

MINUTE ITEM

6/23/71
EWC

5. 15-YEAR INDUSTRIAL LEASE, AND DREDGING PERMIT, TIDE AND SUBMERGED LAND AT SAMOA IN NORTH HUMBOLDT BAY, HUMBOLDT COUNTY; GEORGIA-PACIFIC CORPORATION - W 8968, PRC 4600.1; W 9388, PRC 4601.1.

After consideration of Calendar Item 10 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION:

1. FINDS THAT, IN ACCORDANCE WITH ENVIRONMENTAL IMPACT REPORT NO. 14 ON FILE IN THE OFFICE OF THE STATE LANDS COMMISSION AND BY REFERENCE MADE A PART HEREOF, A LEASE AND DREDGING PERMIT AS RECOMMENDED HEREIN WILL NOT HAVE A SIGNIFICANT DETRIMENTAL ENVIRONMENTAL EFFECT.
2. AUTHORIZES THE ISSUANCE TO GEORGIA-PACIFIC CORPORATION OF A 15-YEAR INDUSTRIAL LEASE, FROM AUGUST 1, 1971, IN CONSIDERATION OF BACK RENT IN THE AMOUNT OF \$5,862.50 AND ANNUAL RENT IN THE AMOUNT OF \$13,500, WITH THE STATE RESERVING THE RIGHT TO RESET A REASONABLE RENTAL ON EACH FIFTH ANNIVERSARY; PROVISION OF A \$50,000 SURETY BOND, PUBLIC LIABILITY INSURANCE IN AMOUNTS OF AT LEAST \$500,000/\$1,000,000 FOR PERSONAL INJURY AND \$250,000 FOR PROPERTY DAMAGE; FOR THE MAINTENANCE AND USE OF AN EXISTING BARGE DOCK, AND THE CONSTRUCTION, MAINTENANCE AND USE OF A CHIP-LOADING FACILITY AND APPURTENANT BANK-PROTECTION STRUCTURES ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.
3. AUTHORIZES THE ISSUANCE TO GEORGIA-PACIFIC CORPORATION OF A DREDGING PERMIT EFFECTIVE CONCURRENTLY WITH THE TERM OF THE U.S. ARMY CORPS OF ENGINEERS PERMIT, TO DREDGE APPROXIMATELY 170,000 CUBIC YARDS OF MATERIAL, AT A ROYALTY RATE OF \$0.10 PER CUBIC YARD FOR ALL MATERIAL REMOVED, FROM THE LAND DESCRIBED ON EXHIBIT "A-1" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

Attachment:

Calendar Item 10 (4 pages)

CALENDAR ITEM

10.

6/71
W 8968
W 9388
EWC

APPLICATION FOR INDUSTRIAL LEASE AND DREDGING PERMIT

APPLICANT: Georgia-Pacific Corporation.

LOCATION: A 22.50-acre parcel of tide and submerged land at Samoa in North Humboldt Bay, Humboldt County.

PURPOSE: To construct an extension to an existing barge-loading dock, and to dredge approximately 170,000 cubic yards of material for a mooring basin.

PROPOSED INDUSTRIAL LEASE TERMS:

Initial period: 15 years, from August 1, 1971.

Renewal options: Two additional periods of 10 years each.

Surety bond: \$50,000; public liability insurance: at least \$500,000/\$1,000,000 for personal injury and \$250,000 for property damage.

Special: Lessee shall remove, at its own expense and concurrently with the construction authorized herein, an existing blow pipe and supports, and an existing chip-loading facility northerly of the leased area and waterward of the lessee's upland property. The construction permitted by this lease shall be as proposed in U.S. Corps of Engineers Public Notice No. 71-20 dated May 18, 1971.

PROPOSED DREDGING PERMIT TERMS:

Period to run concurrently with U.S. Army Corps of Engineers permit authorizing the project.

DISPOSITION OF DREDGED MATERIAL:

Upon private property of applicant and adjoining private properties.

CONSIDERATION: An initial rental payment of \$19,362.50, composed of \$5,862.50 in back rents and \$13,500 in rental for the first year of the lease; and thereafter, rental of \$13,500 per annum, with the State reserving the right to review and reset a reasonable rental on each fifth anniversary. For dredging, \$0.10 per cubic yard for material removed.

BASIS FOR CONSIDERATION:

6% of appraised value of land.

PREREQUISITE ITEMS:

U. S. Army Corps of Engineers permit applied for; no lease will be issued until Corps permit has been issued. Applicant is owner of upland.

CALENDAR ITEM 10. (CONTD.)

STATUTORY AND OTHER REFERENCES:

- a. Public Resources Code: Div. 6, Parts 1 and 2.
- b. Administrative Code: Title 2, Div. 3, Articles 1 and 2 as amended effective May 10, 1969.

OTHER PERTINENT INFORMATION:

1. The existing barge-loading dock has been in place since January 1966; the appraisal indicates rental due for its past occupancy at \$1,050 per year. From the date the proposed lease commences, the rental for the entire area leased will be \$13,500 per year. This will result in a payment of backrents in the amount of \$5,862.50 and of the first installment on future rents in the amount of \$13,500, for a total initial payment of \$19,362.50.
2. The lessee has agreed to remove, at its own expense, two structures not in use, now major hazards to navigation.
3. An environmental impact report has been prepared as required by Chapter 1555/1970. No adverse comments on the proposed development have been received.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT, IN ACCORDANCE WITH ENVIRONMENTAL IMPACT REPORT NO. 14 ON FILE IN THE OFFICE OF THE STATE LANDS COMMISSION AND BY REFERENCE MADE A PART HEREOF, A LEASE AND DREDGING PERMIT AS RECOMMENDED HEREIN WILL NOT HAVE A SIGNIFICANT DETRIMENTAL ENVIRONMENTAL EFFECT.
2. AUTHORIZE THE ISSUANCE TO GEORGIA-PACIFIC CORPORATION OF A 15-YEAR INDUSTRIAL LEASE, FROM AUGUST 1, 1971, IN CONSIDERATION OF BACK RENT IN THE AMOUNT OF \$5,862.50 AND ANNUAL RENT IN THE AMOUNT OF \$13,500, WITH THE STATE RESERVING THE RIGHT TO RESET A REASONABLE RENTAL ON EACH FIFTH ANNIVERSARY; PROVISION OF A \$50,000 SURETY BOND, PUBLIC LIABILITY INSURANCE IN AMOUNTS OF AT LEAST \$500,000/\$1,000,000 FOR PERSONAL INJURY AND \$250,000 FOR PROPERTY DAMAGE; FOR THE MAINTENANCE AND USE OF AN EXISTING BARGE DOCK, AND THE CONSTRUCTION, MAINTENANCE AND USE OF A CHIP-LOADING FACILITY AND APPURTENANT BANK-PROTECTION STRUCTURES ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.
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Attachment: Exhibits "A" and "A-1"

W 8968

EXHIBIT "A"

Lessee: Georgia-Pacific Corporation.

Parcel A

A parcel of tide and submerged land immediately adjacent to Tide Land Survey No. 75 located in Section 21, T. 5 N., R. 1 W., H.B.M., as said parcel is shown on map, Exhibit B, for Georgia-Pacific Corporation, entitled "Property Description for Docking Facilities", said map filed CXB 5041 in the office of the State Lands Division and by reference made a part hereof.

W 9388

EXHIBIT "A-1"

Lessee: Georgia-Pacific Corporation

Parcel B

A parcel of tide and submerged land adjacent to Parcel A, as said parcel is shown on map, Exhibit B-1, for Georgia-Pacific Corporation, entitled "Property Description for Docking Facilities", said map filed CXB 5041 in the office of the State Lands Division and by reference made a part hereof.