

MINUTE ITEM

This Calendar Item No. C05 was approved as Minute Item No. 05 by the California State Lands Commission by a vote of 3 to 0 at its 4-9-02 meeting.

**CALENDAR ITEM
C05**

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04/09/02
PRC 7699.1 WP 7699.1
L. Burks

ASSIGNMENT AND AMENDMENT OF LEASE

LESSEE/ASSIGNOR:

Joe M. Cantrell
dba Easy C's Boat Sales
306 Gulfway Court
Surfside Beach, Texas 77541-8973

ASSIGNEES:

Gail M. Frost and Kenneth Eugene Thomas
dba Easy C's Boat Sales and Marina
No. 1 Blossom Court East
Napa, California 94558

AREA, LAND TYPE, AND LOCATION:

Original Lease:

0.62 acres, more or less, of tide and submerged lands in the San Joaquin River, Andrus Island, Sacramento County.

Amended Lease:

0.44 acres, more or less, of tide and submerged lands in the San Joaquin River, Andrus island, Sacramento County.

AUTHORIZED USE:

Eight 40 foot covered berths, eight 50 foot covered berths, pilings, and a gangway (as depicted on Exhibit A).

LEASE TERM:

20 years, beginning July 19, 1993.

CONSIDERATION:

Original Lease:

\$1,674 per annum; subject to modification by Lessor after the second lease year and as specified in Section 4 – General Provisions – paragraph 2(b).

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Amended Lease:

\$1,267 per year, with 0.5% (one-half of one percent) of the total sales price, without offset or deduction, derived from boat sales by sublessees of Lessee regularly engaged in the business of selling boats as a dealer or as a broker.

OTHER PERTINENT INFORMATION:

1. Assignees own the uplands adjoining the lease premises.
2. General Lease – Commercial Use No. PRC 7699.1 was approved by the Commission on July 19, 1993. It is a 20 year lease which commenced on July 19, 1993, and authorized covered floating docks with pilings, a gangway and a houseboat used as a sales office. The houseboat, as authorized under the original lease, is being removed because Assignees have a sales office on the upland parcel.
3. The Assignees have requested a number of amendments to the Lease. Staff has discussed the amendments requested with the Assignees and has determined that it is in the best interests of the State to amend the Lease, which lease amendments are on file in the office of the California State Lands Commission and by reference made a part hereof. The lease amendments include: (1) changing the facility from boat sales only to a boat sales/boat berthing facility; (2) modifying the lease area from .62 acres to .44 acres; (3) amending the rent based upon the new lease area and current valuations; (4) eliminating the houseboat from the authorized improvements; and (5) replacing the existing special provisions with special provisions for a marina use. The lease area and annual rent are being revised to reflect current leasing standards.
4. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), the staff has determined that this activity is exempt from the requirements of the CEQA under the general rule that the CEQA applies only to projects which have the potential for causing a significant effect on the environment. The staff believes, based on the information available to it, that there is no possibility that this project may have a significant effect on the environment.

Authority: Title 14, California Code of Regulations, section 15061 (b) (3).

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5. 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.

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 THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 BECAUSE THERE IS NO POSSIBILITY THAT THE ACTIVITY MAY HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT; TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 (b) (3).

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.

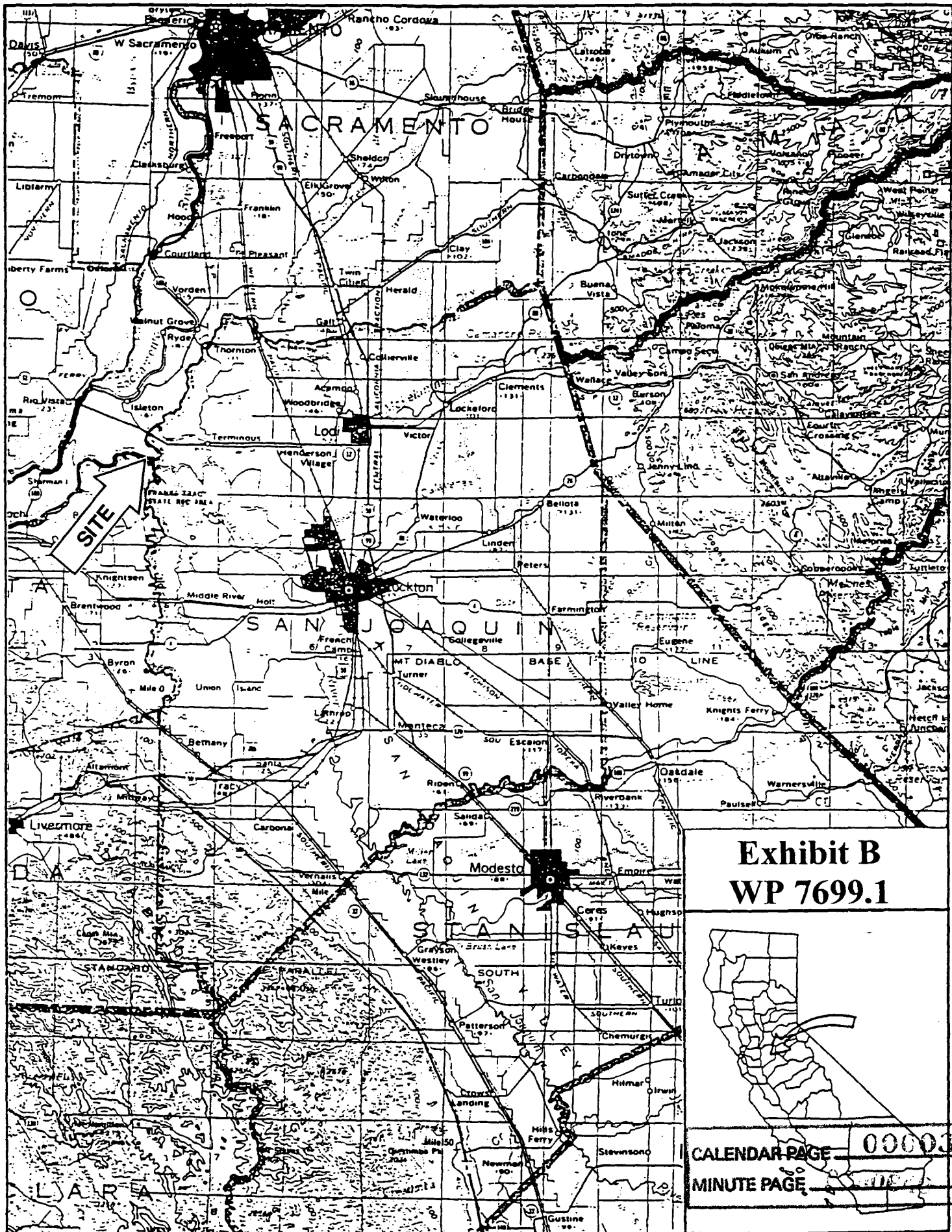
AUTHORIZATION:

1. AUTHORIZE THE ASSIGNMENT OF LEASE NO. PRC 7699.1, A GENERAL LEASE - COMMERCIAL USE, OF TIDE AND SUBMERGED LANDS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, FROM JOE M. CANTRELL TO GAIL M. FROST AND KENNETH EUGENE THOMAS; EFFECTIVE APRIL 9, 2002.

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2. AUTHORIZE THE AMENDMENT OF GENERAL LEASE – COMMERCIAL USE PRC 7699.1, EFFECTIVE APRIL 9, 2002, WHICH AMENDMENTS ARE ON FILE WITH THE COMMISSION AND BY REFERENCE MADE A PART HEREOF.
3. ALL OTHER TERMS AND CONDITIONS OF SAID LEASE SHALL REMAIN UNCHANGED AND IN FULL FORCE AND EFFECT.

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**Exhibit B
WP 7699.1**



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