

**CALENDAR ITEM
C48**

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S 3

04/23/15
PRC 2409.1
V. Caldwell

REVISION OF RENT

LESSEE:

Key Lease Corporation Inc., dba Spindrift Marina

AREA, LAND TYPE, AND LOCATION:

1.36 acres, more or less, of sovereign land in the San Joaquin River, adjacent to 841 W. Brannan Island Road, near the city of Isleton, Sacramento County.

AUTHORIZED USE:

Continued use and maintenance of an existing commercial marina consisting of approximately 93 covered berths, and 23 uncovered berths, pilings, and walkways.

LEASE TERM:

30 years, beginning April 1, 1989.

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 revised from \$5,033 per year to \$4,721 per year, against five percent of the gross annual income derived from the berthing, and mooring of boats and 10 percent of all other gross income generated on the Lease Premises; one and one-half cents per gallon of fuel sales up to 100,000 gallons, and two cents per gallon of fuel sales over 100,000 gallons, effective April 1, 2015.

OTHER PERTINENT INFORMATION:

1. On April 26, 1989, the Commission authorized a General Lease – Commercial Use, to Harry C. Schilling and Harry W. Schilling. Subsequently, on July 10, 1989, the Commission authorized an assignment to Key Lease Corporation, Inc. The lease will expire on March 31, 2019.

CALENDAR ITEM NO. **C48** (CONT'D)

2. Staff conducted the rent review called for in the lease and recommends the revision of rent.
3. 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.

EXHIBIT:

- A. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

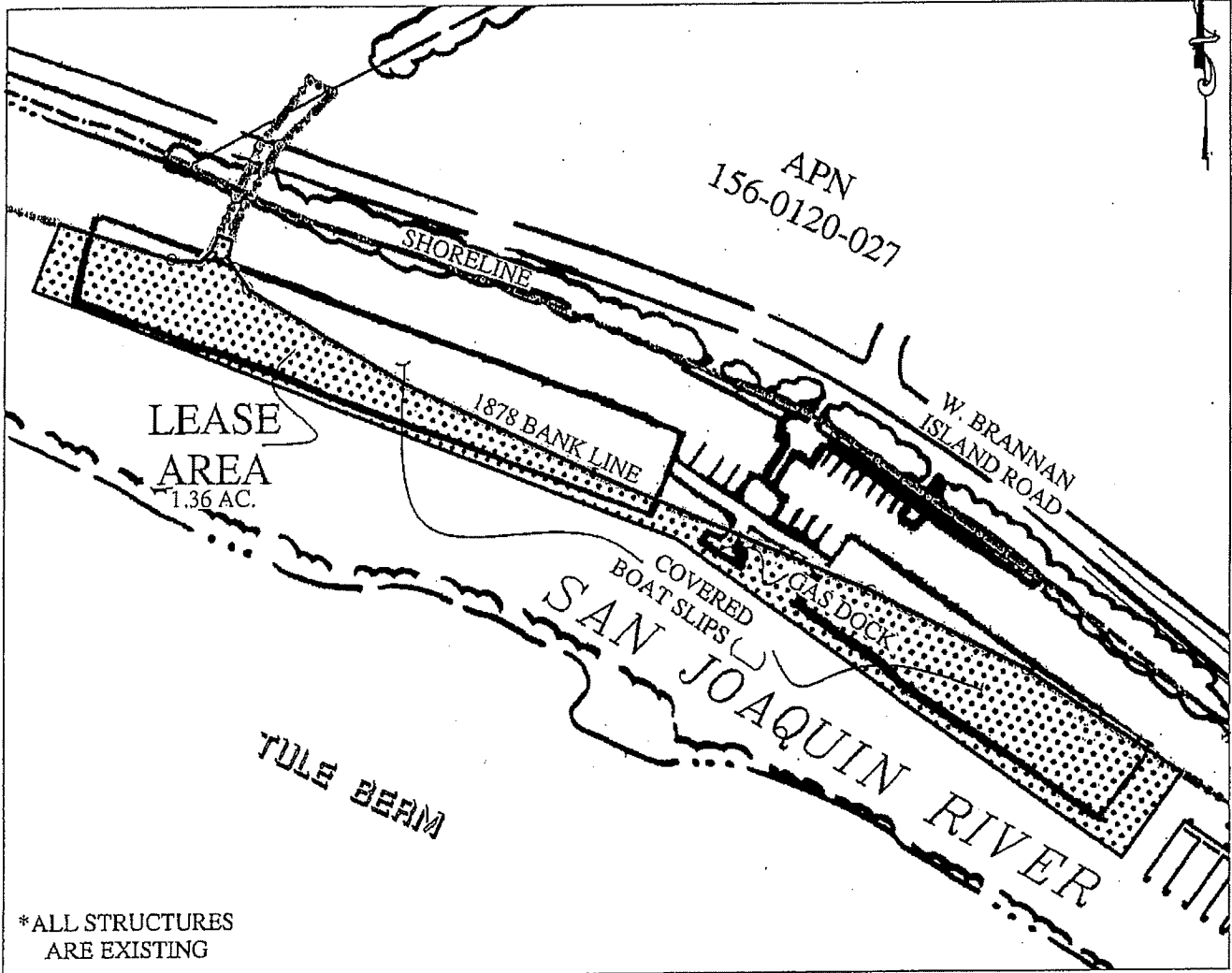
Find that the subject revision of rent is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations,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

AUTHORIZATION:

Approve the revision of minimum annual rent for Lease No. PRC 2409.1 from \$5,033 per year to \$4,721 per year, against five percent of the gross annual income derived from the berthing, and mooring of boats and 10 percent of all other gross income generated on the Lease Premises; one and one-half cents per gallon of fuel sales up to 100,000 gallons, and two cents per gallon of fuel sales over 100,000 gallons, effective April 1, 2015.

NO SCALE

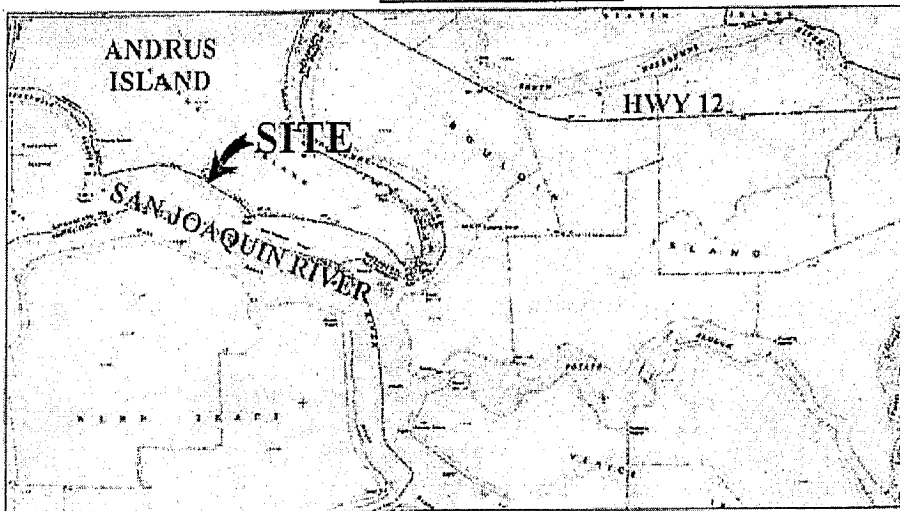
SITE



841 W. Brannan Island Road

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 A

PRC 2409.1
 KEY LEASE CORPORATION, INC.
 DBA SPINDRIFT MARINA
 APN 156-0120-027
 GENERAL LEASE
 COMMERCIAL USE
 SACRAMENTO COUNTY

