lands in the San Joaquin River, adjacent to 922 W. Brannan Island Road, at Andrus Island, Sacramento County.

AUTHORIZED USE:

Continued use and maintenance of a commercial marina.

LEASE TERM:

42 years, beginning April 23, 1987.

CONSIDERATION:

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 \$2,990 per year to \$4,817 per year, against a percentage of gross receipts, effective April 23, 2009.

OTHER PERTINENT INFORMATION:

On April 23, 1987, the Commission authorized a General Lease - Commercial Use to Jerrold J. Smith, Mitzi E. Smith, George M. Brahy, and Michele M. Brahy for a term of 30 years. On September 23, 1987, the Commission authorized assignment of this lease to Delta Bay Club. On December 9, 2003, the Commission authorized an amendment to the lease to extend the lease term an additional 12 years in order for the Lessee to obtain financing for the marina. The lease will expire on April 22, 2029.

EXHIBIT:

A. Site and Location Map

CALENDAR ITEM NO. **C16** (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:

APPROVE THE REVISION OF RENT FOR LEASE NO. PRC 7067.1 FROM \$2,990 PER YEAR TO \$4,817 PER YEAR, EFFECTIVE APRIL 23, 2009.