

**STAFF REPORT
C73**

A 33
S 16

06/21/18
PRC 9090.1
R. Collins

**ASSIGNMENT AND AMENDMENT OF LEASE
AND REVISION OF RENT**

LESSEE/ASSIGNOR:
John Woolston

APPLICANT/ASSIGNEE:
1228 Beach Drive., LLC

AREA, LAND TYPE, AND LOCATION:
Sovereign land located in the Colorado River, adjacent to 1228 Beach Drive, city of Needles, San Bernardino County.

AUTHORIZED USE:
Continued use and maintenance of an existing stairway, landing, and gangway with railing, a floating walkway and boat dock, and riprap bankline.

LEASE TERM:
10 years, beginning August 23, 2013.

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 rent be revised from \$420 per year to \$433 per year, effective August 23, 2018.

PROPOSED LEASE AMENDMENT:
Amend the lease to:

1. 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. Include special lease provisions prohibiting signage or gates that would discourage, obstruct, or prevent public access on the stairway between the Public Pedestrian Access Easement and the Colorado River.

STAFF REPORT NO. **C73** (CONT'D)

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, 6321, 6321.2, 6501.1, 6503, and 6503.5; California Code of Regulations, title 2, sections 2000 and 2003.

Public Trust and State's Best Interests Analysis:

The State of California had its fee ownership of the sovereign land located in the Colorado River at this location confirmed in 1991 as a result of a Boundary Line Agreement and Compromise Settlement entered into between the Commission and Kahala Needles Partners, Ltd., a Nevada Limited Partnership ([Item 8, December 12, 1990](#)). Pursuant to that action, the State of California was granted a Public Pedestrian Access Easement (Easement) running parallel to the fixed ordinary high-watermark of the Colorado River at this location. The Easement is intended to provide public access to and along the bank of the Colorado River. The Easement affects lots 1-40 of the Rio Buena Vista residential subdivision, one of which is the Applicant's property. Public access to the Easement is from the northern or southern end of the subdivision, or from the Colorado River.

On September 20, 2013, the Commission authorized a 10-year General Lease – Recreational and Protective Structure Use to Todd Seidner, Trustee of the Seidner Family Trust dated June 14, 2001, for a stairway, landing, and gangway with railing, a floating walkway and boat dock, and riprap bankline ([Item 89, September 20, 2013](#)). That lease will expire on August 22, 2023. On October 16, 2015, the Commission authorized the assignment of Lease No. PRC 9090.1 from Todd Seidner, Trustee of the Seidner Family Trust dated June 14, 2001 to John Woolston effective October 16, 2015 ([Item 47, October 16, 2015](#)). On June 26, 2017, ownership of the upland property was transferred from John Woolston to 1228 Beach Dr., LLC.

The lease includes a provision requiring the Easement located on portions of Lessee's fee-owned upland property shall remain open to the public and that no structures or improvements shall be erected, and no personal property placed so as to obstruct or prevent public access in and along the Easement. The proposed lease amendment would extend public access from the Easement to the Colorado River by including special lease provisions prohibiting signage or gates that would discourage, obstruct, or

STAFF REPORT NO. **C73** (CONT'D)

prevent public access on the stairway between the Easement and the Colorado River.

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 the rent be revised from \$420 per year to \$433 per year per year based on changes to the lease (impact) area for the landing, gangway, and floating walkway and boat dock and application of the Colorado River Benchmark. Staff also recommends the lease exhibits be amended to reflect the new reduced lease area.

In conjunction with the lease amendment and revision of rent, staff recommends an assignment of the lease to reflect the ownership change from John Woolston to 1228 Beach Dr., LLC.

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 time and at this location. 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 1.1 of the Commission's Strategic Plan to deliver the highest levels of public health and safety in the protection, preservation, and responsible economic use of the lands and resources under the Commission's jurisdiction; Strategy 1.3 to promote, expand, and enhance appropriate public use and access to and along the State's inland and coastal waterways; and Strategy 2.2 to ensure timely receipt of revenues and royalties from the use and development of State lands and minerals.
2. The assignment of lease, lease amendment, 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

STAFF REPORT NO. **C73** (CONT'D)

RECOMMENDED ACTION:

It is recommended that the Commission:

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed assignment of the lease, amendment, and revision of rent will not substantially interfere with the Public Trust needs and values at this location, at this time, and for the foreseeable term of the lease; and is in the best interests of the State.

AUTHORIZATION:

1. Authorize the assignment of Lease No. PRC 9090.1, a General Lease – Recreational and Protective Structure Use, of sovereign land from John Woolston to 1228 Beach Dr., LLC, effective June 26, 2017.
2. Authorize the amendment of Lease No. PRC 9090.1, a General Lease – Recreational and Protective Structure Use, effective June 21, 2018, 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); and to include special lease provisions prohibiting signage or gates that would discourage, obstruct, or prevent public access on the stairway between the Public Pedestrian Access Easement and the Colorado River.
3. Approve the revision of rent for Lease No. PRC 9090.1 from \$420 per year to \$433 per year, effective August 23, 2018.

EXHIBIT A

PRC 9090.1

LAND DESCRIPTION

Two parcels of State owned land adjacent to Lot 6 of Tract No. 15640 as shown on Tract Map recorded in Book 261, Pages 88 through 94, inclusive of Maps, in the Office of the County Recorder of San Bernardino County, lying in the bed of the Colorado River, County of San Bernardino, State of California, more particularly described as follows:

PARCEL 1

BEGINNING at the easterly corner of said Lot 6; thence northwesterly along the northeasterly line of said lot, said line also being the Agreed Boundary Line as described in Exhibit A of Document Number 92-333250, recorded on August 11, 1992, Official Records of said County, N 60° 42' 46" W 43.63 feet to the northerly corner of said lot; thence leaving said northeasterly line and said Agreed Boundary Line, along the northeasterly prolongation of the northwesterly line of said lot N 29° 00' 17" E 40.00 feet; thence S 60° 42' 14" E 43.07 feet to the intersection with the northeasterly prolongation of the southeasterly line of said lot; thence southwesterly along said northeasterly prolongation S 28° 12' 18" W 40.00 feet to the POINT OF BEGINNING.

EXCEPTING THEREFROM any portion lying waterward of the toe of revetment adjacent to said Lot 6.

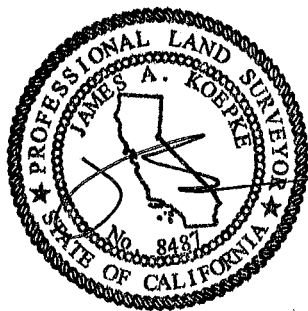
PARCEL 2

BEGINNING at a point on the northeasterly line of said Lot 6, said line also being the Agreed Boundary Line as described in Exhibit A of Document Number 92-333250, recorded on August 11, 1992, Official Records of said County, said point bears N 60° 42' 46" W 4.88 feet from the easterly corner of said Lot; thence along said northeasterly line and said Agreed Boundary Line N 60° 42' 46" W 30.01 feet; thence leaving said northeasterly line and said Agreed Boundary Line N 27° 31' 51" E 89.90 feet; thence S 62° 28' 09" E 30.00 feet; thence S 27° 31' 51" W 90.82 feet to the POINT OF BEGINNING.

EXCEPTING THEREFROM any portion lying within above described
PARCEL 1.

END OF DESCRIPTION

Prepared 09/09/15 by the California State Lands Commission Boundary Unit



NO SCALE

SITE

COLORADO RIVER



LEASE PARCEL 2
(EXISTING FLOATING DOCK WITH 9' IMPACT AREA, FLOATING WALKWAY, GANGWAY WITH RAILING AND STAIRWAY WITH RAILING)

LEASE PARCEL 1
(EXISTING RIPRAP BANK LINE, EXISTING GANGWAY WITH RAILING, STAIRWAYS WITH RAILING AND LANDING WITH RAILING)

APPROXIMATE TOE OF REVETMENT

APPROXIMATE TOP OF REVETMENT

APPROXIMATE TOP OF REVETMENT

AGREED BOUNDARY LINE

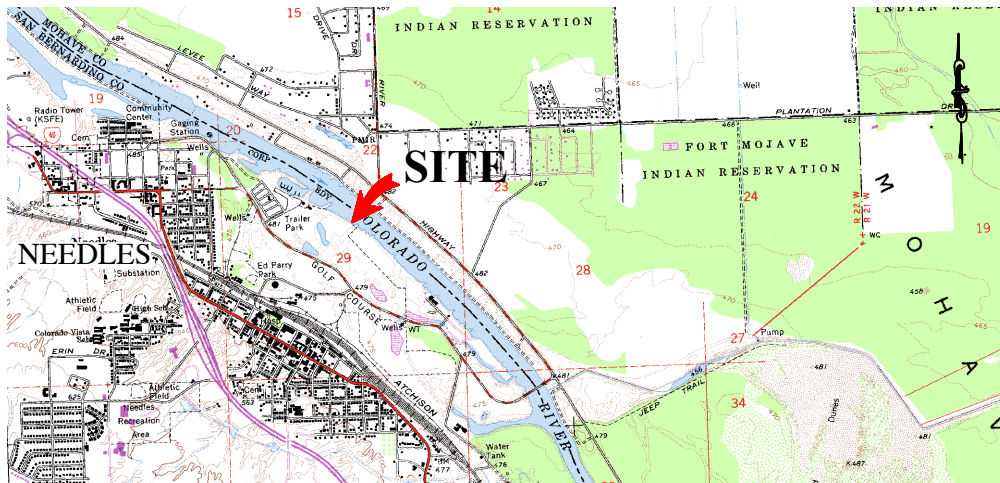
PUBLIC PEDESTRIAN ACCESS EASEMENT

APN 0186-273-06

1228 BEACH DRIVE, NEEDLES

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit B

PRC 9090.1
1228 BEACH DR., LLC
APN 0186-273-06
GENERAL LEASE -
RECREATIONAL AND
PROTECTIVE STRUCTURE USE
SAN BERNARDINO 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.