CALENDAR ITEM C02

Α	8, 15	10/19/12
		PRC 4760.1
S	5, 14	G. Asimakopoulos

GENERAL LEASE - RECREATIONAL AND PROTECTIVE STRUCTURE USE

APPLICANTS:

Ronald J. Gray and Susan D. Gray, Trustees of the Ronald J. Gray/Susan D. Gray Trust, Dated May 16, 1993

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the Sacramento River, adjacent to 17408 Grand Island Road, at Long Island, near Walnut Grove, Sacramento County

AUTHORIZED USE:

Continued use and maintenance of an existing fishing pier and walkway previously authorized by the Commission, and existing bank protection not previously authorized by the Commission.

LEASE TERM:

10 years, beginning March 23, 2013.

CONSIDERATION:

Fishing pier and walkway: \$50 per year, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

Bank Protection: The public use and benefit with the State reserving the right at any time to set a monetary rent if the Commission finds such action to be in the State's best interest.

SPECIFIC LEASE PROVISIONS:

Liability Insurance in the amount of no less that \$1,000,000.

OTHER PERTINENT INFORMATION:

1. Applicants own the upland adjoining the lease premises.

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- 2. On June 2, 2003, the Commission authorized a 10-year Recreational Pier Lease to Ronald J. Gray and Susan D. Gray, Trustees of the Ronald J. Gray/Susan D. Gray Trust, dated May 16, 1993, for a fishing pier and walkway. The lease expires on March 22, 2013. The Applicants are applying for a new General Lease Recreational and Protective Structure Use, for the continued use and maintenance of the existing fishing pier and walkway previously authorized by the Commission, and existing bank protection not previously authorized.
- 3. On October 8, 2011, Chapter 585, Statutes of 2011 became law. The law took effect on January 1, 2012. This new law repeals section 6503.5 of the Public Resources Code, which had allowed rent-free use of State-owned land by certain private parties for their recreational piers. It replaced the former section with a new section 6503.5 which provides that the State Lands Commission "shall charge rent for a private recreational pier constructed on state lands." The law provides for two exceptions to the imposition of rent. Those exceptions are for:
 - A. A lease in effect on July 1, 2011, through the remaining term of that lease. If a lease in effect on July 1, 2011, expires or is otherwise terminated, any new lease will be subject to rent; and
 - B. A lease for which the lease application and application fees were submitted to the Commission prior to March 31, 2011.

The Applicants do not qualify for an exception.

- 4. The bank protection has existed for many years but was not previously authorized by the Commission. Staff recommends incorporating the bank protection into the lease. The bank protection will mutually benefit both the public and the Applicants. The bank of the Sacramento River will have additional protection from wave action provided at little cost to the public.
- 5. The staff recommends that the Commission find that this activity is exempt from the requirements of CEQA as categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

Authority: Public Resources Code section 21084 and California Code of Regulations, Title 14, section 15300 and California Code of Regulations, Title 2, section 2905.

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6. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq., but such activity will not affect those significant lands. 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.

EXHIBITS:

- A. Land Description
- B.. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15061 as a categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

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.

AUTHORIZATION:

Authorize issuance of a General Lease - Recreational and Protective Structure Use to Ronald J. Gray and Susan D. Gray, Trustees of the Ronald J. Gray/Susan D. Gray Trust, dated May 16, 1993, beginning March 23, 2013, for a term of 10 years, for the continued use and maintenance of an existing fishing pier and walkway previously authorized by the Commission, and the use and maintenance of existing bank protection not previously authorized by the Commission, as described in Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; consideration for the fishing pier and walkway: \$50 per year, with the State reserving the right to fix a different rent periodically during the lease term, as provided for in the lease; consideration for the bank protection: the public use and benefit with the State reserving the right at any time to set a monetary rent if the Commission finds such action to be in the State's best interest; and liability insurance in the amount of no less than \$1,000,000.

EXHIBIT A

PRC 4760.1

LAND DESCRIPTION

A parcel of tide and submerged land situate in the bed of the Sacramento River on Long Island, lying adjacent to Swamp and Overflowed Land Survey 957, patented October 4, 1871, County of Sacramento, State of California and more particularly described as follows:

All those lands underlying an existing fishing pier and walkway lying adjacent to the right bank of said river and being adjacent to that parcel, as described in Grant Deed, recorded September 12, 1994 in Book 94 0912 at Page 0430 in Official Records of said County.

ALSO TOGETHER with all those lands underlying any existing bank protection.

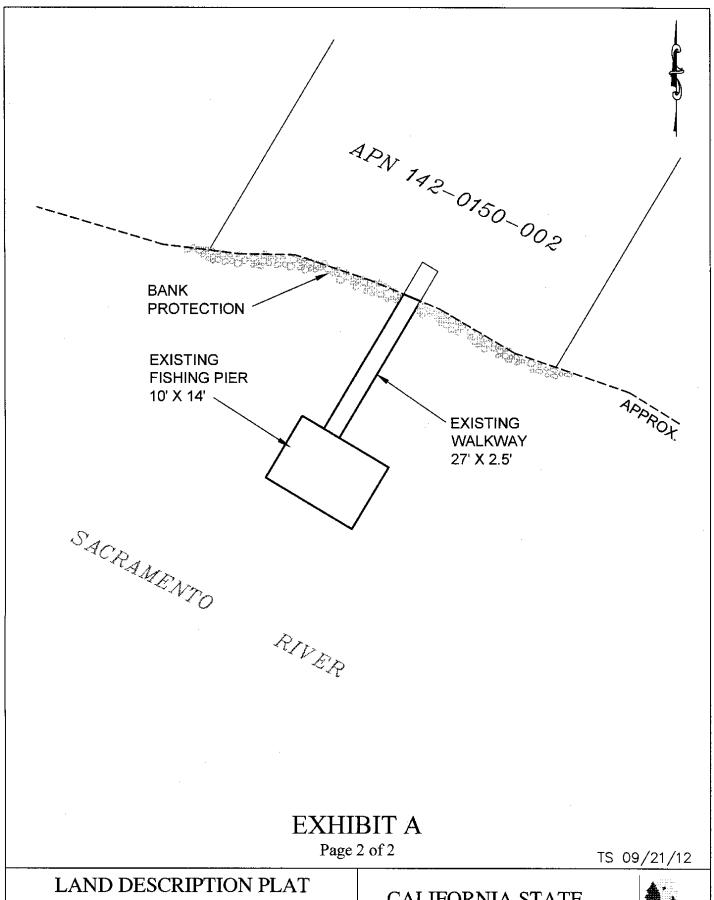
EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark of the right bank of said river.

Accompanying plat is hereby made part of this description.

END OF DESCRIPTION

Prepared 09/21/12 by the California State Lands Commission Boundary Unit

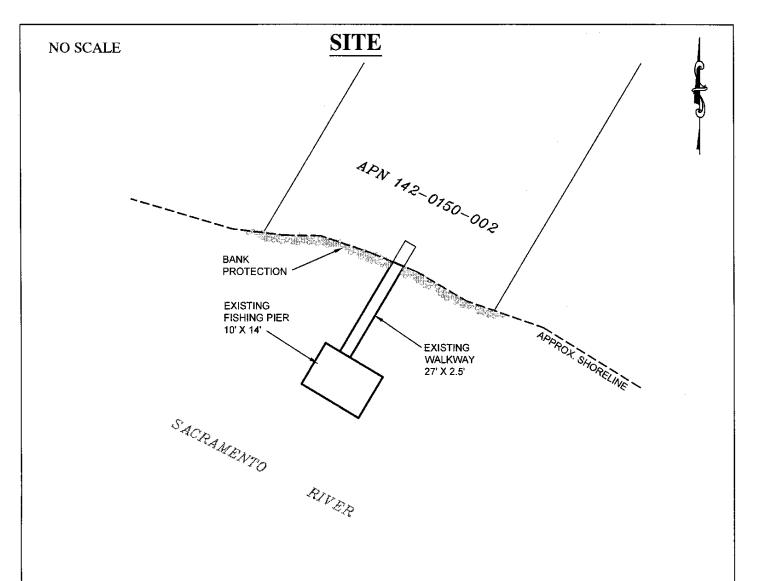




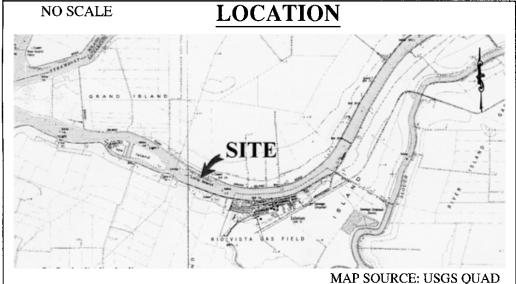
PRC 4760.1, GRAY SACRAMENTO COUNTY

CALIFORNIA STATE LANDS COMMISSION





17408 GRAND ISLAND ROAD, WALNUT GROVE



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.

Exhibit B

PRC 4760.1 GRAY APN 142-0150-002 GENERAL LEASE-RECREATIONAL USE SACRAMENTO COUNTY

