STAFF REPORT C36

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10/19/17 PRC 6548.1 G. Asimakopoulos

AMENDMENT OF LEASE AND REVISION OF RENT

LESSEE:

Devil's Isle, Inc.

AREA, LAND TYPE, AND LOCATION:

Sovereign land in White Slough and Little Potato Slough, adjacent to 14501 West Eight Mile Road, near Stockton, San Joaquin County.

AUTHORIZED USE:

Continued use and maintenance of an existing uncovered floating boat dock with four single berth slips, three ramps, covered swimming float, and bank protection.

LEASE TERM:

15 years, beginning November 23, 2009.

CONSIDERATION:

This lease provides that the Commission 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 rent be revised from \$1,992 per year to \$2,140 per year, effective November 23, 2017.

PROPOSED AMENDMENT:

Amend the lease to replace the existing Exhibit A, Land Description, and Exhibit B, Site and Location Map, with the attached Exhibit A, Land Description, and Exhibit B, Site and Location Map (for reference purposes only). All other terms and conditions of the lease shall remain in effect without amendment.

STAFF ANALYSIS AND RECOMMENDATION:

Authority:

Public Resources Code sections 6005, 6216, 6301, 6501.1, 6503, and 6503.5; California Code of Regulations, title 2, sections 2000 and 2003.

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Public Trust and the State's Best Interests Analysis:

On April 6, 2010, the Commission authorized a 10-year General Lease – Recreational and Protective Structure Use to Devil's Isle, Inc., for an existing uncovered floating boat dock with four single berth slips, three ramps, a covered swimming float, and bank protection (<u>Item C16, April 6, 2010</u>). That lease will expire on November 22, 2024.

The existing lease requires the payment of annual rent to compensate the people of the State for the use of sovereign land. Staff conducted the rent review called for in the lease and recommends that the rent be revised from \$1,992 per year to \$2,140 per year, based on changes to the lease (impact) area for the dock facilities and application of the current Delta Area Benchmark. Staff also recommends the lease be amended to reflect the new reduced lease (impact) area.

The lease does not alienate the State's fee simple interest or permanently impair public rights. The recommended action will not substantially interfere with the Public Trust needs at this location, at this time, or for the foreseeable term of the lease. For these reasons, staff recommends finding the proposed action is in the best interests of the State.

OTHER PERTINENT INFORMATION:

- 1. This action is consistent with Strategy 2.2 of the Commission's Strategic Plan to ensure timely receipt of revenues and royalties from the use and development of State lands and minerals.
- 2. Amendment of the lease to make an adjustment in the lease area and approving the revision of rent are not projects as defined by the California Environmental Quality Act because they are administrative actions that will not result in direct or indirect physical changes in the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, title 14, section 15378, subdivision (b)(5).

EXHIBITS:

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

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RECOMMENDED ACTION:

It is recommended that the Commission:

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed amendment will not substantially interfere with the Public Trust needs and values at this location, at this time, or for the foreseeable term of the lease, is consistent with the common law Public Trust Doctrine, and is in the best interests of the State.

AUTHORIZATION:

- Authorize the amendment of Lease No. PRC 6548.1, a General Lease – Recreational and Protective Structure Use, effective November 23, 2017, to replace the existing Exhibit A, Land Description, and Exhibit B, Site and Location Map, with the attached Exhibit A, Land Description, and Exhibit B, Site and Location Map (for reference purposes only).
- 2. Approve the revision of rent for Lease No. PRC 6548.1 from \$1,992 per year to \$2,140 per year, effective November 23, 2017.

EXHIBIT A

PRC 6548.1

LAND DESCRIPTION

One (1) parcel of tide and submerged land situate in the bed of White Slough lying adjacent to Swamp and Overflow Survey 883 patented February 9, 1874, San Joaquin County, State of California, more particularly described as follows:

All those lands underlying an existing uncovered floating boat dock, with three access ramps, one swim float and four boat slips lying adjacent to that parcel as described in that Grant Deed recorded June 26, 1975, in Book 3998 page 393 of Official Records of said County.

TOGETHER WITH any applicable impact area(s).

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

EXCEPTING THEREFROM any portion(s) lying landward of the Ordinary High Water Mark of the bed of White Slough.

Accompanying plat is hereby made part of this description.

END OF DESCRIPTION

Prepared September 14, 2017 by the California State Lands Commission Boundary Unit.





