MINUTE ITEM

This Calendar Item No $\underline{CO7}$ was approved as Minute Item No. $\underline{O7}$ by the California State Lands Commission by a vote of $\underline{3}$ to \underline{O} at its \underline{O} meeting.

CALENDAR TEM

C07

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12/03/99

S 6

WP 7234.1 L. Burks

PRC 7234.1

SUBLEASE

LESSEE/SUBLESSOR:

City of Sacramento 1030 15th Street Sacramento, California 95814

SUBLESSEE:

BASHERWSL Corporation, a California Corporation 110 L Street Sacramento, California 95814

AREA, LAND TYPE, AND LOCATION:

4.0 acres, more or less, of tide and submerged lands in the Sacramento River, between the Tower Bridge and the Pioneer Bridge, in the city of Sacramento, Sacramento County.

AUTHORIZED USE:

Master

Lease:

Continued use and maintenance of docks, walkways, access ramps, floating vessels and any other structure necessary or appurtenant to the development of the State parcel and for the mooring of vessels consistent with the Lessee's approved docks

master plan.

Proposed

Sublease:

The moorage and operation of the ferryboat "San Diego" as a

restaurant.

TERM:

Master

Lease:

49 years, beginning November 1, 1987.

CALENDAR PAGE 000030
MINUTE PAGE 006706

CALENDAR ITEM NO. **C07** (CONT'D)

Proposed

Sublease:

Initial sublease term is from November 1, 1999, through June 30, 2024, with two additional renewal periods which will not extend beyond the expiration date of the Master Lease which is October 31, 2036.

CONSIDERATION:

Master

Lease:

Commencing with Years 1 through 5, City shall pay to the State one dollar (\$1) per year. This will allow the City time to recover the costs of public improvements to the area.

Commencing with Years 6 through 25, the State shall receive twenty percent (20%) of the gross annual rent the City receives from all subleases.

Proposed Sublease:

Commencing January 1, 2000, and ending December 31, 2000, or until restaurant operation commences, sublessee shall pay to the City, as temporary rent, \$800 a month. Commencing with the operation of the restaurant, but in no event later than January 1, 2001, sublessee shall pay to Lessee a minimum monthly fee of \$5,000 against a percentage of gross receipts. The State shall receive twenty percent (20%) of the gross annual rent the City receives.

OTHER PERTINENT INFORMATION:

This proposed restaurant will be located just south of the Tower Bridge. The City requests the approval by the Commission of the sublease of a portion of the Master Lease area to BASHERWSL Corporation for the moorage and operation of the ferryboat "San Diego" as a restaurant. The term of the sublease, together with proposed option for extension, will not exceed the remaining term of the Master Lease. Staff believes that the proposed sublease to BASHERWSL Corporation is consistent with the Master Lease and recommends that it be approved.

CALENDAR ITEM NO. C07 (CONT'D)

- 2. An EIR was prepared and certified for this project by the city of Sacramento. On August 10, 1988, the California State Lands Commission adopted CEQA Findings made in conformance with the State CEQA Guidelines (Title 14, California Code of Regulations, sections 15091 and 15096). The California State Lands Commission staff has reviewed such document adopted by the lead agency and has determined that the information contained therein remains valid.
- 3. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 6370, et seq. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

APPROVALS OBTAINED:

California Department of Fish and Game; United States Army Corps of Engineers; State Reclamation Board.

EXHIBITS:

- A. Site Plan
- B. Location Map

PERMIT STREAMLINING ACT DEADLINE:

N/A

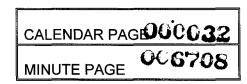
RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT AN EIR WAS PREPARED AND CERTIFIED FOR THIS PROJECT BY THE CITY OF SACRAMENTO AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.

FIND THAT THE CALIFORNIA STATE LANDS COMMISSION HAS ADOPTED THE FINDINGS MADE IN CONFORMANCE WITH TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTIONS 15091 AND 15096(h), AND THAT THE INFORMATION CONTAINED THEREIN REMAINS VALID.



CALENDAR ITEM NO. C07 (CONT'D)

SIGNIFICANT LANDS INVENTORY FINDING:

FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET SEQ.

AUTHORIZATION:

AUTHORIZE THE STAFF TO APPROVE, BY ENDORSEMENT, A SUBLEASE BETWEEN THE CITY OF SACRAMENTO AND BASHERWSL CORPORATION, A CALIFORNIA CORPORATION, COVERING A PORTION OF THE AREA OF THE SACRAMENTO RIVER UNDER MASTER LEASE NO. PRC 7234.1.

