

**CALENDAR ITEM
C17**

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09/20/13
PRC 2216.1
V. Caldwell

**CONSIDER ACCEPTANCE OF A QUITCLAIM DEED
AND ISSUANCE OF A GENERAL LEASE – COMMERCIAL USE**

LESSEE:

Myron A. Sidie dba Verona Village River Resort

APPLICANT:

Faces, Inc.

AREA, LAND TYPE, AND LOCATION:

1.04 acres, more or less, of sovereign land in the Sacramento River, adjacent to 6985 Garden Highway, near the town of Nicholas, Sutter County.

AUTHORIZED USE:

Continued operation, use, and maintenance of an existing commercial marina known as Verona Village River Resort, consisting of an existing uncovered floating boat dock used for side tie berthing, an accommodation dock, a portion of a dock, two floats, 13 pilings, electrical and water utility outlets, and a gangway.

LEASE TERM:

20 years, beginning September 20, 2013.

CONSIDERATION:

\$1,591 per year, with the rent adjusted annually using the Consumer Price Index (CPI) established by the California Department of Industrial Relations' "California Consumer Price Index (1955-2011) All Items 1982-1984 = 100"; and the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

SPECIFIC LEASE PROVISIONS:

Insurance:

Liability insurance in an amount no less than \$2,000,000 per occurrence.

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Bond:

\$20,000

Other:

1. This lease contains provisions that the Lessee must implement the Commission's "Best Management Practices for Marina Owners/Operators" and encourage implementation of the Commission's "Best Management Practices for Berth Holders / Boaters" including additional Best Management Practices (BMPs) the Commission subsequently deems appropriate for either of the above categories. The Lessee shall provide the Commission, on the first anniversary of the lease and on every third anniversary thereafter, a report on compliance with all BMPs.

OTHER PERTINENT INFORMATION:

1. Applicant owns the upland adjoining the lease premises.
2. On July 11, 1997, the Commission authorized a General Lease – Commercial Use to Myron Sidie, dba Verona Village River Resort. On September 22, 2003, the upland property was transferred to Faces, Inc. The lease expires on December 31, 2021. The Lessee executed a quitclaim deed releasing its interest in the lease to the State and the Applicant has now applied for a new General Lease-Commercial Use. Staff is recommending acceptance of the quitclaim deed and issuance of a new lease.
3. Verona Village River Resort is a commercial marina located 20 miles outside of Sacramento in the rural area of Verona.
4. The marina is vulnerable to theft and property destruction and has experienced vandalism, accidents, fires, and other on-the-water problems, requiring immediate action for the overall safety and security of the facility and the public. These factors support a limited and controlled presence of one navigable vessel to be occupied on a 24-hour basis for security purposes. Staff is recommending that one navigable vessel be used for security purposes. The vessel will be located in a strategically designated location subject to the approval of Commission staff. The security vessel will be required to leave the marina waters at least once every 90 days for a minimum of six hours and the Lessee is required to submit an annual log to Commission staff demonstrating compliance.

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5. **Acceptance of Quitclaim Deed:** The staff recommends that the Commission find that the subject acceptance of a quitclaim deed 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.

6. **Issuance of New Lease:** The staff recommends that the Commission find that this activity is exempt from the requirements of CEQA as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; Title 2, California Code of Regulations, section 2905, subdivision (a)(2).

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

Acceptance of Lease Quitclaim Deed: Find that the subject acceptance of lease quitclaim deed 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

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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 acceptance of Lease Quitclaim Deed for Lease No. PRC 2216.1, effective September 19, 2013.
2. Authorize issuance of a General Lease – Commercial Use to Faces, Inc., beginning September 20, 2013, for a term of 20 years, for the continued operation, use, and maintenance of an existing commercial marina known as Verona Village River Resort consisting of an existing uncovered floating boat dock used for side tie berthing, an accommodation dock, a portion of a dock, two floats, 13 pilings, electrical and water utility outlets, 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 \$1,591, adjusted annually using the Consumer Price Index, as provided in the lease; liability insurance in an amount no less than \$2,000,000; and a surety bond in the amount of \$20,000.

EXHIBIT A

PRC 2216.1

LAND DESCRIPTION

A parcel of tide and submerged land in the bed of the Sacramento River, Sutter County, California, adjacent to the SE ¼ of Section 23, T11N, R3E, MDM, being more particularly described as follows:

COMMENCING at the most southerly corner of Lot 1 as shown on the map entitled "Map of Natomas Bennett Subdivision", filed March 25, 1921, in Book 3 of Surveys, page 83, Sutter County Official Records, and from which the southeast corner of said Section 23, bears N 42°56' E, 468.00 feet; thence N 41°30'31" W, 884.25 feet to a point on the left (east) bank of said river, also being the POINT OF BEGINNING; thence leaving said bank along the following six (6) course:

- 1) S 45°43'15" W 97.31 feet;
- 2) N 44°16'45" W 440.78 feet;
- 3) S 64°57'43" W 16.05 feet;
- 4) N 25°02'17" W 131.42 feet;
- 5) N 00°00'00" W 29.08 feet;
- 6) S 65°41'17" E 109.60 feet to a point on the left (east) bank of said river;

thence along said bank southeasterly 494 feet more or less to the point of beginning.

EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark of said river and any portion lying with the artificial Cross Canal within said section.

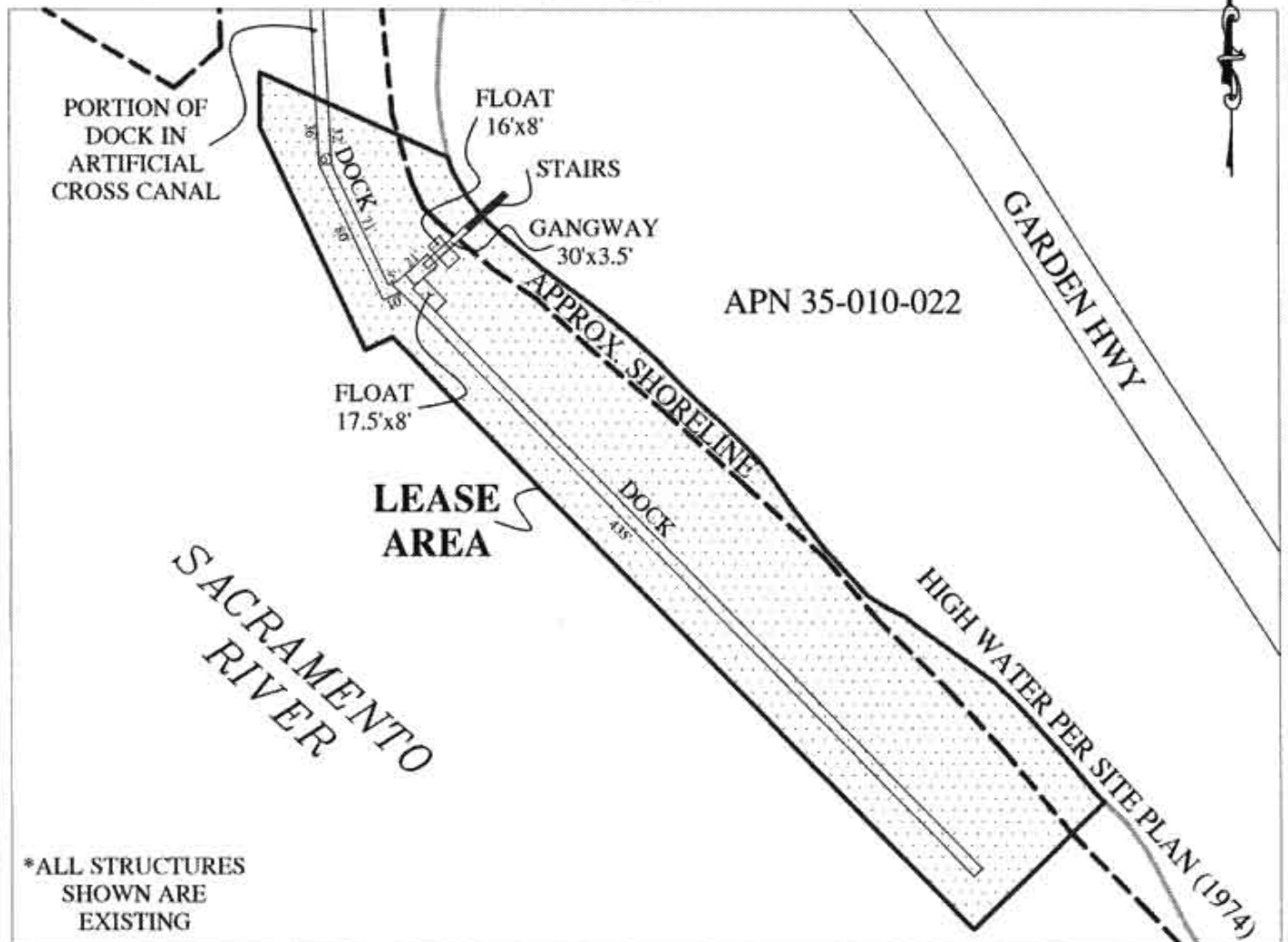
END OF DESCRIPTION

REVISED 6/20/11 BY THE CALIFORNIA STATE LANDS COMMISSION BOUNDARY UNIT. ORIGINAL DESCRIPTION REVISED BY B.L.U. 1 ON OCTOBER 6, 1987 AS FOUND IN CALENDAR ITEM C08, DATED 12/12/89 IN PRC 2216 PART 2.



NO SCALE

SITE



6985 Garden Highway, Nicolaus - Sacramento River

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit B

PRC 2216.1
FACES, INC.
APN 35-010-022
GENERAL LEASE -
COMMERCIAL USE
SUTTER COUNTY



MJE 7/30/13

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.