

**CALENDAR ITEM  
C10**

A 11

04/26/13  
PRC 8765.1  
V. Caldwell

S 3

**TERMINATION OF A RECREATIONAL PIER LEASE AND ISSUANCE OF A  
GENERAL LEASE – RECREATIONAL USE**

**LESSEES:**

Larry M. Hamilton and Laura B. Hamilton, Trustees of the Larry and Laura Hamilton Family Trust Dated January 3, 2006

**APPLICANTS:**

James E. Dunn and Laura A. Dunn, Trustees of the Dunn Family Living Trust Dated March 14, 1995

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

Sovereign land in the Sacramento River, adjacent to 14065 River Road, city of Walnut Grove, Sacramento County.

**AUTHORIZED USE:**

Continued use and maintenance of an existing uncovered floating boat dock, two pilings, and gangway.

**LEASE TERM:**

10 years beginning May 10, 2012.

**CONSIDERATION:**

\$146 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 per occurrence.

**OTHER PERTINENT INFORMATION:**

1. Applicants own the upland adjoining the lease premises.

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2. On October 30, 2007, the Commission authorized a 10-year Recreational Pier Lease to Larry M. Hamilton and Laura B. Hamilton, Trustees of the Larry and Laura Hamilton Family Trust Dated January 3, 2006 for construction, use, and maintenance of an uncovered floating boat dock, gangway, and six pilings. The lease will expire on October 29, 2017. On May 10, 2012, as a result of a foreclosure, the upland was deeded to James E. Dunn and Laura A. Dunn, Trustees of the Dunn Family Living Trust Dated March 14, 1995. The Applicants are now applying for a new General Lease – Recreational Use for continued use and maintenance of an existing uncovered floating boat dock, gangway, and two pilings. The dock was constructed with two pilings, not six pilings as was originally authorized.
3. During the time the Hamiltons were under lease, it was determined by staff that they had constructed the dock facilities without obtaining the necessary U.S. Army Corps of Engineers (Corps) permit. Between 2009 and 2011, staff worked with the Lessee and the Corps to remedy the violation and on July 15, 2011, the Corps issued a permit with a condition requiring payment of mitigation fees. The Hamiltons did not pay the fees while they still owned the facility. Since the Applicants' purchase, the Corps confirmed to Commission staff that they will not enforce the condition to pay mitigation fees because the Applicants were not the responsible party to the original violation. Staff is recommending termination of the lease to the Hamilton Family Trust because they have abandoned the lease through foreclosure. We are recommending issuance of a new lease to the Applicants.
4. The structural bank protection along the riverbank at this site is already under lease to the Central Valley Flood Protection Board (PRC 7203.9).
5. 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).
6. Issuance of Lease: The staff recommends that the Commission find that this activity is exempt from the requirements of the CEQA as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

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

7. 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.

**Issuance of Lease:** 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.

**AUTHORIZATION:**

1. Authorize termination effective May 9, 2012, of Lease No. PRC 8765.9, a Recreational Pier Lease, issued to Larry M. Hamilton and Laura B. Hamilton, Trustees of the Larry and Laura Hamilton Family Trust Dated January 3, 2006.
2. Authorize issuance of a General Lease – Recreational Use to James E. Dunn and Laura A. Dunn, Trustees of the Dunn Family

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Living Trust Dated March 14, 1995 beginning May 10, 2012, for a term of 10 years, for the continued use and maintenance of an existing uncovered floating boat dock, two pilings, and gangway 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 \$146, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease; and liability insurance with coverage of no less than \$1,000,000 per occurrence.

**EXHIBIT A**

**PRC 8765.1**

**LAND DESCRIPTION**

A parcel of tide and submerged land situate in the bed of the Sacramento River lying adjacent to Lot 1 of fractional Section 35, Township 5 North, Range 4 East, MDM, as shown on Official Plat approved June 18, 1859, County of Sacramento, State of California, more particularly described as follows:

All those lands underlying an existing uncovered floating boat dock, gangway, and two pilings lying adjacent to that Parcel as described in Exhibit A of that Grant Deed recorded May 10, 2012, in Book 20120510, Page 0719 of Official Records of said County.

TOGETHER WITH a 10 foot impact area.

ALSO TOGETHER WITH that land lying immediately beneath any bank protection structure adjacent to said Parcel.

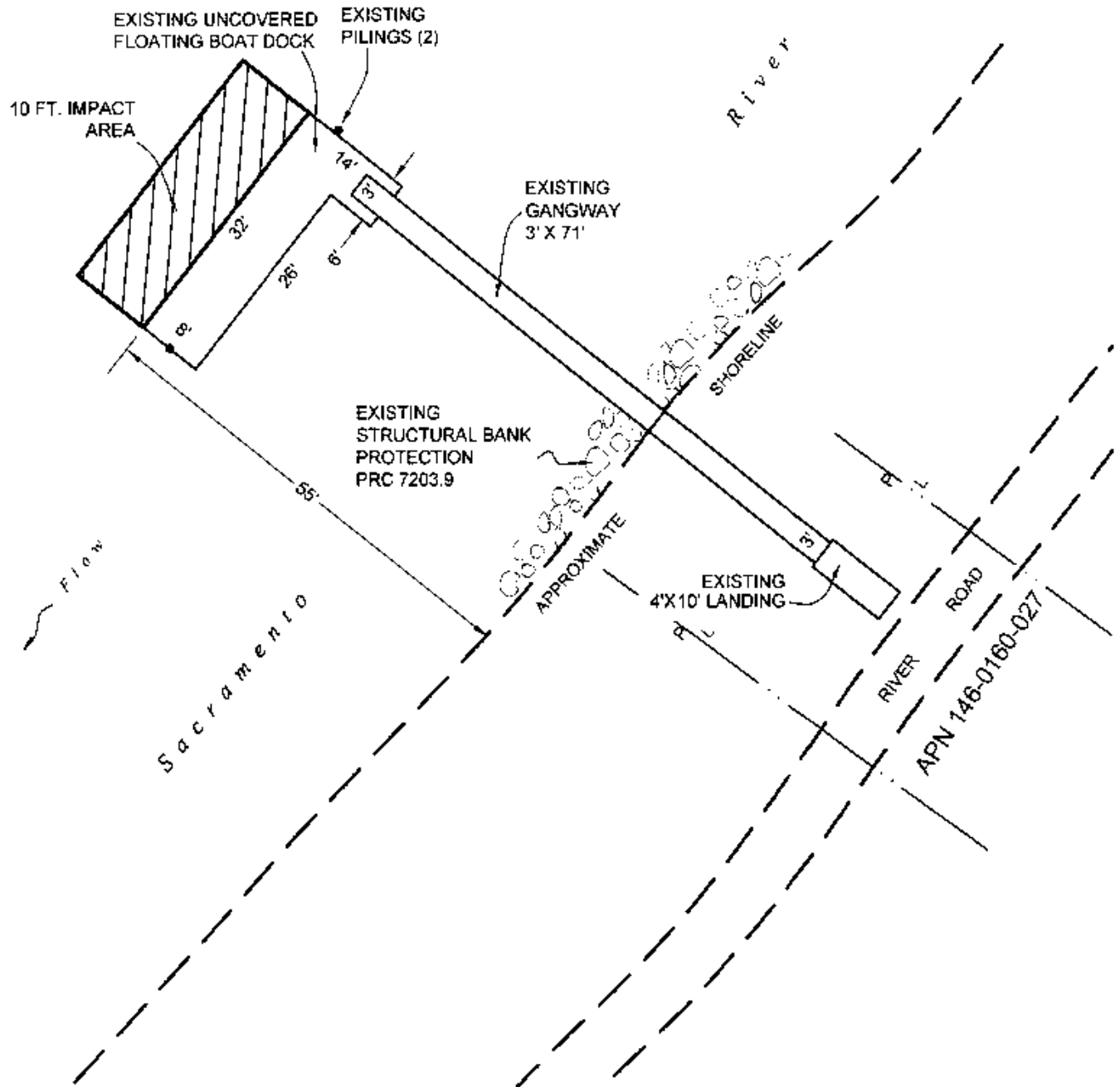
EXCEPTING THEREFROM any portion lying landward of the Ordinary High Water Mark of the left bank of the Sacramento River.

Accompanying plat is hereby made part of this description.

**END OF DESCRIPTION**

Prepared February 7, 2013 by the California State Lands Commission Boundary Unit.



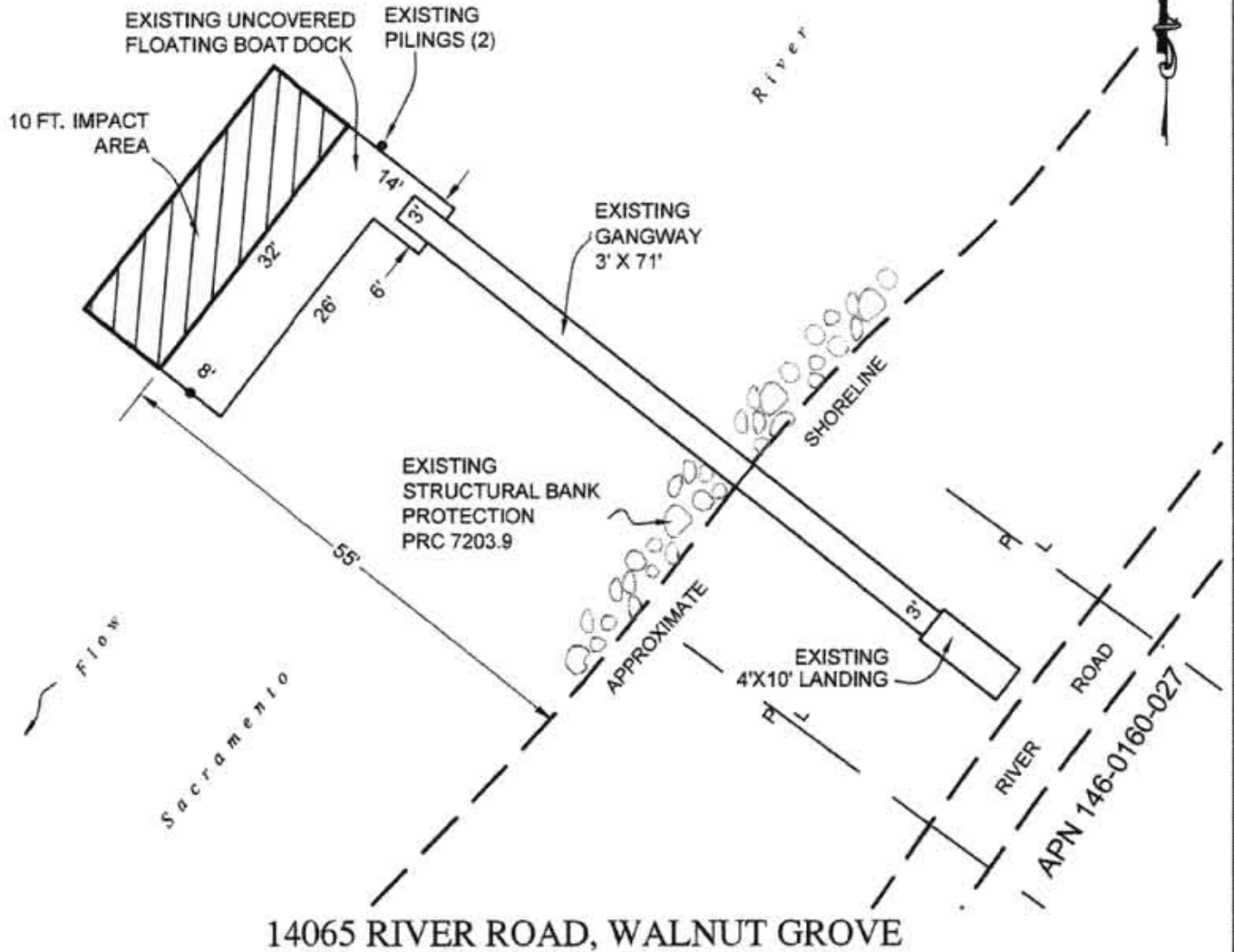


**EXHIBIT A**



NO SCALE

# SITE



NO SCALE

# LOCATION



MAP SOURCE: USGS QUAD

## Exhibit B

PRC 8765.1

DUNN

APN 146-0160-027

GENERAL LEASE -  
RECREATIONAL USE

SACRAMENTO 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.

MJJ 02/07/13