

MINUTE ITEM

This Calendar Item No. C08
was approved as Minute Item
No. 08 by the State Lands
Commission by a vote of 2
0 at its 3/2/92
meeting.

CALENDAR ITEM

A 1
S 2

C 0 8

03/02/92
PRC 2164
N. Smith

**TERMINATE PRC 2164 AND
ISSUE A GENERAL LEASE - COMMERCIAL USE**

APPLICANT:

Seto Family Trust
Sum M. and Jenny P. Seto, Co-Trustees
459 - 40th Avenue
San Francisco, California 94121

AREA, TYPE LAND AND LOCATION:

A 1.33-acre parcel of tide and submerged lands on the Albion
River, near Albion, Mendocino County.

LAND USE:

Maintenance of existing permanent and seasonal floating
docks, floats, fixed pier structure, and pilings.

TERMS OF ORIGINAL LEASE:

Initial period:

Fifteen (15) years beginning May 13, 1976.

Renewal periods:

Three (3) successive periods of ten (10) years each.

Surety bond:

\$3,000.

Public liability insurance:

Combined single limit coverage of \$300,000.

Consideration:

\$1,232 per annum; five-year rent review.

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TERMS OF PROPOSED LEASE:

Initial period:

Twenty-five (25) years beginning December 29, 1988.

Surety bond:

\$5,000.

Public liability insurance:

Combined single limit coverage of \$1,000,000.

CONSIDERATION:

\$1,900 per annum; five percent (5%) of gross income per annum, whichever is greater, with the State reserving the right to fix a different rental on each fifth anniversary of the lease.

BASIS FOR CONSIDERATION:

Pursuant to 2 Cal. Code Regs. 2003.

APPLICANT STATUS:

Applicant is owner of upland.

PREREQUISITE CONDITIONS, FEES AND EXPENSES:

Filing fee and processing costs have been received.

STATUTORY AND OTHER REFERENCES:

A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.

B. Cal. Code Regs.: Title 3, Div. 3; Title 14, Div. 6.

AB 884: N/A

OTHER PERTINENT INFORMATION:

1. Staff of the Commission has been working with the Seto family since September 1987 to process an assignment for lease PRC 2164 and, through negotiations, has determined that it is in the State's best interest to terminate lease PRC 2164 and issue a new commercial lease to the Seto Family Trust. Since the Seto family has been paying the annual rent between May 12, 1988 to May 11, 1990, staff recommends this be considered payment in full for that period.

CALENDAR ITEM NO. C O 8 (CONT'D)

2. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Code Regs. 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 1, Existing Facilities, 2 Cal. Code Regs. 2905(a)(2).

Authority: P.R.C. 21084, 14 Cal. Code Regs. 15300, and 2 Cal. Code Regs. 2905.

3. This activity involves lands identified as possessing significant environmental values pursuant to P.R.C. 6370, et seq. Based upon 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 the use classification of the proposed lease premises.

EXHIBITS:

- A. Land Description
- B. Location Map

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED FOR THE LAND PURSUANT TO P.R.C. 6370, ET SEQ.
2. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. CODE REGS. 15061 AS A CATEGORICALLY EXEMPT PROJECT, CLASS 1, EXISTING FACILITIES, 2 CAL. CODE REGS. 2905(a)(2).
3. TERMINATE LEASE PRC 2164 TO P.S.P. PROPERTIES, EFFECTIVE DECEMBER 28, 1988, AND ACCEPT A QUITCLAIM OF THAT LEASE FROM P.S.P. PROPERTIES.
4. AUTHORIZE ISSUANCE TO SETO FAMILY TRUST, SUM M. AND JENNY P. SETO, CO-TRUSTEES OF A 25-YEAR GENERAL LEASE - COMMERCIAL USE, BEGINNING DECEMBER 29, 1988; IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF \$1,900, WITH THE STATE RESERVING THE RIGHT TO FIX A DIFFERENT RENTAL ON EACH FIFTH ANNIVERSARY OF

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THE LEASE; PROVISION OF A \$5,000 SURETY BOND; AND PROVISION OF PUBLIC LIABILITY INSURANCE FOR COMBINED SINGLE LIMIT COVERAGE OF \$1,000,000; FOR MAINTENANCE OF EXISTING PERMANENT AND SEASONAL FLOATING DOCKS, FLOATS, FIXED-PIER STRUCTURE, AND PILINGS ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED HERETO AND BY REFERENCE MADE A PART HEREOF.

5. ACCEPT RENTAL PREVIOUSLY PAID BY THE SETO FAMILY FROM MAY 11, 1988 TO MAY 10, 1990 AS RENT PAID IN FULL.

EXHIBIT "A"

PRC 2164

LAND DESCRIPTION

A parcel of tide and submerged land, approximately 1650 feet long by 35 feet wide, in the bed and along the present right bank of the Albion River, situated in Section 28, T16N R17W, MDM, Mendocino County, California, said parcel being adjacent to and southerly and easterly of Parcel 4, described in the deed recorded in Book 909, page 453, Mendocino County Records.

EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark of the Albion River.

END OF DESCRIPTION

REVISED JANUARY, 1992 BY LLB

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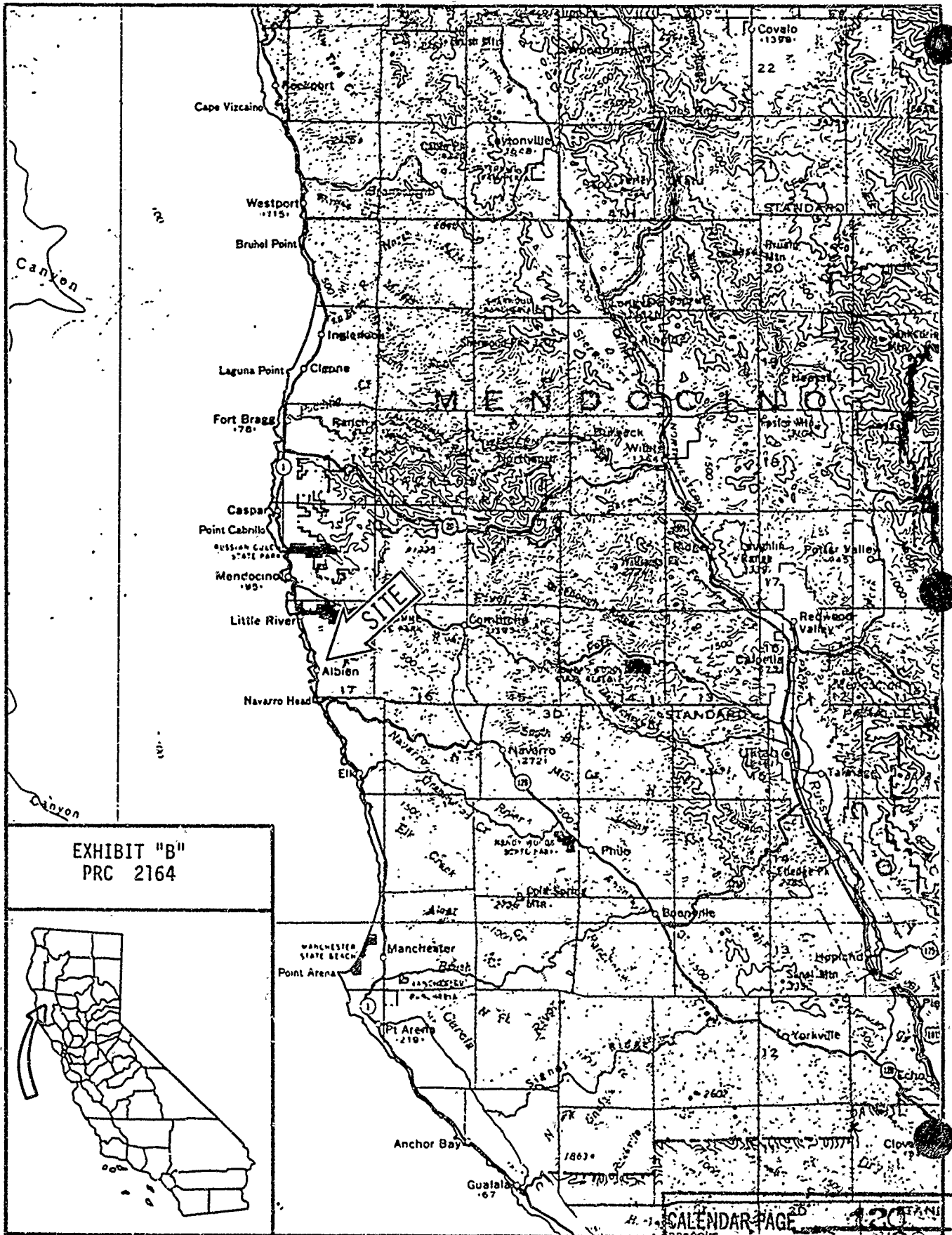


EXHIBIT "B"
 PRC 2164



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