# CALENDAR ITEM

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08/14/12 PRC 3200.1 V. Caldwell

# CONSIDER TERMINATION OF A GENERAL LEASE – COMMERCIAL USE

# LESSEES:

Jerry R. Pendleton and Elsie F. Pendleton

# AREA, LAND TYPE, AND LOCATION:

8.65 acres, more or less, of sovereign land in the Sacramento River, adjacent to Assessor's Parcel Number (APN) 46-260-07-1, near the city of West Sacramento, Yolo County.

# PRIOR AUTHORIZED USE:

1,374 lineal feet of downstream dockage; 757 lineal feet of upstream dockage; 12 uncovered 24-foot berths; 12 uncovered 34-foot berths; 14 uncovered 44-foot berths two ramps, bar/restaurant with patio, fuel dispensing station, and storage/restroom building, associated with a commercial marina known as Four Seasons Marina.

# LEASE TERM:

25 years, beginning November 7, 1997.

# **CONSIDERATION:**

Minimum annual rent in the amount of \$3,720 per year, against five percent of the gross annual income derived from the commercial activities from the berthing, docking, and mooring of boats; one and one-half percent of gross income from the restaurant and bar operations; 10% of all other income; and \$0.015 per gallon of fuel sold annually on or over the Lease Premises to a maximum of 100,000 gallons and \$0.02 per gallon thereafter, with the State reserving the right to fix a different rent periodically during the lease term.

# SPECIFIC LEASE PROVISIONS:

#### Insurance:

Combined single limit coverage of no less than \$1,000,000

**Bond**: \$20,000

# CALENDAR ITEM NO. C20 (CONT'D)

# **OTHER PERTINENT INFORMATION:**

- 1. Lessees no longer have the right to use the upland adjoining the lease premises.
- 2. On November 7, 1997, the Commission authorized a General Lease Commercial Use to Jerry E. Pendleton and Elsie F. Pendleton for the reconstruction, use, and maintenance of an existing commercial marina known as the Four Seasons Marina. The Lessees owned the marina facilities but only had a 5-year ground lease for use of the upland. The Lessees did not construct the original improvements. They purchased the marina facilities in 1997, and anticipated reconstructing the marina. The ground lease expired in 2002, and the lease with the Commission expires on November 6, 2022.
- 3. On June 11, 1998, the Lessee's informed CSLC staff that they were unable to obtain the necessary funds to reconstruct the marina on the Lease Premises. Because of deterioration and prior vandalism of the facility, the Lessees proposed to demolish the existing facilities on the Lease Premises, and, in July 1998, all improvements were removed for safety and maintenance reasons with staff's knowledge. Between 1998 and 2002, staff attempted to work with the Lessee to amend the lease for the remaining remnants and agree on a plan to remove the marina remnants which staff believed included 14 wood pilings. In 2002, the ground lease expired and the Lessee abandoned the Lease Premises. The upland facilities were removed sometime after 1998. Pursuant to a recent site visit, staff now believes there are 29 wood pilings, three steel pilings, and a sunken fiberglass lash barge currently on or near the Lease Premises. The staff has been unable to locate the Lessees.
- 4. Staff believes there is no reasonable chance for recovery of any damages in the form of back rent or trespass. The current upland owner has no connection to the Commission's lease. Since 1998, no rent has been received by the Commission, and there is no evidence that insurance or surety has been in place since 2001. Staff recommends termination of the lease as a result of the abandonment of the Lease Premises.
- 5. The staff recommends that the Commission find that the subject termination does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with the California Environmental Quality Act (CEQA).

# CALENDAR ITEM NO. C20 (CONT'D)

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

# EXHIBIT:

A. Site and Location Map

# **RECOMMENDED ACTION:**

It is recommended that the Commission:

# **CEQA FINDING:**

Find that the subject termination is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.

# **AUTHORIZATION:**

Authorize termination, effective August 14, 2012, of Lease No. PRC 3200.1, a General Lease – Commercial Use, issued to Jerry E. Pendleton and Elsie F. Pendleton due to abandonment of the Lease Premises.

