

MINUTE ITEM
This Calendar Item No. C21 was approved as
Minute Item No. 21 by the California State Lands
Commission by a vote of 3 to 0 at its
12-14-06 meeting.

**CALENDAR ITEM
C21**

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12/14/06
PRC 2175 WP 2175.1
V. Massey

ASSIGNMENT AND AMENDMENT OF LEASE

LESSEE/ASSIGNOR:

Gerald A. Pearson

ASSIGNEE:

Lovey's Landing LLC
3474 N. Meridian Road
Meridian, CA 95957

AREA, LAND TYPE, AND LOCATION:

0.79 acres, more or less, of sovereign lands in the Sacramento River, near the town of Meridian, Sutter County.

AUTHORIZED USE:

Continued use and maintenance of an existing commercial marina consisting of three docks with ramps and cable anchors, a fuel pump, and a launch rail as shown on Exhibit A.

LEASE TERM:

20 years, beginning January 1, 1993.

CONSIDERATION:

A minimum annual rent of \$900 against five percent of gross income per year derived from the rental of boat docks, and moorings, whichever is greater, and one and one-half cents per gallon of fuel sold annually up to the first 100,000 gallons and two cents per gallon thereafter.

PROPOSED AMENDMENT:

Add lease provisions that the Lessee must implement the Commission's "Best Management Practices (BMPs) for Marina Owners/Operators", incorporate the Commission's "BMPs for Berth Holders and Boaters" into Assignee/Lessee's berth rental agreements, and include the additional BMPs the Commission subsequently deems appropriate for either of the above categories. In addition to

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the inclusion of the BMPs for Berth Holders and Boaters into the berth rental agreements, the Lessee shall post such publication in prominent places within the lease premises. The Lessee shall provide the Commission, on the first anniversary of the lease amendment and on each successive third anniversary thereafter, a report on compliance with all BMPs.

All other terms and conditions of the lease shall remain in effect without amendment.

OTHER PERTINENT INFORMATION:

1. Assignee owns the uplands adjoining the lease premises.
2. On February 27, 1996, the Commission authorized a General Lease – Commercial Use to Earl L. Loveless, dba Lovey's Landing. Subsequently, on June 7, 2004, the Commission authorized an assignment of the lease to Gerald A. Pearson, dba Lovey's Landing. That lease will expire on December 31, 2012. On January 18, 2006, Gerald A. Pearson transferred ownership of the uplands and the lease improvements to Lovey's Landing LLC. Lovey's Landing LLC is now applying for an assignment of Lease No. PRC 2175.1 a General Lease - Commercial Use. Lovey's Landing LLC, agrees to amend the lease to include "Best Management Practices for Marina Owners/Operators" and the Commission's "Best Management Practices for Berth Holders and Boaters". The effective date of the proposed assignment is January 18, 2006, and the effective date of the amendment will be December 14, 2006.
3. 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 (c)(3) and 15378.

4. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 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 its use classification.

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EXHIBITS:

- A. Site Map
- B. Location Map

RECOMMENDED ACTION:

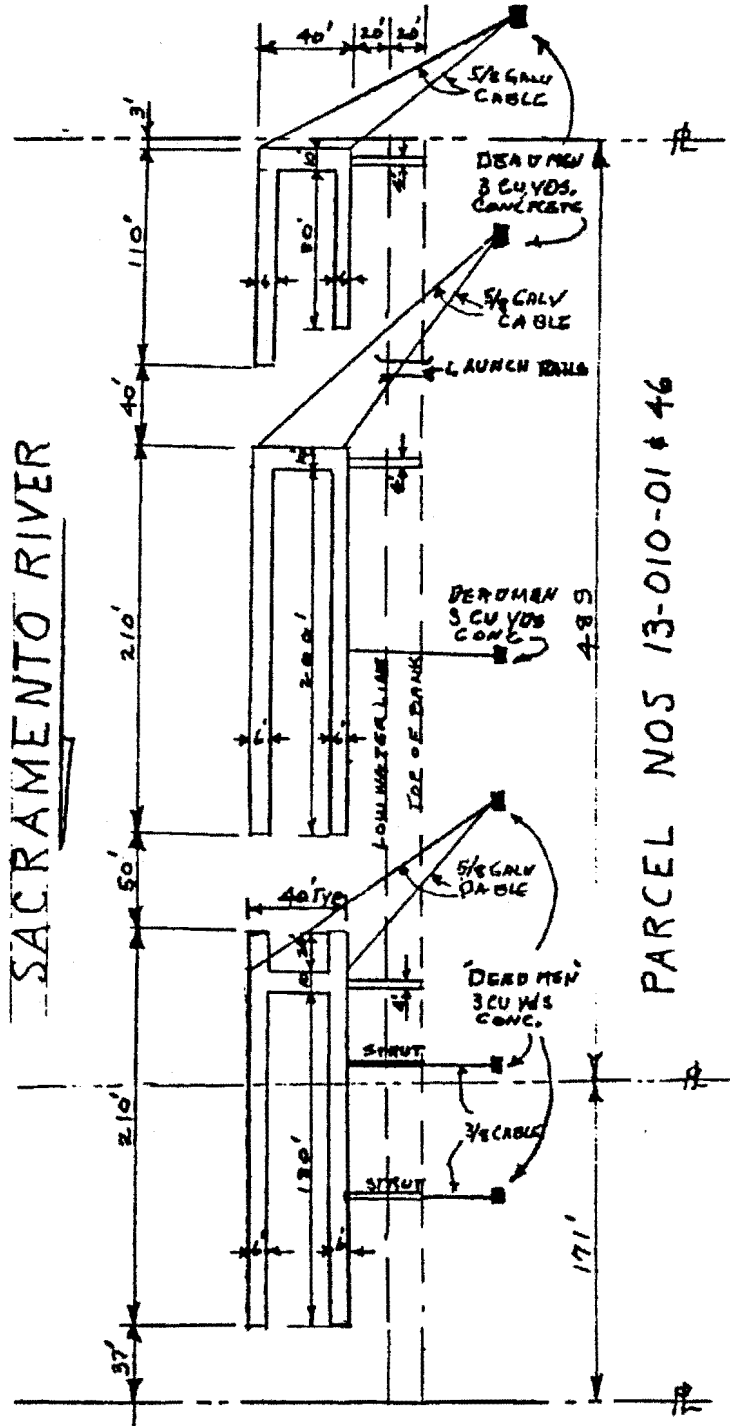
IT IS RECOMMENDED THAT THE COMMISSION:

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.

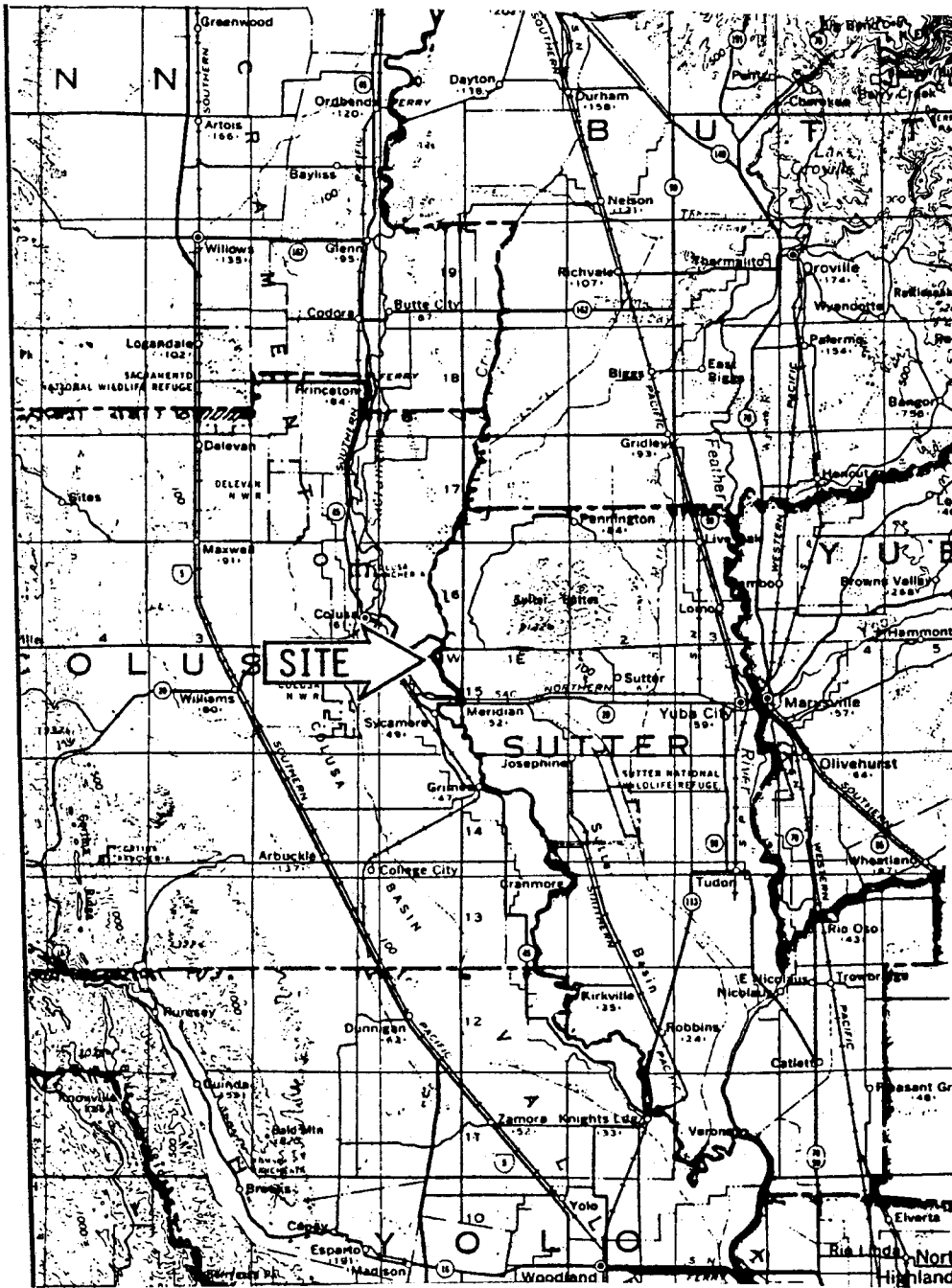
AUTHORIZATION:

1. AUTHORIZE THE ASSIGNMENT OF LEASE NO. PRC 2175.1, A GENERAL LEASE - COMMERCIAL USE, OF SOVEREIGN LANDS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, FROM GERALD A. PEARSON TO LOVEY'S LANDING LLC; EFFECTIVE JANUARY 18, 2006.
2. AUTHORIZE THE AMENDMENT OF LEASE NO. PRC 2175.1, A GENERAL LEASE - COMMERCIAL USE, OF LANDS SHOWN ON EXHIBIT A ATTACHED AND BY REFERENCE MADE A PART HEREOF, EFFECTIVE DECEMBER 14, 2006, TO ADD PROVISIONS INVOLVING BEST MANAGEMENT PRACTICES; ALL OTHER TERMS AND CONDITIONS OF THE LEASE WILL REMAIN IN EFFECT WITHOUT AMENDMENT.



This exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by Lessee or other parties, and is not intended to be, nor shall it be construed as, a waiver or limitation of any state interest in the subject or other property.

Exhibit A
WP 2175



Meridian Quad

This exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by Lessee or other parties, and is not intended to be, nor shall it be construed as, a waiver or limitation of any state interest in the subject or other property.

**Exhibit B
WP 2175**

LMB 4/19/04