

MINUTE ITEM

This Calendar Item No. C3
was approved as Minute Item
No. 5 by the State Lands
Commission by a vote of 2
to 0 at its 6-9-79
meeting.

CALENDAR ITEM

C3.

INDUSTRIAL LEASE RENEWAL

5/79
WP 835
Maricle
PRC 835

APPLICANT:

Harney Foundation,
Pauline E. Harney and
The Piombo Construction Company
c/o Mr. Felix H. Siri, President
1601 Industrial Way
Belmont, California 94002

AREA, TYPE LAND AND LOCATION:

Approximately 7.26 acres of filled sovereign
land in San Francisco Bay at Hunters Point,
City and County of San Francisco.

LAND USE:

Railroad spurs, structures incident thereto,
and for open space and storage.

TERMS OF BASIC LEASE AS AMENDED:

Initial period: 15 years from October 27,
1953.

Renewal options: 1 additional period of
10 years upon the same
terms and conditions,
provided filling to a
specified degree was
accomplished by October 27,
1968; 2 additional 10-year
renewal periods to be
granted upon the same
terms and conditions
if the entire right-of-way
was filled during the
first renewal period.

Surety bond: \$2,000.

CONSIDERATION:

\$501.53 per annum during the basic term
and renewal periods. The basic lease as
amended required lessees to fill, by October 26,
1968, the leased area to an elevation of
plus 8 feet over mean lower water and a
total length of 1,500 feet. A prior site
inspection by staff shows that the entire
right-of-way has been filled.

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TERMS OF RENEWAL:

Same terms and conditions as set forth above.

Period covered: 10 years from October 27, 1978.

PREREQUISITE TERMS, FEES AND EXPENSES:

Filing fee has been received.

STATUTORY AND OTHER REFERENCES:

- A. P.R.C.: Div. 6. Parts 1 & 2.
- B. Cal. Adm. Code: Title 2, Div 3.
- C. Cal. Adm. Code: Title 14, Section 15100 et seq.

OTHER PERTINENT INFORMATION:

1. Lease PRC 835.1, originally issued to Jack Dooling, was approved by the Commission on September 3, 1953 (Minute Pages 1854-55). The lease was later assigned to Piombo Construction Company, a one-third interest, and Charles L. Harney, a two-thirds interest. This assignment was approved by the Commission on February 9, 1954, Item No. 31. Mr. Harney's interest was later transferred equally to the Harney Foundation, and to Pauline E. Harney, his widow. The pertinent documents on file reflect the transferred interest.
2. An amendment of lease PRC 835.1 was executed August 14, 1958, to delete a portion of the leased area, so as to permit the transfer of fee title to the City and County of San Francisco and to substitute therefor in part an additional parcel of land. The Commission heard and approved this matter at its meeting of July 25, 1958 (Minute Item 17). This amendment changed the lease area and revised the annual rent to \$501.53.

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3. The first renewal option in Lease PRC 835.1 has been exercised by the lessee for a 10-year period extending from October 27, 1968 through October 26, 1978: The Commission approved such renewal at its meeting of April 28, 1969 (Minute Item No. 6).
4. The lessee has notified the staff of the intent to exercise the second, 10-year renewal option, as provided in the lease document. The staff has reviewed this matter and finds the proposal to be consistent with the terms of the lease.
5. An EIR is not required. This transaction is within the purview of 2 Cal. Adm. Code 2907, Class 1(B), which exempts an existing structure or facility that is in an acceptable state of repair and there is no evidence of record to show injury to adjacent property, shoreline erosion, or other types of environmental degradation.
6. This project is situated on State land identified as possessing significant environmental values pursuant to P.R.C. 6370.1, and is classified in a use category, Class C, which authorizes Multiple Use.

Staff review indicates that there will be no significant effect upon the identified environmental values. This is an existing facility for which no adverse comments have been received.

EXHIBIT: A. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. DETERMINE THAT AN EIR HAS NOT BEEN PREPARED FOR THIS ACTIVITY AS SUCH REPORT IS NOT REQUIRED UNDER THE PROVISIONS OF P.R.C. 21085, 14 CAL. ADM. CODE 15100 ET. SEQ., AND 2 CAL. ADM. CODE 2907.

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2. FIND THAT GRANTING OF THIS LEASE RENEWAL WILL HAVE NO SIGNIFICANT EFFECT UPON ENVIRONMENTAL CHARACTERISTICS IDENTIFIED PURSUANT TO SECTION 6370.1 OF THE P.R.C.
3. AUTHORIZE ISSUANCE TO THE HARNEY FOUNDATION, PAULINE E. HARNEY AND THE PIOMBO CONSTRUCTION COMPANY OF A 10-YEAR RENEWAL OF LEASE PRC 835.1 FROM OCTOBER 27, 1978; FOR CONTINUED USE OF THE LEASED AREA FOR RAILROAD SPURS, STRUCTURES INCIDENT THERETO, AND FOR OPEN STORAGE, UPON THE SAME TERMS AND CONDITIONS AS SET OUT IN THE AFORESAID LEASE AGREEMENT.

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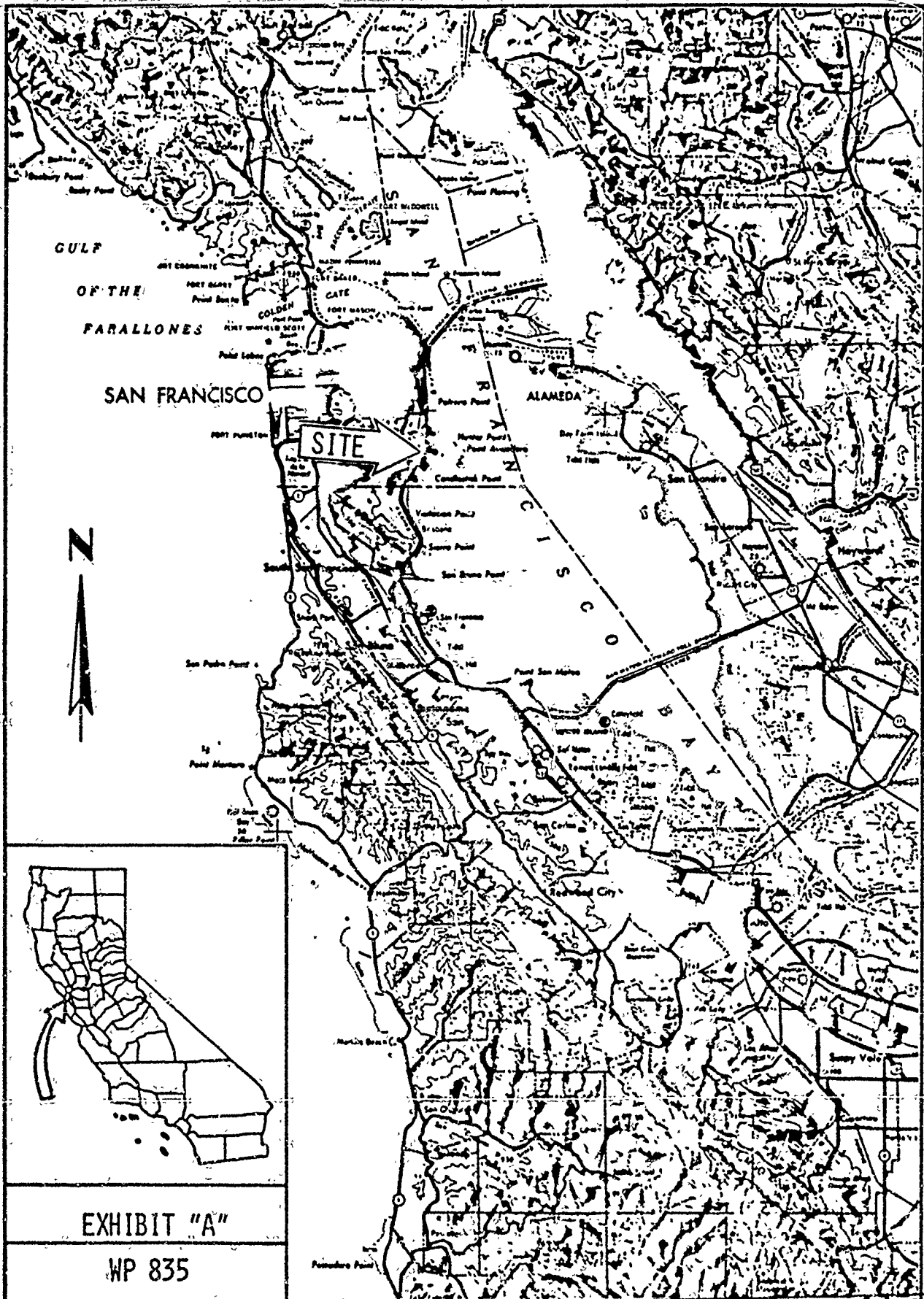


EXHIBIT "A"

WP 835

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