

**CALENDAR ITEM
C36**

A 11
S 7

01/26/12
PRC 600.1
D. Oetzel

REVISION OF RENT

LESSEE:

ConocoPhillips Company
San Francisco Refinery
1380 San Pablo Avenue
Rodeo, CA 94572-1354

AREA, LAND TYPE, AND LOCATION:

16.726 acres, more or less, of filled and unfilled sovereign lands in San Pablo Bay, town of Rodeo, Contra Costa County.

AUTHORIZED USE:

Continued use and maintenance of a marine oil terminal.

LEASE TERM:

30 years, beginning September 1, 2001.

CONSIDERATION:

This lease provides that Lessor and Lessee shall establish a new reasonable Base Rent on each ten-year Anniversary (January 1, 2012 and January 1, 2022) to be used to calculate the Annual Rental. Pursuant to this provision, staff has conducted a review of the rent under this lease, and recommends the Base Rent be revised from \$235,000 per year to \$287,628 per year, effective January 1, 2012.

OTHER PERTINENT INFORMATION

1. The Commission originally authorized the issuance of Lease No. PRC 6001.1 to Unocal Corporation on April 12, 1951. The lease was subsequently assigned to Tosco Corporation. On September 17, 2001, a new General Lease – Industrial Use was issued to Tosco Corporation. Effective January 1, 2003, the Lessee's name was changed to ConocoPhillips Company.

CALENDAR ITEM NO. **C36** (CONT'D)

2. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Cal. Code Regs., tit. 14, § 15060, subd. (c)(3), the staff has determined that this activity is not subject to the provisions of CEQA because it is not a "project" as defined by CEQA and the State CEQA Guidelines.

Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, sections 15060, subdivision (c)(3), and 15378.

3. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq., but such activity will not affect those significant lands. 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. Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the activity is not subject to the requirements of CEQA pursuant to, California Code of Regulations, Title 14, section 15060, subdivision (c)(3) because the activity is not a project as defined by Public Resources Code section 21065 and, California Code of Regulations Title 14, section 15378.

SIGNIFICANT LANDS INVENTORY FINDING:

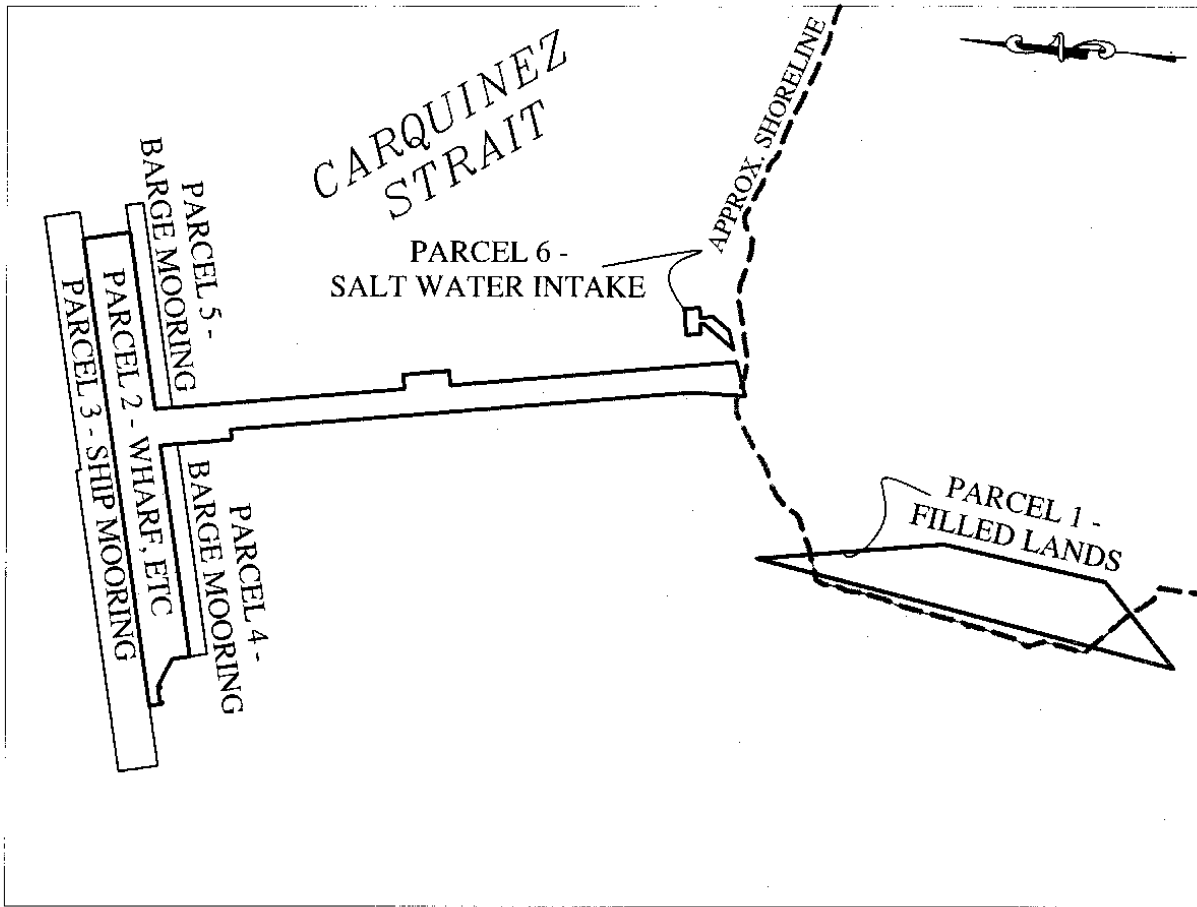
Find that this activity is consistent with the use classification designated by the Commission for the land pursuant to Public Resources Code section 6370 et seq.

AUTHORIZATION:

Approve the revision of Base Rent for Lease No. PRC 600.1 from \$235,000 per year to \$287,628 per year, effective January 1, 2012.

NO SCALE

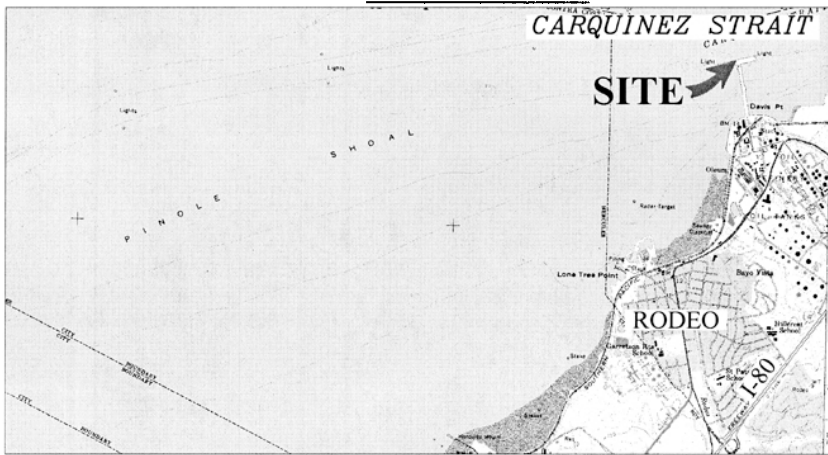
SITE



Rodeo, Carquinez Strait

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit A

PRC 600
 CONOCO PHILLIPS
 GENERAL LEASE -
 INDUSTRIAL USE
 CONTRA COSTA COUNTY



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.