

**CALENDAR ITEM
C38**

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08/15/14
PRC 7123.1
G. Asimakopoulos

GENERAL LEASE – COMMERCIAL USE

APPLICANT:

Peloria Paradise Point, LLC, a California Limited Liability Company, dba
Paradise Point Marina

AREA, LAND TYPE, AND LOCATION:

1.50 acres, more or less, of sovereign land located in Disappointment Slough on
Bishop Tract, adjacent to 8095 Rio Blanco Road, near the city of Stockton, San
Joaquin County.

AUTHORIZED USE:

Continued operation, use, and maintenance of an existing commercial marina,
known as Paradise Point Marina, consisting of two boat docks improved with 12
covered berths, 39 uncovered berths, 300 lineal feet of side ties, a 250-foot
accommodation dock, walkways, boat hoist, and bulkhead.

LEASE TERM:

20 years, beginning March 26, 2014.

CONSIDERATION:

Initial Base Rent in the amount of \$7,545 per year, with an annual Consumer
Price Index adjustment; and 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 in an amount no less than \$2,000,000 per occurrence.

Bond:

\$20,000

Other:

This lease contains provisions that the Lessee must implement the
Commission's "Best Management Practices for Marina Owners/Operators"

CALENDAR ITEM NO. **C38** (CONT'D)

and encourage implementation of the Commission's "Best Management Practices for Berth Holders / Boaters" including additional Best Management Practices (BMPs) the Commission subsequently deems appropriate for either of the above categories. The Lessee shall provide the Commission, on the first anniversary of the lease and on every third anniversary thereafter, a report on compliance with all BMPs.

OTHER PERTINENT INFORMATION:

1. The Applicant has the right to use the upland adjoining the lease premises.
2. On January 21, 1988, the Commission authorized a General Lease – Commercial Use to Seven Resorts, Inc., a Nevada Corporation, dba Paradise Point Marina, with the option to renew for two successive periods of 10 years. The lease was amended in 1994 for the first renewal, and amended again in 2004 for the second renewal. That lease expired on March 25, 2014. Lessee subsequently changed the name of the parent company to Peloria Paradise Point, LLC, a California Limited Liability Company, dba Paradise Pont Marina. The Applicant is now applying for a new General Lease – Commercial Use.
3. Less than half of the Applicant's marina improvements at the marina are under this lease due to the fact that Bishop Cut is not a natural waterway and, therefore, is not subject to State Lands Commission jurisdiction. The marina improvements in Disappointment Slough, however, are occupying sovereign land and, therefore, are subject to Lease No. PRC 7123.1.
4. The staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a 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.

5. 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

CALENDAR ITEM NO. **C38** (CONT'D)

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 – Commercial Use to Peloria Paradise Point , LLC, a California Limited Liability Company, dba Paradise Point Marina beginning March 26, 2014, for a term of 20 years, for the operation, use, and maintenance of an existing commercial marina, known as Paradise Point Marina, consisting of two boat docks improved with 12 covered berths, 39 uncovered berths, 300 lineal feet of side ties, a 250-foot accommodation dock, walkways, boat hoist, and bulkhead, as described in Exhibit A and as shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; Initial Base Rent in the amount of \$7,545, with an annual Consumer Price Index adjustment and the State reserving the right to fix a different base rent periodically during the lease term, as provided in the lease; liability insurance in an amount no less than \$2,000,000 per occurrence; and bond or other surety in the amount of \$20,000.

EXHIBIT A

PRC 7123.1

LAND DESCRIPTION

A parcel of tide and submerged land situate in Disappointment Slough, County of San Joaquin, State of California, described as follows:

COMMENCING at the northeast corner of Parcel B as shown on that Parcel Map filed September 17, 1979, in Book 8 of Parcel Maps, Page 43, Records of said County; thence along the boundary of said Parcel B the following three courses:

- (1) S 03°27'10" W, 2331.51 feet;
- (2) N 81°31'00" E, 358.50 feet;
- (3) S 00°05'00" W, 304.00 feet;

thence leaving the boundary of said Parcel B, S 17°57'10" W, 122.30 feet to a point on the north bank of Disappointment Slough and the POINT OF BEGINNING of this description; thence along the north bank of Disappointment Slough the following sixteen courses:

- (1) S 88°39'04" W, 50.87 feet;
- (2) S 66°52'13" W, 32.43 feet;
- (3) N 75°41'42" W, 42.49 feet;
- (4) N 65°35'38" W, 25.76 feet;
- (5) N 45°21'17" W, 49.76 feet;
- (6) N 38°56'50" W, 77.91 feet;
- (7) N 45°03'24" W, 92.63 feet;
- (8) N 64°29'03" W, 85.23 feet;
- (9) N 73°16'19" W, 42.04 feet;
- (10) N 78°47'30" W, 80.39 feet;
- (11) N 56°43'01" W, 17.10 feet;
- (12) S 80°32'31" W, 60.58 feet;
- (13) S 82°35'47" W, 17.37 feet;
- (14) N 78°48'27" W, 69.40 feet;
- (15) N 74°50'39" W, 47.26 feet;
- (16) N 72°11'39" W, 116.93 feet;

thence leaving said bank, S 17°48'21" W, 43.50 feet; thence S 09°36'25" W, 84.58 feet; thence S 79°55'38" E, 527.62 feet; thence S 41°50'17" E, 175.52 feet; thence S 64°02'21" E, 49.08 feet; thence N 90°00'00" E, 149.58 feet; thence N 00°00'00" E, 40.00 feet; thence N 07°06'27" E, 38.22 feet to the POINT OF BEGINNING.

EXCEPTING THEREFROM any portion lying landward of the ordinary high water mark of Disappointment Slough.

Bearings in the above description are based on that Parcel Map filed September 17, 1979, in Book 8 of Parcel Maps, Page 43, Records of the County of San Joaquin.

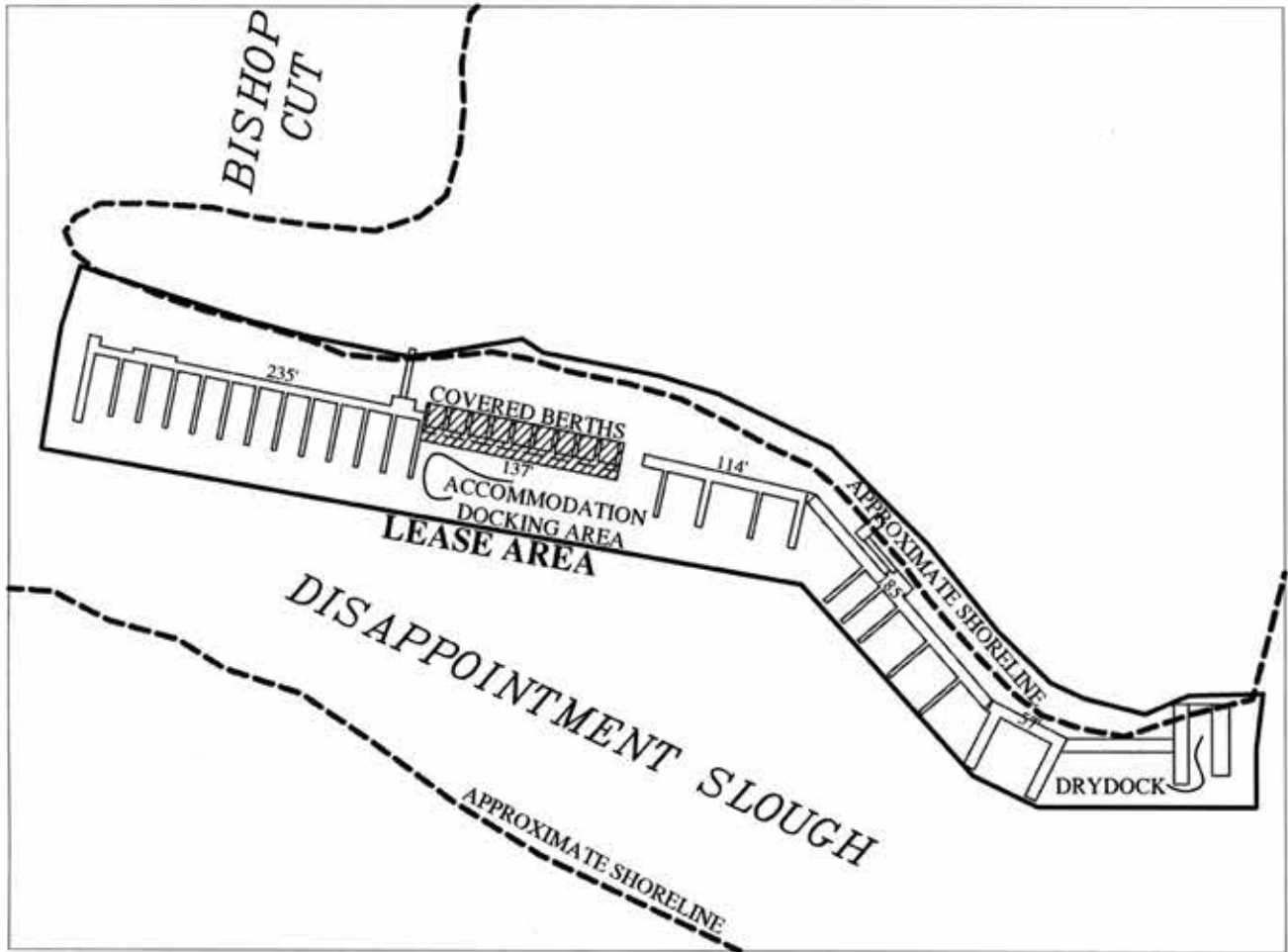
END OF DESCRIPTION

Revised by the California State Lands Commission Boundary Unit "May 15, 2014". Original description prepared by "LITIGATION SUPPORT UNIT, RICHARD HANSEN, SUPERVISOR" on "January 7, 1987" as found in "PRC 7123 file".



NO SCALE

SITE



8095 Rio Blanco Road, Stockton

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit B

PRC 7123.1
 PELORIA PARADISE POINT, LLC.
 dba PARADISE POINT MARINA
 GENERAL LEASE -
 COMMERCIAL USE
 SAN JOAQUIN COUNTY



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.