

**CALENDAR ITEM
C87**

A 67
S 35

03/29/12
PRC 8246.1
S. Paschall

REVISION OF RENT

LESSEES:

John C. Vaughan and Sandra K. Vaughan, Trustees of the Vaughan Family Trust, dated September 25, 1996.

AREA, LAND TYPE, AND LOCATION:

Sovereign land located in Huntington Harbour, adjacent to 16731 Carousel Lane, city of Huntington Beach, Orange County.

AUTHORIZED USE:

Continued use and maintenance of an existing boat dock, access ramp, cantilevered deck, and bulkhead protections.

LEASE TERM:

10 years, beginning May 10, 2007.

CONSIDERATION:

This lease provides that the State 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 rent be revised from \$1,125 per year to \$1,042 per year, effective May 10, 2012.

OTHER PERTINENT INFORMATION

- 1.. On May 10, 2007, the Commission approved issuance of a General Lease – Recreational and Protective Structure Use for a 10-year term, beginning May 10, 2007, to John C. Vaughan and Sandra K. Vaughan, Trustees of the Vaughan Family Trust, dated September 25, 1996, for continued use and maintenance of an existing boat dock, access ramp, cantilevered deck, and bulkhead protections. The current lessees are natural persons who own the upland property adjacent to the lease premises.

2. On October 8, 2011, Chapter 585, Statutes of 2011 became law. The law is effective January 1, 2012. This new law repeals section 6503.5 of the Public Resources Code, which has allowed rent-free use of State-owned

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land by certain private parties for their recreational piers. It replaced the former section with a new section 6503.5 which provides that the State Lands Commission “shall charge rent for a private recreational pier constructed on state lands.” The law provides for two exceptions to the imposition of rent. Those exceptions are for:

- A. A lease in effect on July 1, 2011 through the remaining term of that lease. If a lease in effect on July 1, 2011 expires or is otherwise terminated, any new lease will be subject to rent; and
- B. A lease for which the lease application and application fees were submitted to the Commission prior to March 31, 2011.

This lease meets the statutory requirements for an exception to the recently-enacted changes to section 6503.5 of the Public Resources Code for the remaining term of the lease because the lease was in effect on July 1, 2011. Therefore, the only facility subject to rent is the cantilevered deck.

- 3. Upon review of the rent, staff discovered a portion of the cantilevered deck for which the Lessees have been paying rent was not located within the Commission jurisdiction. Staff recommends the Commission credit the Lessees for previous rent paid on that portion of the cantilevered deck. The rent revision reflects the corrected lease area and updated rental amount for the remaining term of the lease.
- 4. The staff recommends that the Commission find that the subject revision 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.

EXHIBITS:

- A. Land Description
- B. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

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CEQA FINDING:

Find that the subject revision 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.

AUTHORIZATION:

1. Approve the revision of rent for Lease No. PRC 8246.1 from \$1,125 per year to \$1,042 per year, effective May 10, 2012.
2. Credit the Lessee for payment of rent on the portion of cantilevered deck that was not within the Commission's jurisdiction in the amount of \$1,700 for the period of May 10, 2007 through May 9, 2012.

EXHIBIT A

PRC 8246.1

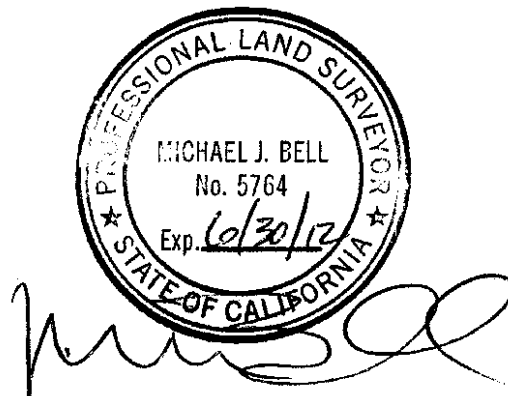
LAND DESCRIPTION

A parcel of submerged land in Huntington Harbour in the City of Huntington Beach, Orange County, California, described as follows:

Beginning at the most westerly corner of Lot 149, as said lot is shown and so designated on that certain map of Tract No. 5481 filed in Book 215 of Miscellaneous Maps, Pages 11 through 22, Official Records of said county; thence along the westerly extension of the northerly line of said lot 60.00 feet to the pierhead line as said pierhead line is described in Resolution No. 5631, passed and adopted January 21, 1986 by the City Council of said city; thence southerly along said pierhead line 32.07 feet to the beginning of a curve to the left, concave easterly and having a radius of 210.00 feet; thence along the arc of said curve 75.42 feet to a line radial from the most southerly corner of said lot; thence northeasterly along said radial line 49.78 feet to the east line of the state-owned channel as said channel is described in Book 6368, Page 411, Official Records of said county; thence northerly along said east line and the west line of said lot 88.38 feet to the point of beginning.

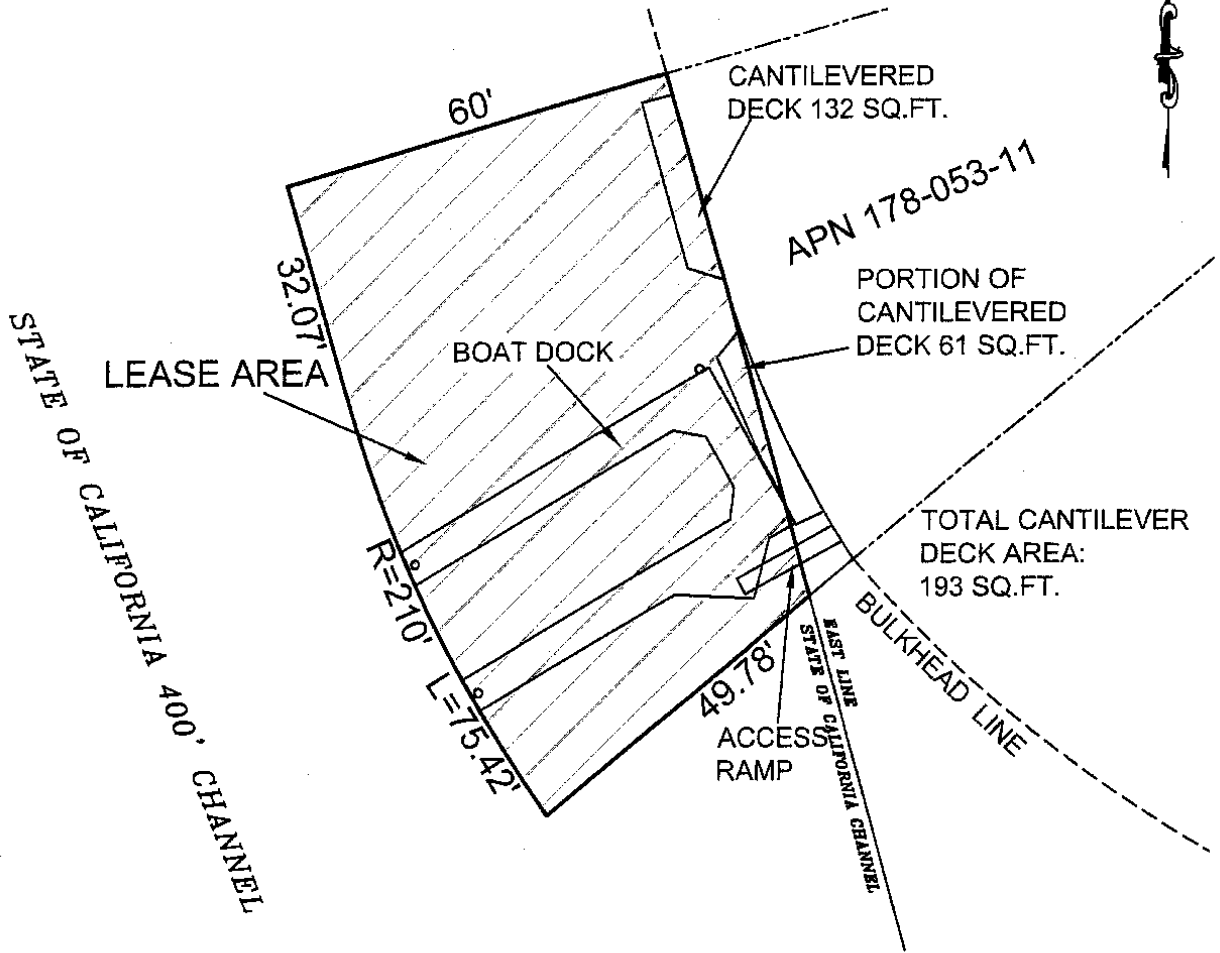
END OF DESCRIPTION

Prepared 3/08/2012 by the California State Lands Commission Boundary Unit



NO SCALE

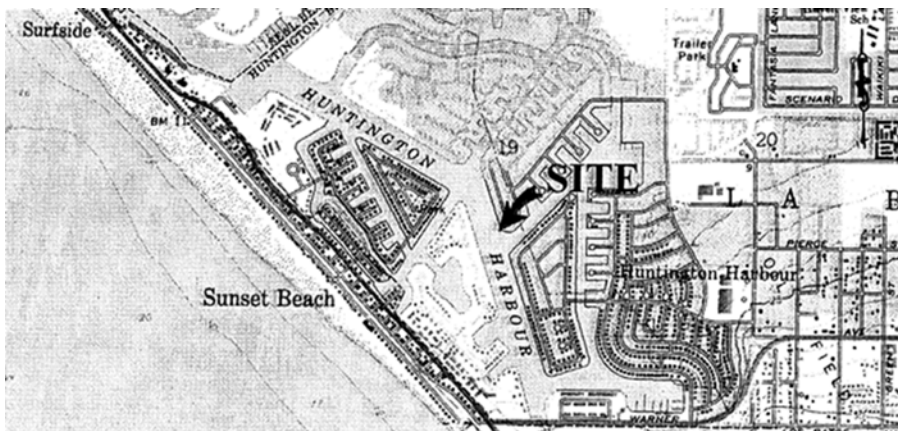
SITE



16731 CAROUSEL LANE, HUNTINGTON HARBOUR

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

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.

Exhibit B

PRC 8246.1
 VAUGHAN TRUST
 APN 178-053-11
 GENERAL LEASE-
 RECREATIONAL AND
 PROTECTIVE STRUCTURE
 ORANGE COUNTY



TS 03/08/12