

**CALENDAR ITEM  
C10**

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08/20/10

PRC 3935.1

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M. Clark

**ASSIGNMENT OF A GENERAL LEASE – COMMERCIAL USE AND AN  
AGREEMENT AND CONSENT TO ENCUMBRANCING OF LEASE**

**LESSEE/ASSIGNOR:**

Sandras Clark

**ASSIGNEE/APPLICANT:**

Aspen Pines, LLC, a Nevada Limited Liability Company  
13415 Grand Island Road  
Walnut Grove, California 95690

**SECURED PARTY LENDER:**

Elsie M. Bahia; Lincoln Trust Company FBO Ronald Caird IRA; John Canfield, Trustee Canfield 2003 Trust; Lincoln Trust Company FBO Robert F. Carlson IRA; Trust Company of America C/F Richard M. Davis IRA; Clayton S. Friedman, Trustee Clayton S. Friedman Separate Property Trust; Ronald E. Fuller and Mary P. Fuller, Trustees Ronald E. Fuller and Mary P. Fuller Family Revocable Trust; George F. Guimarra, Jr., Trustee O/T George Guimarra Jr. Trust DTD 12/19/2000; Trust Company of America C/F Russell B. Hayes IRA; and Joan Staves

**SECURED PARTY LENDER AGENT:**

Mortgage Company of Santa Barbara  
747 Garden Street  
Santa Barbara, CA 93101

**AREA, LAND TYPE, AND LOCATION:**

0.23 acre, more or less, of sovereign land in Steamboat Slough, adjacent to 13415 Grand Island Road, near the town of Walnut Grove, Sacramento County.

**AUTHORIZED USE:**

Continued use and maintenance of an existing uncovered accommodation dock with an attached covered single berth dock with landing, nine pilings, and gangway.

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**LEASE TERM:**

20 years, beginning December 1, 2004.

**CONSIDERATION:**

\$894 per year, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

**SPECIFIC LEASE PROVISIONS:**

Insurance:

Liability insurance of no less than \$1,000,000

Bond:

\$5,000

Other:

This lease contains provisions that the Lessee must implement the Commission's "Best Management Practices for Marina Owners/Operators" and encourage implementation of the Commission's "Best Management Practices for Guest Dock Users and Boaters", including additional Best Management Practices (BMPs) the Commission subsequently deems appropriate for either of the above categories.

**OTHER PERTINENT INFORMATION:**

1. Assignee owns the uplands adjoining the lease premises.
2. On February 17, 2005, the Commission authorized a General Lease – Commercial Use to Sandras Clark for the use and maintenance of an existing uncovered accommodation dock with an attached covered single berth dock with landing, nine pilings, and gangway. The lease will expire November 30, 2024. On June 25, 2010, Sandras Clark (Lessee/Assignor) deeded the upland to Aspen Pines, LLC (Assignee/Lessee).
3. The Assignee/Lessee has now applied for an assignment of the lease and an application for an Agreement and Consent to Encumbrancing of Lease in favor of Elsie M. Bahia; Lincoln Trust Company FBO Ronald Caird IRA; John Canfield, Trustee Canfield 2003 Trust; Lincoln Trust Company FBO Robert F. Carlson IRA; Trust Company of America C/F Richard M. Davis IRA; Clayton S. Friedman, Trustee Clayton S. Friedman Separate Property Trust; Ronald E. Fuller and Mary P. Fuller, Trustees Ronald E. Fuller and Mary P. Fuller Family Revocable Trust; George F. Guimarra, Jr., Trustee O/T George Guimarra Jr. Trust DTD 12/19/2000; Trust Company of America C/F Russell B. Hayes IRA; and Joan Staves, the Secured-Party Lender, with the Mortgage Company of Santa Barbara acting as the agent for the Secured Party Lender, in a loan amount not to

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exceed \$650,000. The purpose of the loan is to purchase the Grand Island Mansion commercial event facility, located on the upland, and the accommodation dock located on the Lease Premises, which is used by patrons and members of the Grand Island Mansion Club.

In approving the encumbrancing agreement, the Commission retains the right to approve any transfer from the lending institution to a prospective lessee, should any foreclosure of the loan occur.

4. 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 CEQA because it is not a "project" as defined by 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.

5. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 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.

**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 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.

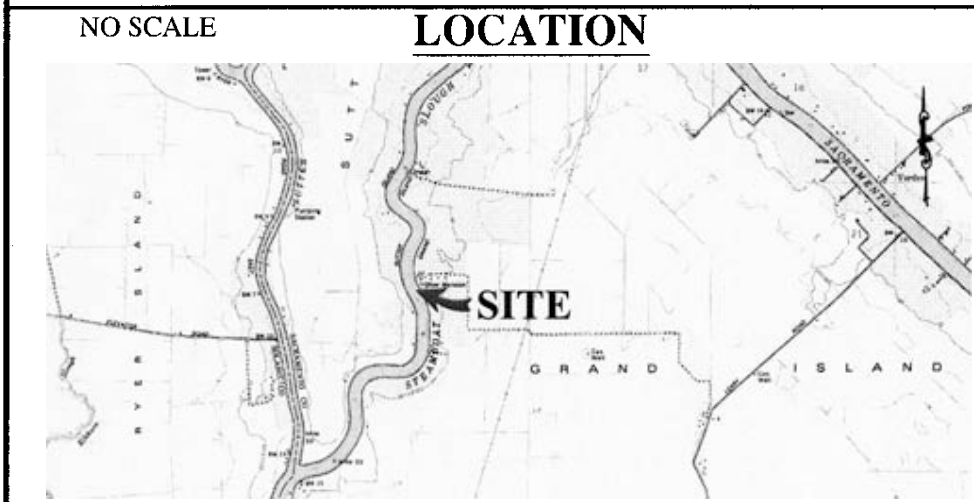
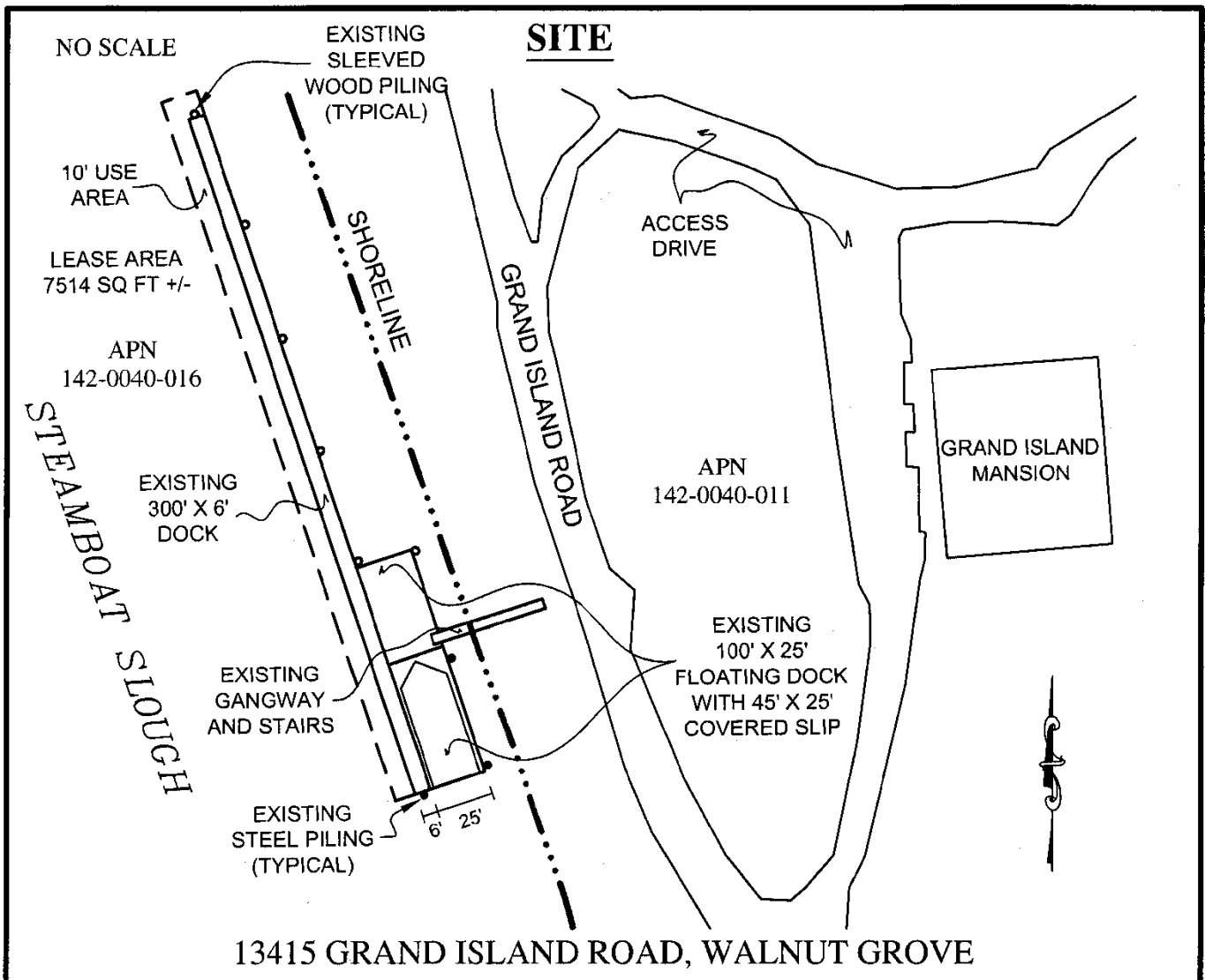
**SIGNIFICANT LANDS INVENTORY FINDING:**

Find that this activity is consistent with the use classification designated by the Commission for the land pursuant to Public Resources Code section 6370, et seq.

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**AUTHORIZATION:**

1. Authorize the Assignment of Lease No. PRC 3935.1, a General Lease – Commercial Use, of sovereign land in Steamboat Slough as shown on Exhibit A attached and by this reference made a part hereof, from Sandras Clark to Aspen Pines, LLC, a Nevada Limited Liability Company, effective June 25, 2010.
  
2. Authorize execution of the document entitled “Agreement and Consent to Encumbrancing of Lease” in the amount not to exceed \$650,000, on file in the office of the Commission, between the State Lands Commission, Aspen Pines, LLC, a Nevada Limited Liability Company, and Elsie M. Bahia; Lincoln Trust Company FBO Ronald Caird IRA; John Canfield, Trustee Canfield 2003 Trust; Lincoln Trust Company FBO Robert F. Carlson IRA; Trust Company of America C/F Richard M. Davis IRA; Clayton S. Friedman, Trustee Clayton S. Friedman Separate Property Trust; Ronald E. Fuller and Mary P. Fuller, Trustees Ronald E. Fuller and Mary P. Fuller Family Revocable Trust; George F. Guimarra, Jr., Trustee O/T George Guimarra Jr. Trust DTD 12/19/2000; Trust Company of America C/F Russell B. Hayes IRA; and Joan Staves, effective August 20, 2010.



**Exhibit A**  
 WP 3935.1  
 ASPEN PINES, LLC  
 APNs 142-0040-011 &  
 142-0040-016  
 GENERAL LEASE -  
 COMMERCIAL USE  
 SACRAMENTO COUNTY



MAP SOURCE: USGS QUAD

This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the 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 any other property.