

MINUTE ITEM
This Calendar Item No. C07 was approved as
Minute Item No. 07 by the California State Lands
Commission by a vote of 3 to 0 at its
12-14-06 meeting.

**CALENDAR ITEM
C07**

A 3
S 1

12/14/06
PRC 2376WP 2376.1
R. Barham

**AMENDMENT OF GENERAL LEASE - PUBLIC AGENCY USE
AND APPROVAL OF SUBLEASE**

LESSEE/SUBLESSOR:

United States Department of Agriculture Forest Service
Lassen National Forest
2550 Riverside Drive
Susanville, CA 96130

SUBLESSEE:

Lassen College Foundation, Inc.
P.O. Box 3000
Susanville, CA 96130

AREA, LAND TYPE, AND LOCATION:

9.15 acres, more or less, of sovereign lands in Eagle Lake, near Susanville,
Lassen County.

AUTHORIZED USE:

Continued use and maintenance of an existing public marina consisting of a
launch ramp, courtesy dock, boat berths, fuel sales, retaining wall, breakwater,
boat and personal watercraft rentals, and all other related services on or over the
lease lands as shown on Exhibit A.

LEASE TERM:

13 years and ten months, beginning March 1, 1998.

CONSIDERATION:

No monetary consideration. The consideration is the use and benefit to the
public; provided, however, that the Commission shall have the right to assess the
Lessee a monetary rent for any reporting period in which revenues, derived from
or attributable to use of the marina exceed expenses of operating, maintaining or
improving the facilities.

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PROPOSED AMENDMENT:

Effective December 1, 2006, amend the lease to: 1) change the effective due date for the Report of Annual Income and accompanying reports to January 31, 2) change the due date for annual rent, if any, to January 31, to coincide with the receiving of Annual Reports, 3) change the annual reporting period to January 1 through December 31, and 4) include the Lessee's implementation of the Commission's Best Management Practices for Marina Owners/Operators and the incorporation of the Best Management Practices for Berth Holders and Boaters into berth rental agreements. All other terms and conditions of the lease shall remain in full force and effect without amendment.

OTHER PERTINENT INFORMATION:

1. The Lessee owns the upland marina and associated facilities adjacent to the Lease Premises. The public marina is known as the Gallatin Marina at Eagle Lake.
2. On June 19, 1998, the Commission authorized a 13-year and ten-month lease, beginning March 1, 1998, with the U.S. Forest Service and approved a sublease to the University Foundation of California State University, Chico (CSUC). In May 2004, CSUC transferred the management and operation of the marina to Lassen College Foundation, Inc. who are operating under a temporary use permit.
3. Lassen College Foundation, Inc., is a legally chartered California corporation and functions as a not-for-profit organization. The purpose of the foundation and sole purpose for its existence is to provide financial support to Lassen Community College and engage in such constructive endeavors that improve the quality of life for the citizens and visitors to Lassen County.
4. Commission staff has reviewed the temporary use permit agreement between the Lessee and the sublessee/operator, dated September 9, 2006, and recommends amending the lease to authorize the sublease.
5. In order to clarify the dates of the annual reporting period, when the annual reports are due and any payment of rent is due, it is recommended that the lease be amended to change the dates.
6. The Lease will also be amended to require the Lessee's implementation of the Commission's Best Management Practices for Marina

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Owners/Operators and the incorporation of the Best Management Practices for Berth Holders and Boaters into marina berth rental agreements.

7. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines [Title 14, California Code of Regulations, section 15060(c)(3)], the staff has determined that this activity is not subject to the provisions of the CEQA because it is not a "project" as defined by the CEQA and the State CEQA Guidelines.

Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations, sections 15060(3) and 15378.

EXHIBIT:

- A. Site and Location Map

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE ACTIVITY IS NOT SUBJECT TO THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15060(c)(3) BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

SIGNIFICANT LANDS INVENTORY FINDING:

FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET SEQ.

AUTHORIZATION:

AUTHORIZE THE AMENDMENT OF LEASE NO. PRC 2376.1, EFFECTIVE DECEMBER 1, 2006, TO CHANGE THE DUE DATE FOR RECEIVING THE REPORT OF ANNUAL GROSS INCOME AND ACCOMPANING EXPENSE REPORTS TO JANUARY 31; CHANGE THE EFFECTIVE DUE DATE FOR MONETARY RENT TO JANUARY 31; CHANGE THE ANNUAL REPORTING PERIOD TO A CALENDER YEAR, FROM JANUARY 1 TO DECEMBER 31; AND REQUIRE THE

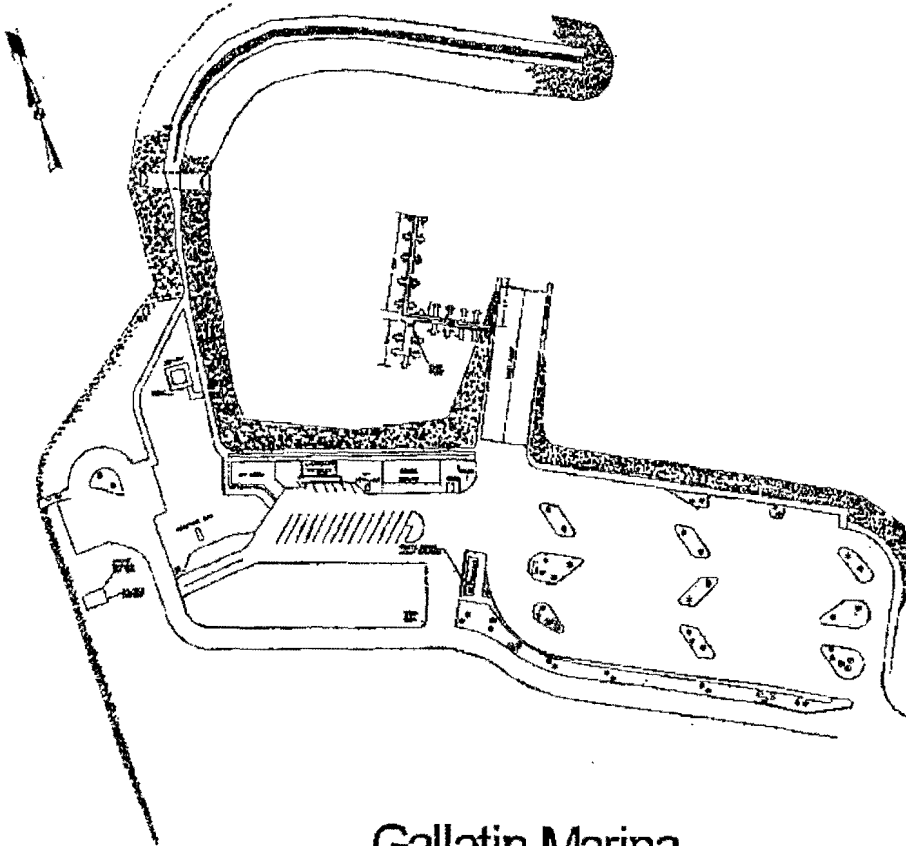
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INCLUSION AND IMPLEMENTATION OF THE COMMISSION'S MARINA OWNERS/OPERATORS, BERTH HOLDERS AND BOATER BEST MANAGEMENT PRACTICES; ALL OTHER TERMS AND CONDITIONS OF THE LEASE WILL REMAIN IN EFFECT WITHOUT AMENDMENT.

AUTHORIZE A SUBLEASE FROM THE U.S. FOREST SERVICE TO THE LASSEN COLLEGE FOUNDATION, INC., OF A PORTION OF THE LEASE NO. PRC 2376.1, MORE PARTICULARLY AS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, EFFECTIVE DECEMBER 1, 2006, FOR A TERM OF FIVE YEARS AND ONE MONTH OR UNTIL THE TERMINATION OF LEASE PRC 2376.1, WHICHEVER COMES FIRST; FOR OPERATION, USE AND MAINTENANCE OF THE GALLATIN MARINA.

NO SCALE

SITE MAP



Gallatin Marina

NO SCALE

LOCATION

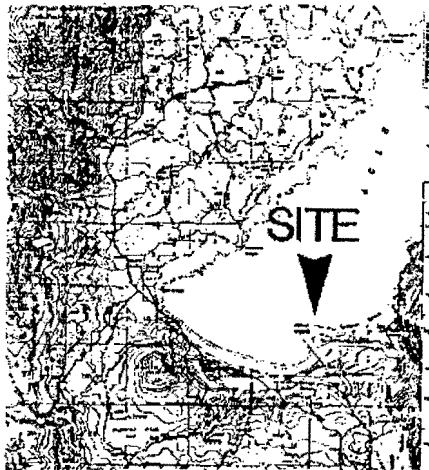


Exhibit A
 PRC 2376
 APN 89-030-11
 Eagle Lake
 LASSEN COUNTY



RL 698

This Exhibit is solely for purposes of generally defining the lease premises, and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

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