

MINUTE ITEM

6/23/75
ACS

15. TERMINATION OF NON-COMMERCIAL LEASE PRC 4719, TIDE AND SUBMERGED LAND IN THE MAIN CHANNEL BETWEEN ANAHEIM BAY AND HUNTINGTON HARBOUR, ORANGE COUNTY; DR. AND MRS. JOHN E. GRAY; PRC 4719; WP 4719.

After consideration of Calendar Item 14 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION:

1. FINDS THAT LESSEE HAS FAILED TO COMPLY WITH THE CONSTRUCTION LIMITING DATES AS PROVIDED FOR IN SECTION 1 OF NON-COMMERCIAL LEASE PRC 4719.
2. FINDS THAT LESSEE IS IN BREACH OF TERMS AND CONDITIONS OF LEASE PRC 4719 THROUGH NONPAYMENT OF ANNUAL RENTAL AS PROVIDED FOR IN SECTION 1 OF SAID LEASE.
3. TERMINATES LEASE PRC 4719 AS OF JUNE 23, 1975.
4. AUTHORIZES THE STATE LANDS DIVISION TO EXECUTE AND RECORD IN ORANGE COUNTY, AS LESSEE'S WHEREABOUTS ARE UNKNOWN, A NOTICE PURSUANT TO THESE FINDINGS IN THE FORM AND CONTEXT SHOWN ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.
5. AUTHORIZES THE STATE LANDS DIVISION TO TAKE ALL NECESSARY LEGAL ACTION TO RECOVER THE DELINQUENT RENT, TOGETHER WITH APPROPRIATE PENALTIES AND INTEREST FROM LESSEE'S BONDING COMPANY.

Attachment:

Calendar Item 14 (4 pages)

CALENDAR ITEM

14.

6/75
ACS
WP 4719

TERMINATION OF NON-COMMERCIAL LEASE PRC 4719

LESSEE: Dr. and Mrs. John E. Gray

AREA, TYPE LAND AND LOCATION:

A 0.20-acre parcel of tide and submerged land in the main channel between Anaheim Bay and Huntington Harbour, Orange County.

INTENDED LAND USE:

Construction and maintenance of 10 private floating boat slips.

TERMS OF ORIGINAL LEASE:

Initial Period: 15 years, from January 15, 1973.

Renewal Options: None.

Surety Bond: \$5,000.

Construction Limiting Dates:

Beginning January 15, 1973

Completion December 31, 1973.

CONSIDERATION: \$1,306.35 per annum.

BACKGROUND:

In August 1972 the lessee made application for a lease of State land and advised that the State's land would be used for the construction of 8 to 10 floating boat slips to be an integral part of a proposed condominium development on the adjacent upland. The State Lands Commission approved issuance of a lease to the lessee at its meeting on December 21, 1972, and a lease was signed by the Manager, Land Operations, on December 20, 1973.

CURRENT SITUATION:

As of this date lessee has failed to begin construction and is in breach of the construction limiting dates. Further, lessee has failed to remit annual rental payments for 1974-1975 and 1975-1976. The state has made repeated attempts (January 15, 1974; March 22, 1974; December 15, 1974; March 31, 1975; and April 10, 1975) to contact lessee regarding the delinquent rent and has not received a response.

The staff recommends that the Commission authorize lease termination proceedings in accordance with the provisions of paragraph 24 of Section 4 of Lease PRC 4719.

A 70
S 34

650

CALENDAR ITEM NO. 14. (CONTD)

EXHIBITS: A. Form of Notice B. Location Map

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT LESSEE HAS FAILED TO COMPLY WITH THE CONSTRUCTION LIMITING DATES AS PROVIDED FOR IN SECTION 1 OF NON-COMMERCIAL LEASE PRC 4719.
2. FIND THAT LESSEE IS IN BREACH OF TERMS AND CONDITIONS OF LEASE PRC 4719 THROUGH NONPAYMENT OF ANNUAL RENTAL AS PROVIDED FOR IN SECTION 1 OF SAID LEASE.
3. TERMINATED LEASE PRC 4719 AS OF JUNE 23, 1975.
4. AUTHORIZE THE STATE LANDS DIVISION TO EXECUTE AND RECORD IN ORANGE COUNTY, AS LESSEE'S WHEREABOUTS ARE UNKNOWN, A NOTICE PURSUANT TO THESE FINDINGS IN THE FORM AND CONTEXT SHOWN ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.
5. AUTHORIZE THE STATE LANDS DIVISION TO TAKE ALL NECESSARY LEGAL ACTION TO RECOVER THE DELINQUENT RENT, TOGETHER WITH APPROPRIATE PENALTIES AND INTEREST FROM LESSEE'S BONDING COMPANY.

Attachment: Exhibit "A"

Space Above This Line for Recorder's Use Only.

EXHIBIT "A"

NOTICE OF TERMINATION BY LESSOR

EFFECTIVE _____

Recitals:

WHEREAS, the State Lands Commission of the State of California, hereinafter referred to as Lessor, and Dr. and Mrs. John E. Gray, hereinafter referred to as Lessee, have entered into an Agreement executed on December 20, 1973, covering a fifteen-year term effective January 15, 1973 and identified as Lease No. 4719.1, Public Resources Code Series; and

WHEREAS, paragraph 2 of Section 4 of said Agreement provides that Lessee shall on or prior to the anniversary date of and for each year thereafter, pay to Lessor the annual rental as stated in Section 1 of said Agreement; and

WHEREAS, Lessee has failed to make, after repeated notices, the past two annual rental payments; and

WHEREAS, Lessee has failed to install facilities in accordance with the terms and conditions of Section 1 of said Agreement, and that Lessee has failed in this obligation for a period exceeding one year; and

WHEREAS, paragraph 24 of Section 4 of said Agreement provides that failure of Lessee to pay rental, or in the event of a breach of any of the other covenants of the Agreement, or failure of Lessee to observe restrictions or time limitations shall be cause for repossession by Lessor.

NOW THEREFORE, be advised and notified that said Agreement identified as Lease No. 4719.1, Public Resources Code Series, is terminated effective _____ because of Lessee's failure to comply with the terms, covenants and conditions thereof.

STATE OF CALIFORNIA
STATE LANDS COMMISSION

By _____

Title _____

Date _____