

CALENDAR ITEM

C33

A 76

10/22/09

S 39

WP 6976

G. Kato

**ACCEPTANCE OF A LEASE QUITCLAIM DEED
AND ISSUANCE OF A NEW DREDGING LEASE**

LESSEE/APPLICANT:

Continental Maritime/Continental Maritime of San Diego, Inc.
1995 Bay Front Street
San Diego, CA 92113-2122

AREA, LAND TYPE, AND LOCATION:

Legislatively granted tide and submerged lands, with minerals reserved to the State, on both sides of Pier 6, within the Port of San Diego, San Diego Bay, San Diego County.

AUTHORIZED USE:

Maintenance dredge approximately 10,000 cubic yards of material to restore the designed -36 Mean Lower Low Water depth; the dredged material will be disposed of at the upland Otay Landfill.

LEASE TERM:

Five years, beginning December 14, 2009.

CONSIDERATION:

No monetary consideration will be charges as the project will result in a public benefit. The dredged material may not be sold.

OTHER PERTINENT INFORMATION:

1. The proposed dredging will take place on both sides of Pier 6 within the U. S. pierhead line on tide and submerged lands legislatively granted to the San Diego Unified Port District, pursuant to Chapter 67, Statutes of 1962 and as amended, with minerals reserved to the State.
2. Pier 6 is currently used as a commercial and military vessel maintenance shipyard. A five-year dredging lease, which was approved by the Commission on February 17, 2005, authorized the removal of up to 10,000 cubic yards of material. The expiration

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date of the existing lease is February 15, 2010. In 2005, the Lessee removed approximately 10,000 cubic yards of material, however the area has become silted in and will need to be dredged before the lease expires. Therefore, the Lessee has submitted an application for a new dredging lease and requests that the existing lease be terminated.

3. **Termination of Lease:** Pursuant to the Commission's delegation of authority and the State CEQA Guidelines [Title 14, California Code of Regulations, section 15060 (c)(3)], the staff has determined that this activity is not subject to the provisions of the CEQA because it is not a "project" as defined by the CEQA and the State CEQA Guidelines.

Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations, sections 15060 (c)(3) and 15378.

4. **Issuance of a New Lease:** 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 as a categorically exempt project. The project is exempt under Class 4, Minor Alterations to Land: Title 14, California Code of Regulations, section 15304(g).

Authority: Public Resources Code section 21084 and Title 14, California Code of Regulations, section 15300.

5. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 6370, et seq. Based on 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 REQUIRED:

United States Army Corps of Engineers
Regional Water Quality Control Board
San Diego Unified Port District

EXHIBIT:

- A. Location and Site Map

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PERMIT STREAMLINING ACT DEADLINE:

N/A

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

TERMINATION OF LEASE: FIND THAT THE ACTIVITY IS NOT SUBJECT TO THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15060 (c)(3) BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

ISSUANCE OF A NEW LEASE: FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 AS A CATEGORICALLY EXEMPT PROJECT, CLASS 4, MINOR ALTERATIONS TO LAND; TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15304(G).

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:

ACCEPTANCE OF A LEASE QUITCLAIM, EFFECTIVE DECEMBER 13, 2009 OF LEASE NO. PRC 6976.9, A DREDGING LEASE, ISSUED TO CONTINENTAL MARITIME.

ISSUANCE OF A DREDGING LEASE TO CONTINENTAL MARITIME OF SAN DIEGO, INC., BEGINNING DECEMBER 14, 2009,, FOR A TERM OF FIVE YEARS, FOR MAINTENANCE DREDGING OF APPROXIMATELY 10,000 CUBIC YARDS, FROM THE AREA DESIGNATED ON THE LAND SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; SUCH PERMITTED ACTIVITY IS CONTINGENT UPON APPLICANT'S COMPLIANCE WITH APPLICABLE PERMITS, RECOMMENDATIONS, OR LIMITATIONS ISSUED BY FEDERAL,

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STATE AND LOCAL GOVERNMENTS. NO ROYALTY SHALL BE CHARGED, AS THE PROJECT WILL RESULT IN A PUBLIC BENEFIT; DREDGED MATERIAL MAY NOT BE SOLD.