

14. COMMERCIAL LEASE, TIDE AND SUBMERGED LAND IN THE SACRAMENTO RIVER, SACRAMENTO COUNTY; WALTER M. HARVEY AND F. BRETT STAUFER W 21082.

During consideration of Calendar Item 14, Mr. William F. Northrop, Executive Officer, read into the record a letter dated April 7 from Mr. Herbert Rhodes, Director of the Department of Parks and Recreation, addressed to the Executive Officer (on file in the office of the State Lands Commission and by reference made a part hereof). The letter requested that the permit be denied and deferred until a plan on the use of the waterfront has been adopted.

Chairman Kenneth Cory stated for the record that to the best of his knowledge he has never met Mr. Walter M. Harvey, the applicant, and that this Mr. Harvey is not related to the Walter Harvey who is presently on his staff.

In answer to Chairman Cory's question as to whether all governmental permits have been obtained by the applicant, Mr. Linson Patton, Supervising Land Agent for the Division, appeared. Mr. Patton indicated that he was not aware if all permits had been obtained. However, during the various meetings which were held, no objections were raised until two weeks ago--one from the Department of Parks and Recreation and one from the City of Sacramento. The City requested the item be continued until the Master Plan is developed some time in October, 1976. Mr. Patton stated it is the staff's opinion the proposed development would not be objectionable or in conflict with anything being discussed or proposed by the City.

Chairman Cory's main concern was that he did not want the Commission in a position of approving a lease for the project to which there may be other governmental objections prior to those things being resolved.

Mr. Chris Delgado, Supervising Civil Engineer, representing the City of Sacramento, appeared in opposition. Mr. Delgado requested a continuance based on a notice dated April 6 from the State Clearinghouse to the Sacramento Regional Area Planning Commission. He read it into the record. In addition, Chairman Cory read into the record a letter from the City Manager of Sacramento to Mr. Cory dated April 28, 1976, requesting that all proposals be held in abeyance until a Plan is developed. (Both letters are on file in the office of the State Lands Commission and by reference made a part hereof.)

MINUTE ITEM NO. 14. (CONTD)

The question rose as to whether the applicants have access to the site. Mr. Cory advised that before proposals are presented to the Commission, the staff should have in writing from the affected agencies a statement as to whether or not access is available.

Mr. Walter Harvey, the co-applicant, appeared. Mr. Harvey assured the Chairman that he does have access to the proposed development. He read into the record a letter to him from the Housing and Redevelopment Agency dated February 25, 1976. The letter advised that the applicants should deal directly with the Commission regarding title to the property. In addition, Mr. Harvey explained that they have a 99-year lease with Caltrans for the easement.

Mr. Bill Gentry, Senior Civil Engineer, City of Sacramento, appeared. Mr. Gentry stated that based on plans presently available, the applicants might have to utilize a portion of the Housing and Redevelopment Agency's property for access, which would require approval by the City.

A lengthy discussion followed. During this time Chairman Cory relinquished the chair to Commissioner Bell for a few minutes. Mr. Bell indicated at that time that he was inclined to defer the matter until the next meeting and serve notice on the City that the Commission plans to act on this matter at the next meeting. After Chairman Cory returned to the chair, he stressed that he wants to cooperate with the City, but the City in turn must cooperate with the Commission. At this time, the applicants were asked if they could sustain the 30-day delay.

Mr. Brett Stauffer, the co-applicant, appeared. He and Mr. Harvey stated that if the Commission wished to hold the matter over, they could accept a 30-day delay with the hope that an agreement could be reached with the City which will be suitable to the Commission.

Commissioner Bell instructed the staff to notify the City Council of the existing problem and that it would be resolved at the next meeting.

With the foregoing in mind, the item was deferred until the May Commission meeting.

CALENDAR ITEM

14

4/76  
W. 21082  
EPW

COMMERCIAL LEASE

APPLICANT: Walter M. Harvey and  
P. Brett Stauffer  
P. O. Box 1222  
Sacramento, California 95806

AREA, TYPE LAND AND LOCATION:  
An 0.429 acre parcel of tide and submerged  
land in the Sacramento River, Sacramento,  
Sacramento County.

LAND USE: Maintenance of one stern wheeler steamboat  
called the "Mark Twain" with ramp and floating  
dock to be used as a restaurant, lounge,  
and bar.

TERMS OF PROPOSED LEASE:

Initial Period: 19 years from May 1, 1976.

Renewal options: 3 successive periods of  
10 years each.

Surety bond: \$2,000.

Public liability insurance: \$500,000 per  
occurrence for combined  
single limit bodily injury  
and property damage.

CONSIDERATION: \$1,400 per annum to April 30, 1977; \$2,800  
per annum thereafter plus 1% of gross sales  
from May 1, 1976, payable annually. The  
5-year rent review will be omitted from the  
lease. The State interest will be protected  
by the percent of gross sales provision.

BASIS FOR CONSIDERATION:

Percentage of gross receipts as provided by  
Section 2007, Art. 2, Title 2, Cal. Adm. Code.

PREQUISITE TERMS, FEES AND EXPENSES:

Applicant is permittee of upland.

Filing fee has been received in the amount  
of \$25; and \$160 environmental costs also  
has been received.

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S 4

CALENDAR ITEM NO. 14 (CONTD)

STATUTORY AND OTHER REFERENCES:

- A. Public Resources Code: Div. 6, Parts 1 & 2.
- B. Administrative Code: Title 2, Div. 3,  
Arts. 1, 2, 10 and 11.

OTHER PERTINENT INFORMATION:

1. This project calls for the relocation and extensive remodeling of a riverboat to be rechristened the "Mark Twain". There will be a restaurant, lounge, and bar which will comply with all City, County, and State health and safety requirements. It will also conform to the scheme of beautification of the area proposed by the Sacramento Redevelopment Agency. The City of Sacramento and the Redevelopment Agency are in support of this proposal and are anxious to have it in full operation in time for the July Fourth Bicentennial celebration.

The proposed lease will call for rent in accordance with present statutes based on a percentage of gross sales with a minimum rent.

2. This project is situated on State land identified as possessing significant environmental values, pursuant to Public Resources Code 6370.1, and is classified in a significant use category, Class B: Limited Use. Staff review indicates that there will be no significant effect upon the identified environmental values.
3. A Negative Declaration was prepared by the Division pursuant to CEQA and implementing regulation. Also, the initial study for environmental purposes was circulated to those making nominations of significant environmental characteristics. No adverse comments have been received on the initial study.

EXHIBITS: A. Land Description. B. Location Map.  
C. Negative Declaration

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN ENVIRONMENTAL IMPACT REPORT HAS NOT BEEN PREPARED FOR THIS PROJECT BUT THAT A NEGATIVE DECLARATION HAS BEEN PREPARED BY THE DIVISION.

CALENDAR ITEM NO. 14 (CONT'D)

2. CERTIFY THAT THE NEGATIVE DECLARATION #191 HAS BEEN COMPLETED IN COMPLIANCE WITH THE CALIFORNIA ENVIRONMENTAL QUALITY ACT OF 1970, AS AMENDED, AND THE STAFF GUIDELINES AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.
3. DETERMINE THAT THE PROJECT WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.
4. DETERMINE THAT THE GRANTING OF THIS APPLICATION WILL HAVE NO SIGNIFICANT EFFECT UPON ENVIRONMENTAL CHARACTERISTICS IDENTIFIED PURSUANT TO SECTION 6370.1 ET SEQ. OF THE PUBLIC RESOURCES CODE.
5. AUTHORIZE ISSUANCE TO WALTER M. HARVEY AND F. BRETT STAUFFER OF A 19-YEAR COMMERCIAL LEASE FROM MAY 1, 1976, WITH LESSEE'S OPTION TO RENEW FOR 3 SUCCESSIVE PERIODS OF 10 YEARS EACH IN CONSIDERATION OF A BASE ANNUAL RENT IN THE AMOUNT OF \$1,400 TO APRIL 30, 1977; AND \$2,800 THEREAFTER PLUS 1% OF GROSS SALES PER ANNUM FROM MAY 1, 1976; WITH PROVISION OF A \$2,000 SURETY BOND AND PROVISION OF PUBLIC LIABILITY INSURANCE IN AMOUNT OF \$500,000 PER OCCURRENCE FOR COMBINED SINGLE LIMIT BODILY INJURY AND PROPERTY DAMAGE FOR MAINTENANCE OF ONE STERN WHEELER STEAMBOAT CALLED THE "MARK TWAIN" WITH RAMP AND FLOATING DOCK TO BE USED AS A RESTAURANT, LOUNGE, AND BAR ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

Attachment: Exhibit "A"

EXHIBIT "A"

W 21082

A parcel of land in the State owned bed of the Sacramento River, situated in the City and County of Sacramento, State of California, and more particularly described as follows:

BEGINNING at the point where the centerline of Capitol Mall Avenue (a city street 100 feet wide) intersects the centerline of Front Street (a city street 80 feet wide), as said point is shown on that record of survey filed in Book 26 of Surveys at Page 18, Official Records of Sacramento County; thence N  $71^{\circ} 27' 42''$  W, 250.0 feet; thence N  $18^{\circ} 32' 19''$  E, 135.0 feet; thence S  $71^{\circ} 27' 42''$  E, 250.0 feet; thence S  $18^{\circ} 32' 19''$  W, 135.0 feet to the point of beginning.

EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark on the left bank of the Sacramento River.

Bearings used herein are based on the California Coordinate System Zone 2.

END OF DESCRIPTION

Prepared R. L. Blala Checked [Signature]  
Reviewed [Signature] Date 3/2/76

