

MINUTE ITEM

This Calendar Item No. 22
was approved as Minute Item
22 by the State Lands
Commission by a vote of 2
0 - 12/19/85

CALENDAR ITEM

Resolution
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12/19/85
G04-02.10
J. Ludlow

LEASE APPROVAL UNDER CHAPTER 1095, STATUTES OF 1978
GRANTED LANDS - CITY OF EUREKA AND R. E. DAVENPORT, INC.,
HUMBOLDT COUNTY

BACKGROUND:

Under Chapter 1095, Statutes of 1978, the Legislature required that all leases or permits in excess of one year in duration, for the use of granted tide and submerged lands, entered into or issued by the City of Eureka, shall not be valid without the prior approval of the State Lands Commission. The Commission shall have 60 days after submittal of a proposed lease or permit in which to approve any such lease or permit.

The City has requested the State Lands Commission to approve a ten-year lease, effective January 1, 1986, between the City of Eureka, as lessor, and R. E. Davenport, as lessee, on approximately 0.156 acre of tide and submerged land, for the operation of a chandlery and fueling facility at the foot of Commercial Street in the City of Eureka. The leased property shall be used for the sales of fuel, lubricants, marine hardware, and chandlery items, and related marine-oriented services.

Lessee shall pay to the City a minimum monthly rental of \$300 for all non-fueling facilities subject to adjustment at the commencement of the sixth year of the lease term and each fifth year thereafter. In addition, the Lessee shall pay two percent of all gross sales in any calendar quarter, less the minimum rental for all non-fueling facilities. In no case shall the minimum monthly rental be less than \$300.

Lessee shall also pay to the City a minimum monthly rental of \$450 for all fueling facilities subject to adjustment based on the general cost of living index (Consumers' Price Index - San Francisco) at the end of each five-year period. In

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addition, Lessee shall pay to the City one cent per gallon of fuel in excess of 135,000 gallons per calendar quarter. In no case shall the minimum monthly rental be less than \$450.

The staff of the Commission has reviewed the lease document and feels that the agreement is fair and reasonable and that the consideration is equitable.

AB 884: N/A.

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that this activity is exempt from the requirements of the CEQA as a categorical exempt project. The project is exempt under Class 1, Existing Facilities, 2 Cal. Adm. Code 2905(a)(2).

Authority: P.R.C. 21084, 14 Cal. Adm. Code 15300, and 2 Cal. Adm. Code 2905.

EXHIBIT: A. Site Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 AS A CATEGORICAL EXEMPT PROJECT, CLASS 1, EXISTING FACILITIES, 2 CAL. ADM. CODE 2905(a)(2).
2. APPROVE THE LEASE ON FILE IN THE PRINCIPAL OFFICE OF THE COMMISSION BETWEEN THE CITY OF EUREKA AND R. E. DAVENTPORT COVERING APPROXIMATELY 0.156 ACRE OF TIDE AND SUBMERGED LAND IN HUMBOLDT COUNTY, EFFECTIVE JANUARY 1, 1986.

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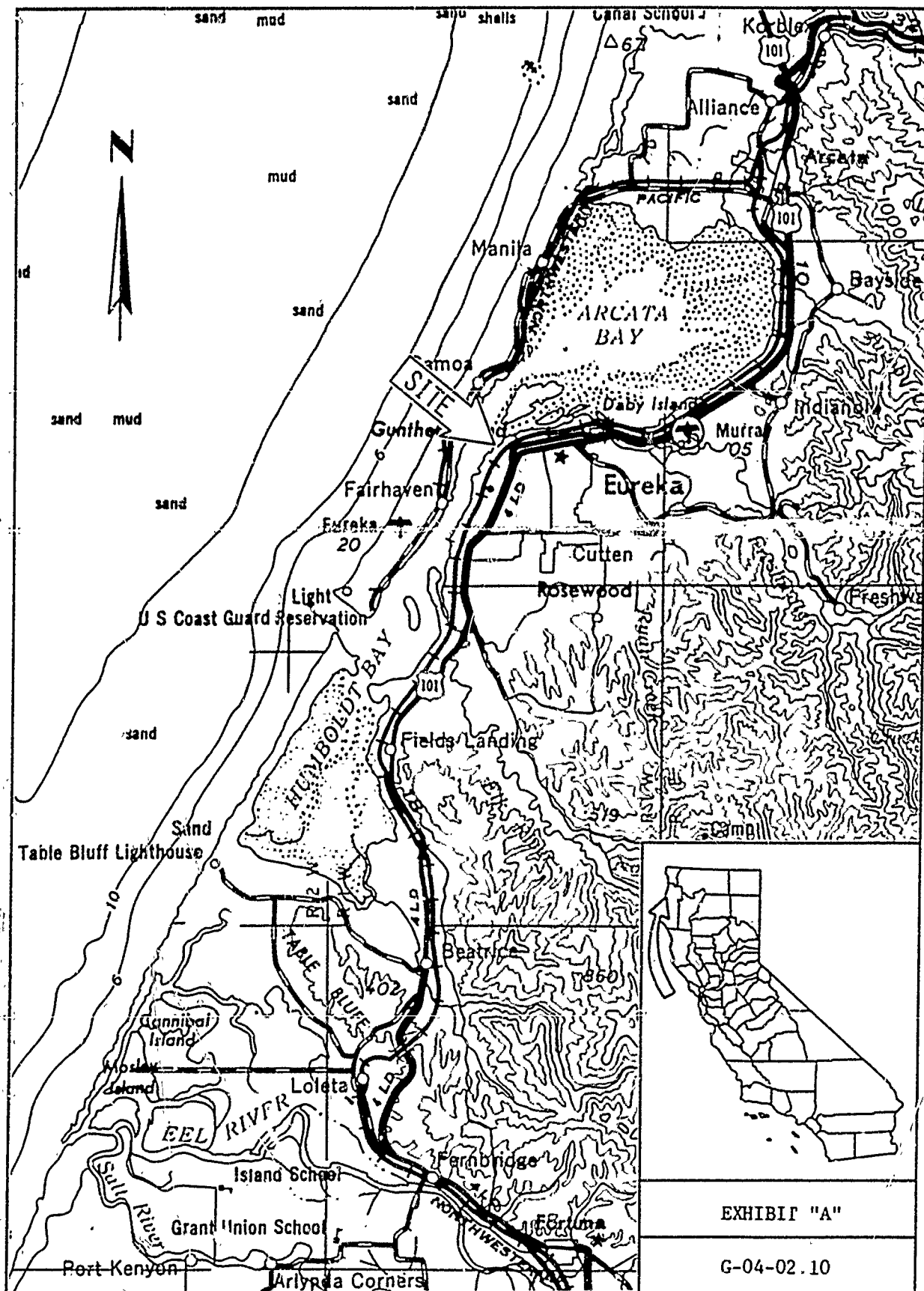


EXHIBIT "A"

G-04-02.10

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