CALENDAR ITEM C20

A 15 05/24/12 PRC 8173.1 S 5 N. Lavoie

TERMINATION OF A GENERAL LEASE - COMMERCIAL USE AND ISSUANCE OF A GENERAL LEASE - RECREATIONAL USE

LESSEE:

Jeffrey A. Hart, dba Hart Restoration, Inc.

APPLICANT:

Jeffrey A. Hart and Toni T. Hart

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Steamboat Slough, adjacent to 13737 Grand Island Road, near Walnut Grove, Sacramento County.

AUTHORIZED USE:

The continued use and maintenance of an existing single berth floating boat dock, debris deflector, boat lift, gangway, five pilings, and electrical and water conduits.

LEASE TERM:

10 years, beginning May 24, 2012.

CONSIDERATION:

\$367 per year, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

SPECIFIC LEASE PROVISIONS:

Liability insurance in the amount of no less than \$1,000,000.

OTHER PERTINENT INFORMATION:

- 1. Applicants own the upland adjoining the lease premises.
- 2. On August 22, 2008, the Commission authorized a General Lease Commercial Use, Lease No. PRC 8173.1, to Jeffrey A. Hart, dba Hart Restoration, Inc. That lease will expire on August 21, 2018.

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- 3. The Applicants operated an ecotourism business (boat tours) from the dock facility. They are now closing that portion of their business due to the overall poor economy. The Applicants are now applying for a General Lease Recreational Use as their future plans for the dock facility are for personal recreational use only.
- 4. On October 8, 2011, Chapter 585, Statutes of 2011 became law. The law became effective January 1, 2012. This new law repeals section 6503.5 of the Public Resources Code, which had allowed rent-free use of State-owned 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.

The Applicants do not qualify for an exception and the lease is subject to rent because the application was received after March 31, 2011.

- 5. The bank protection at this location is under Lease No. PRC 7203.9 with the Central Valley Flood Protection Board.
- 6. **Lease Termination:** The staff recommends that the Commission find that the subject lease termination 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.

7. Single Berth Floating Boat Dock, Debris Deflector, Boat Lift, Gangway, Five Pilings, And Electrical And Water Conduits:

Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Cal. Code Regs., tit. 14, § 15061), the staff has determined that this activity is exempt from the requirements of CEQA as a categorically exempt project. The project is exempt under Class 1,

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Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

Authority: Public Resources Code section 21084 and California Code of Regulations, Title 14, section 15300 and California Code of Regulations, Title 2, section 2905.

8. 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.

EXHIBITS:

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

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Lease Termination:

Find that the subject lease termination 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.

Single Berth Floating Boat Dock, Debris Deflector, Boat Lift, Gangway, Five Pilings And Electrical And Water Conduits:

Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15061 as a categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

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.

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AUTHORIZATION:

- Authorize acceptance of a Lease Quitclaim Deed of Lease No. PRC 8173.1, a General Lease – Commercial Use, effective May 24, 2012.
- 2. Authorize issuance of a General Lease Recreational Use to Jeffrey A. Hart and Toni T. Hart beginning May 24, 2012, for a term of 10 years, for the continued use and maintenance of an existing single berth floating boat dock, debris deflector, boat lift, gangway, five pilings, and electrical and water conduits as described in Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; annual rent in the amount of \$367, with the State reserving the right to fix a different rent periodically during the lease term as provided in the lease; and liability insurance in the amount of no less than \$1,000,000.

LAND DESCRIPTION

Two parcels of tide and submerged land situate in Steamboat Slough, County of Sacramento, State of California and more particularly described as follows:

Parcel 1

All that certain land lying directly beneath an existing 3 foot wide steel trussed gangway located 76 feet, more or less, southerly of the northerly line of that real property granted to Jeffrey A. Hart from Zara Whittles and John B. Whittles as described in that Grant Deed recorded in Document Number 199807211097, Official Records of said County, the intersection of the centerline of said existing gangway with the easterly line of an existing wooden dock, at the westerly terminus of said gangway, being hereinafter referred to as Point A.

TOGETHER WITH a 10 foot use area surrounding and immediately adjacent to said existing gangway.

Parcel 2

BEGINNING at the aforementioned Point A; thence along the exterior boundary of the aforementioned existing wooden dock the following seven (7) courses:

- 1) Southerly 34 feet to an angle point in said dock;
- 2) Westerly 22 feet to an angle point in said dock;
- 3) Northerly 38 feet to an angle point in said dock;
- 4) Northeasterly 33 feet to an angle point in said dock;
- 5) Southeasterly 8 feet to an angle point in said dock;
- 6) Southwesterly 12 feet to an angle point in said dock;
- 7) Southerly 14 feet to the POINT OF BEGINNING.

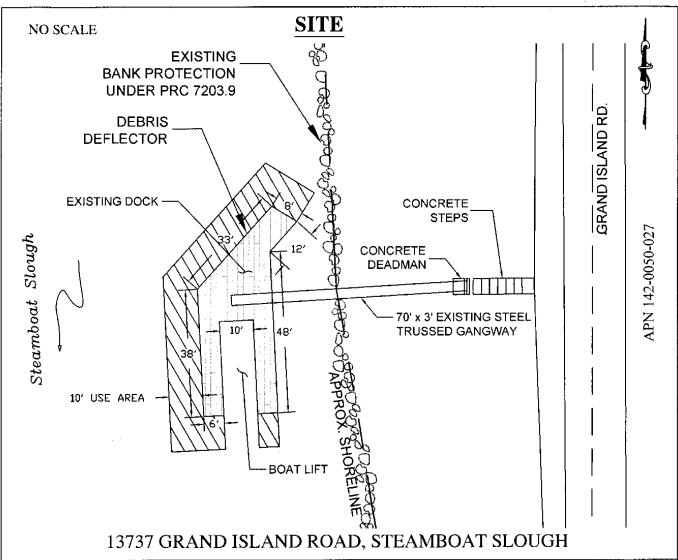
TOGETHER WITH a 10 foot use area surrounding and immediately adjacent to said existing wooden dock.

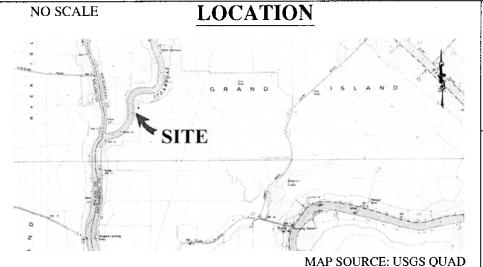
EXCEPTING FROM the above described Parcel 1 and Parcel 2 all those lands lying landward of the Ordinary High Water Mark of said Steamboat Slough.

END OF DESCRIPTION

Prepared by the California State Lands Commission Boundary Unit 8/1/08.







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 8173.1 HART APN 142-0050-027 GENERAL LEASE -RECREATIONAL USE SACRAMENTO COUNTY

