

**STAFF REPORT
C49**

A 70
S 26

11/29/17
PRC 6457.1
L. Pino

AMENDMENT OF LEASE AND REVISION OF RENT

LESSEE:

Guided Discoveries, Inc.

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the Pacific Ocean at Toyon Bay, Santa Catalina Island, Los Angeles County.

AUTHORIZED USE:

Use and maintenance of a pier, gangway, floating dock, seasonal swim and SCUBA areas, nine moorings, and two safety cans.

LEASE TERM:

10 years, beginning January 1, 2013.

CONSIDERATION:

This lease provides that the Commission may modify the rent periodically during the lease term. Pursuant to this provision, staff conducted a review of the rent under this lease and recommends that rent be revised from \$9,945 per year to \$11,227 per year, effective January 1, 2018.

PROPOSED AMENDMENT:

Amend the lease to replace the existing Exhibit B, Site and Location Map (identifying a 10-foot impact area around dock), with the attached Exhibit B, Site and Location Map (identifying a 9-foot impact area around dock). All other terms and conditions of the lease shall remain in effect without amendment.

SPECIFIC LEASE PROVISIONS:

Liability insurance coverage in the amount of no less than \$3,000,000.

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.

STAFF REPORT NO. **C49** (CONT'D)

Public Trust and the State's Best Interests Analysis:

On February 22, 2013, the Commission authorized a 10-year General Lease – Recreational Use, to Guided Discoveries, Inc., for the use and maintenance of a pier, gangway, float, swim area, SCUBA area, nine moorings and two safety cans (marker buoys), beginning January 1, 2013 ([Item C70, February 22, 2013](#)). That lease will expire on December 31, 2022.

Staff conducted the rent review called for in the lease and recommends the rent be revised from \$9,945 per year to \$11,227 per year to reflect the 2016 Category 1 Southern California Benchmark rate and changes in the lease area.

Staff also recommends that Exhibit B be amended to reflect the Commission's current practice of applying a 9-foot impact instead of a 10-foot impact area around docks. The reduction in impact area for this lease does not result in any changes to the description of the lease area, authorized improvements, or authorized use.

For the aforementioned reasons staff believes the recommended action will not substantially interfere with Public Trust needs at this time and at this location, and is in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. The adjacent upland is owned by the Santa Catalina Island Conservancy and leased to Guided Discoveries, Inc.
2. Rent is prorated on a seasonal basis for the three moorings that are only used for 3 months during the summer from June 1 through August 31. The swim and SCUBA areas are also prorated to reflect that they are only used for 4 months during the summer from May 15 through September 15.
3. 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.
4. 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).

STAFF REPORT NO. C49 (CONT'D)

EXHIBITS:

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

RECOMMENDED ACTION:

It is recommended that the Commission:

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the recommended action will not substantially interfere with Public Trust needs and values at this location, at this time, and 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:

1. Authorize the amendment of Lease No. PRC 6457.1, a General Lease – Recreational Use, effective November 29, 2017, to replace the existing Exhibit B, Site and Location Map, with the attached Exhibit B, Site and Location Map (for reference purposes only).
2. Approve the revision of rent for Lease No. PRC 6457.1 from \$9,945 per year to \$11,227 per year, effective January 1, 2018.

EXHIBIT A

PRC 6457.1

LAND DESCRIPTION

Fourteen (14) parcels of tide and submerged land situate in the bed of Toyon Bay, on the easterly side of Catalina Island, Los Angeles County, State of California, more particularly described as follows:

PARCEL 1 – PIER, GANGWAY & FLOAT

COMMENCING at a point having CCS27, Zone 6 coordinates of Northing(Y)=446111.48 feet, Easting (X)=1357923.38 feet and from which a NGS monument "Channel 1933" bears North 54°13'44" West, 45970.03 feet, said monument having CCS27, Zone 6 coordinates of Northing (Y)=472983.28 feet, Easting (X)=1320625.26 feet; thence North 40°29'08" West 6.13 feet to the POINT OF BEGINNING; thence along the following sixteen (16) courses:

- 1) North 49°26'41" East, 229.73 feet;
- 2) North 40°33'19" West, 2.56 feet;
- 3) North 49°26'41" East, 37.86 feet;
- 4) South 40°49'32" East, 5.63 feet;
- 5) North 49°56'24" East, 38.77 feet;
- 6) North 40°43'14" West, 9.21 feet;
- 7) North 49°26'41" East, 61.39 feet;
- 8) South 40°33'19" East, 24.56 feet;
- 9) South 49°26'41" West, 61.39 feet;
- 10) North 40°03'36" West, 9.21 feet;
- 11) South 49°56'24" West, 38.88 feet;
- 12) South 40°49'32" East, 5.63 feet;
- 13) South 49°26'41" West, 37.86 feet;
- 14) North 40°33'19" West, 2.56 feet;
- 15) South 49°26'41" West, 229.73 feet;
- 16) North 40°33'19" West, 6.15 feet to the POINT OF BEGINNING.

PARCEL 2 – SWIM AREA

BEGINNING at a point having CCS27, Zone 6 coordinates of Northing(Y)=446023.89, Easting(X)=1358206.25 feet and from which a NGS monument "Channel 1933" bears North 54°20'44" West, 46250.83 feet, said monument having CCS27, Zone 6 coordinates of Northing (Y)=472983.28 feet, Easting (X)=1320625.26 feet; thence along the following four (4) courses:

- 1) South 50°33'33" East, 123.03 feet;
- 2) South 47°34'57" West, 110.33 feet;
- 3) North 47°29'35" West, 127.50 feet;
- 4) North 50°26'30" East, 104.31 feet to the POINT OF BEGINNING.

PARCEL 3 – SCUBA AREA

Bounded on the northwest by the southeast side of a pier, gangway and float; bounded on the northeast by the southeasterly prolongation of the northeasterly end of a float; bounded on the southeast by a line parallel to and approximately 100 feet southeasterly of the southeast side of the pier, gangway and float; bounded on the southwest by a line northeasterly of and approximately 150 feet waterward from the ordinary high water mark.

PARCELS 4 thru 12 – Mooring Buoys 1 thru 9

Nine (9) circular parcels of land, being 50 feet in diameter, underlying existing buoys and having the following coordinates:

- 1) Northing (Y)=446817.66 feet, Easting (X)=1358018.59 feet;
- 2) Northing (Y)=446748.32 feet, Easting (X)=1358115.41 feet;
- 3) Northing (Y)=446603.86 feet, Easting (X)=1358189.34 feet;
- 4) Northing (Y)=446434.51 feet, Easting (X)=1358445.01 feet;
- 5) Northing (Y)=446255.29 feet, Easting (X)=1358392.95 feet;
- 6) Northing (Y)=446136.63 feet, Easting (X)=1358493.15 feet;
- 7) Northing (Y)=446066.63 feet, Easting (X)=1358583.80 feet;
- 8) Northing (Y)=446572.36 feet, Easting (X)=1358042.86 feet;
- 9) Northing (Y)=446514.72 feet, Easting (X)=1358095.13 feet.

PARCELS 13 & 14 – Safety Cans

Two (2) circular parcels of land, being 50 feet in diameter, underlying existing buoys and having the following coordinates:

- 1) Northing (Y)=446881.56 feet, Easting (X)=1357893.33 feet;
- 2) Northing (Y)=445786.99 feet, Easting (X)=1358865.93 feet.

EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark of the Pacific Ocean.

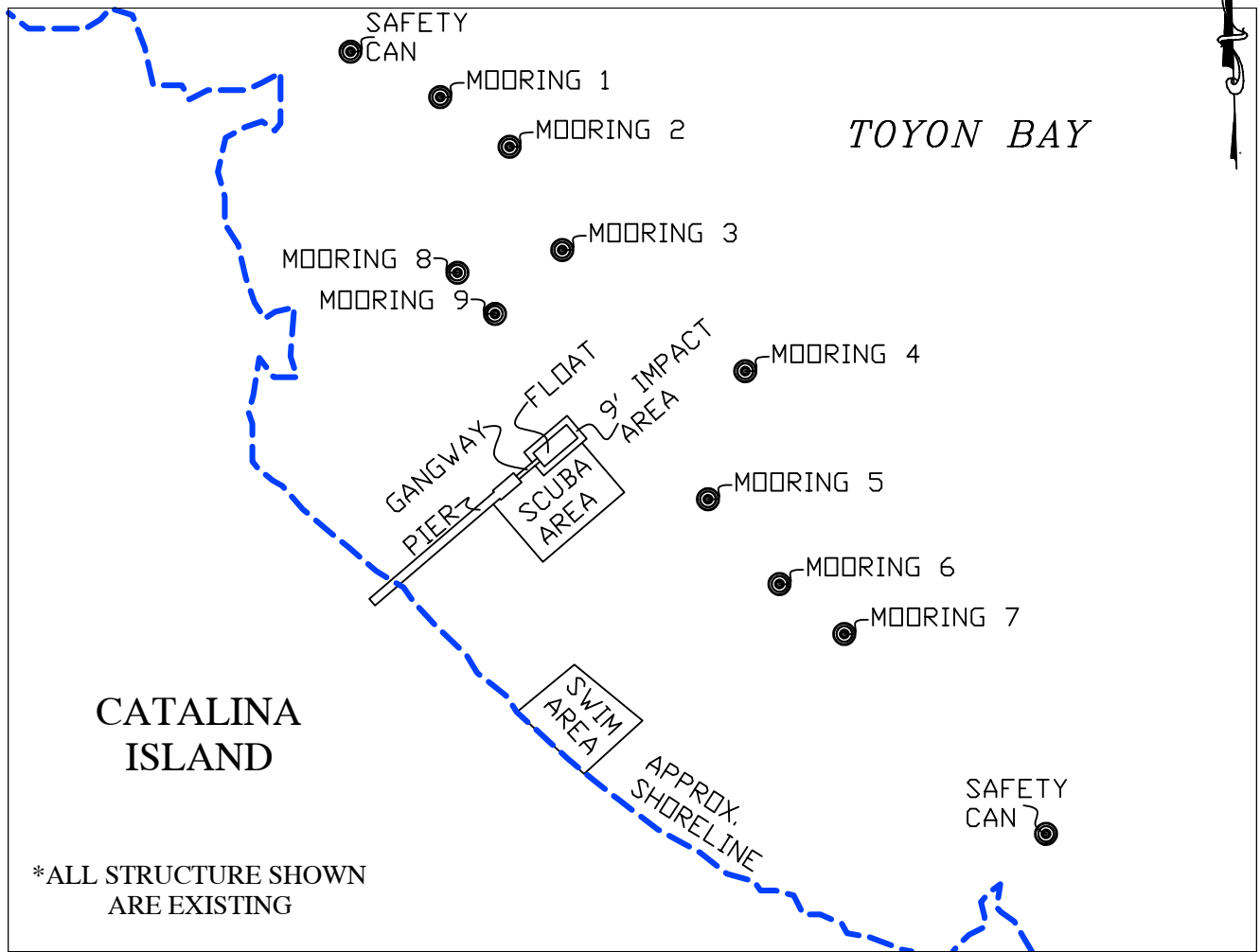
END OF DESCRIPTION

PREPARED 12/17/12 BY THE CALIFORNIA STATE LANDS COMMISSION BOUNDARY UNIT



NO SCALE

SITE



TOYON BAY, SANTA CATALINA ISLAND

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit B

PRC 6457.1
 GUIDED DISCOVERIES
 GENERAL LEASE -
 RECREATIONAL USE
 CATALINA ISLAND
 LOS ANGELES 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.