

**CALENDAR ITEM  
C18**

A 15  
S 8

03/29/12  
PRC 8229.1  
V. Caldwell

**CONTINUATION OF RENT**

**LESSEE:**

Willow Berm Nexgen, LLC

**AREA, LAND TYPE, AND LOCATION:**

20.97 acres, more or less, of sovereign land in the Mokelumne River, adjacent to 140 Brannan Island Road, Andrus Island, Sacramento County.

**AUTHORIZED USE:**

Continued use and maintenance of an existing commercial marina known as Willow Berm.

**LEASE TERM:**

30 years, beginning May 8, 2001.

**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 continued at \$50,400 per year, paid in 12 equal monthly installments, against five percent of gross income derived from berthing, one and one-half cents per gallon of fuel sold annually on or over the Lease Premises to a maximum of 100,000 gallons, and two cents per gallon thereafter, and 10 percent of all other income, effective August 1, 2012.

**SPECIFIC LEASE PROVISIONS:**

**Insurance:**

This lease provides that Lessor may increase the amount of liability insurance periodically during the lease term. Pursuant to this provision, staff recommends an increase in liability insurance from \$1,000,000 to \$5,000,000, effective May 8, 2012.

CALENDAR ITEM NO. **C18** (CONT'D)

Surety:

This lease provides that Lessor may increase the amount of the surety bond or other security periodically during the lease term. Pursuant to this provision, staff recommends an increase in the surety bond or other security from \$25,000 to \$100,000, effective May 8, 2012.

**OTHER PERTINENT INFORMATION:**

1. On February 5, 2001, the Commission authorized a General Lease – Commercial Use to Willow Berm Ltd, a California Limited Partnership for an existing commercial marina. On April 24, 2001, the Commission authorized an Agreement and Consent to Encumbrancing of Lease, which was subsequently assigned to Willow Berm Nexgen, LLC. The lease will expire May 7, 2031.
2. The lease provides that the minimum annual rent and monthly payment be adjusted on August 1 of each year. Therefore, staff is recommending continuation of rent effective August 1, 2012. In addition, staff is recommending that the insurance and bond amounts be increased to levels currently being applied to similar marina leases.
3. The staff recommends that the Commission find that the subject continuation of rent does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with the California Environmental Quality Act (CEQA).

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

**EXHIBIT:**

- A. Site and Map Location

**RECOMMENDED ACTION:**

It is recommended that the Commission:

**CEQA FINDING:**

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

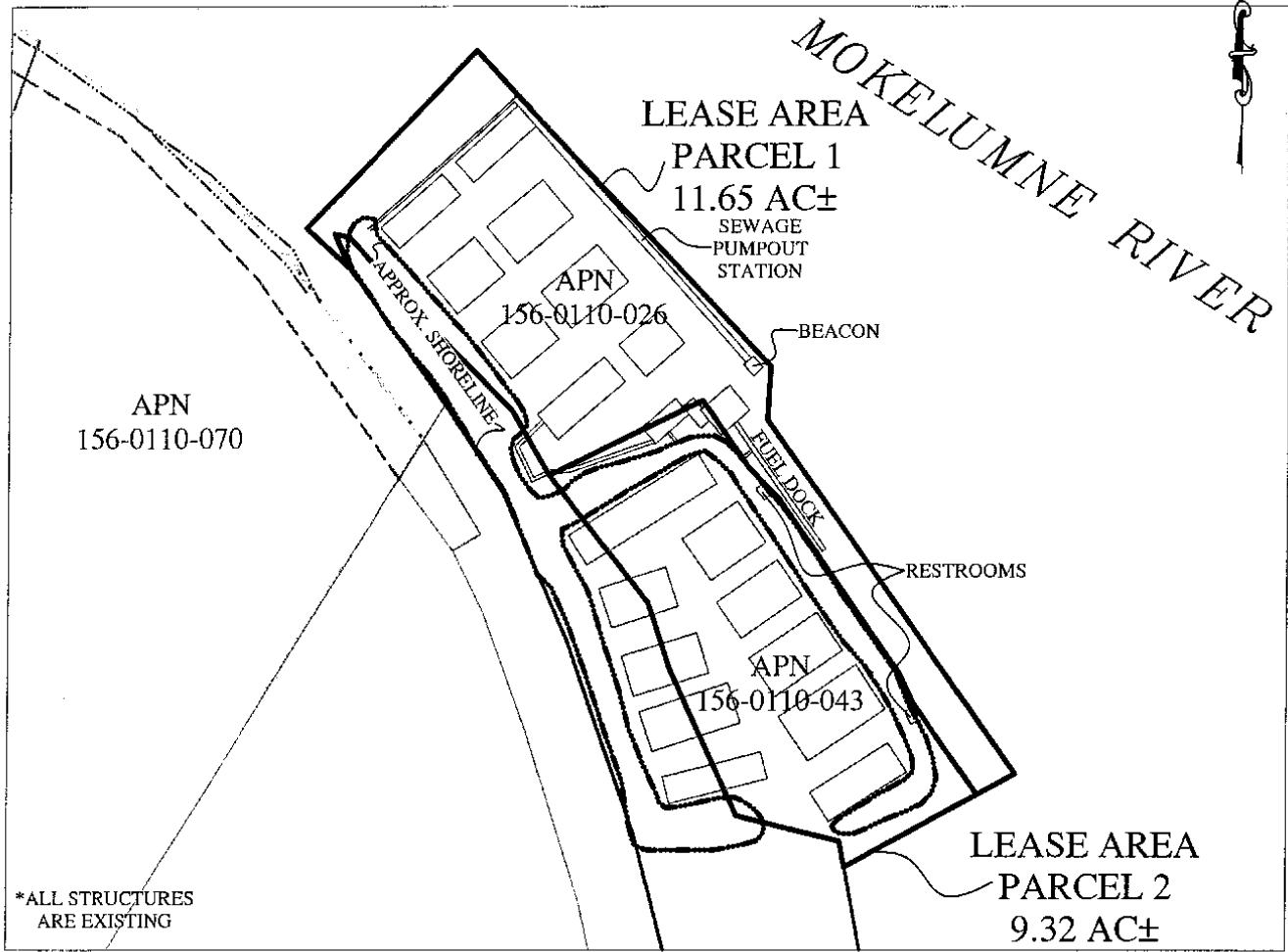
CALENDAR ITEM NO. **C18** (CONT'D)

**AUTHORIZATION:**

1. Approve the continuation of minimum annual rent for Lease No. PRC 8229.1 at \$50,400 per year, effective August 1, 2012.
2. Approve the increase in liability insurance from \$1,000,000 to \$5,000,000, effective May 8, 2012.
3. Approve the increase in the surety bond from \$25,000 to \$100,000, effective May 8, 2012.

NOT TO SCALE

### SITE

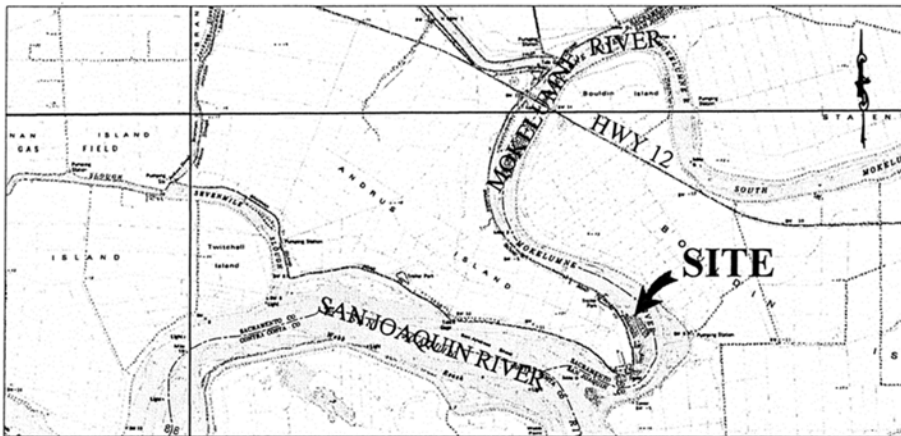


\*ALL STRUCTURES ARE EXISTING

WILLOW BERM MARINA, 140 BRANNAN ISLAND RD., ISLETON

NO SCALE

### LOCATION



MAP SOURCE: USGS QUAD

### Exhibit A

PRC 8229.1  
 WILLOW BERM NEXGEN LLC  
 APN 156-0110-026,043  
 GENERAL LEASE -  
 COMMERCIAL USE  
 SACRAMENTO CO.



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.