

**STAFF REPORT
C28**

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02/27/18
PRC 2376.1
N. Lee

REVISION OF RENT

LESSEE:

U.S. Department of Agriculture, Forest Service, Lassen National Forest

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Eagle Lake, adjacent to Assessor's Parcel Number 89-030-11, near Susanville, Lassen County.

AUTHORIZED USE:

Continued use, maintenance, and operation of an existing public marina facility known as "Gallatin Marina at Eagle Lake" consisting of two boat launch ramps, courtesy dock, 65 berths, fueling facility, retaining wall, breakwater, buoy field comprised of 15 existing mooring buoys, and periodic launch ramp maintenance dredging.

LEASE TERM:

19 years, beginning January 1, 2012.

CONSIDERATION:

This lease provides that the Commission may modify the rent periodically during the lease term. Pursuant to this provision, staff reviewed the rent under this lease and recommends that minimum rent be revised from \$500 per year to \$1,237 per year, against 5 percent of gross annual income derived from mooring, berthing, boat and personal watercraft rentals; and 1.5 cents per gallon of fuel sold annually on or over the Lease Premises to a maximum of 100,000 gallons and 2 cents per gallon thereafter, as provided in the lease, effective January 1, 2018.

OTHER PERTINENT INFORMATION:

1. On September 1, 2011, the Commission authorized a General Lease – Commercial Use to U.S. Department of Agriculture, Forest Service, Lassen National Forest ([Item C07, September 1, 2011](#)). The lease will expire on December 31, 2030.

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2. This lease provides that the State may adjust the minimum annual rental for the term following the fifth anniversary of the lease or any subsequent year thereafter. The relevant anniversary date of the lease is January 1, 2018. Under the terms of the lease, a revised minimum annual rent is based on the average annual rent for the last 5 years, which is calculated as \$1,237 (rounded). Therefore, staff is recommending to the Commission that the minimum annual rental be adjusted to \$1,237, effective January 1, 2018.
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. Approving the revision of rent is not a project as defined by the California Environmental Quality Act because it is an administrative action 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).

EXHIBIT:

- A. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

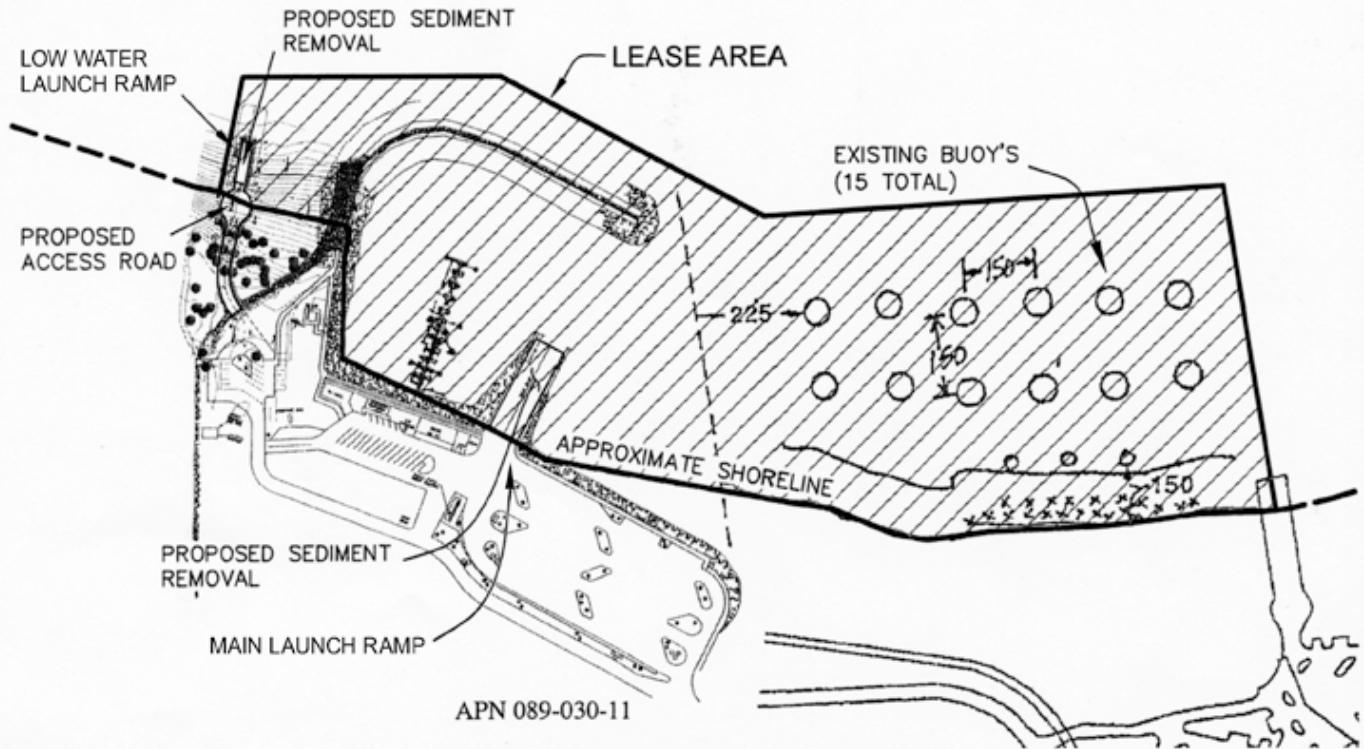
AUTHORIZATION:

Approve the revision of minimum rent for Lease No. PRC 2376.1 from \$500 per year to \$1,237 per year, effective January 1, 2018.

NO SCALE

SITE

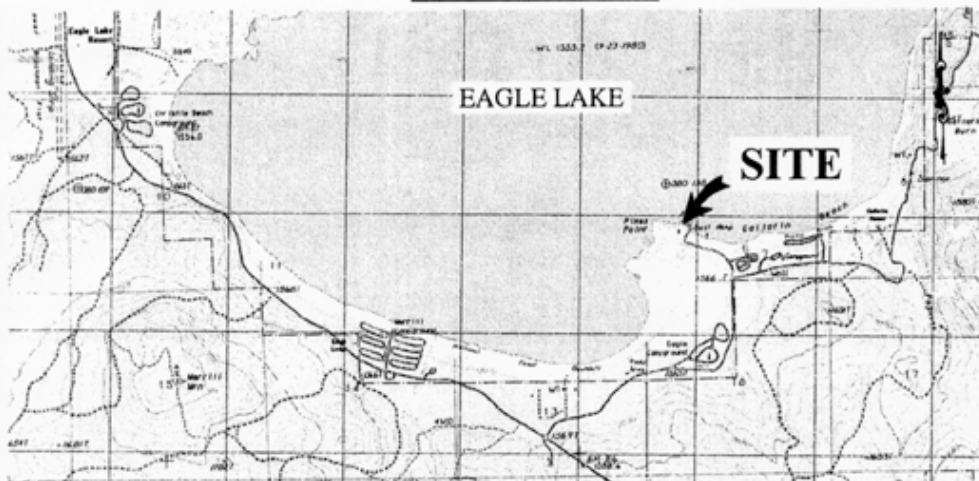
EAGLE LAKE



477 - 050 EAGLE LAKE ROAD

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit A

WP 2376.1
 U.S.D.A., FOREST SERVICE
 APN 089-030-11
 GENERAL LEASE -
 COMMERCIAL USE
 LASSEN 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.