

**CALENDAR ITEM
C25**

A 10
S 3

10/16/15
PRC 6695.1
B. Terry

GENERAL LEASE – INDUSTRIAL USE

APPLICANT:

Lind Marine Incorporated

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the Petaluma River, adjacent to Assessor's Parcel Number (APN) 007-700-006, near the city of Petaluma, Sonoma County.

AUTHORIZED USE:

Continued use and maintenance of an existing dock and dolphin pilings used for the mooring of vessels for the off-loading of fossilized oyster shells.

LEASE TERM:

20 years, beginning April 1, 2016.

CONSIDERATION:

\$8,795 per year, with an annual Consumer Price Index adjustment and the State reserving the right to adjust the rent at the 10-year anniversary as provided in the lease.

SPECIFIC LEASE PROVISIONS:

Insurance:

Liability insurance in an amount no less than \$2,000,000 per occurrence.

Bond:

Surety bond or other security in the amount of \$10,000.

Other:

Volumetric rental will not apply as long as the fossilized oyster shells crossing Lessor's land have been extracted by Morris Tug and Barge, Inc., (Morris) as Lessee, from San Francisco Bay under State Lands Commission, Lease No. PRC 5534.1

CALENDAR ITEM NO. **C25** (CONT'D)

OTHER PERTINENT INFORMATION:

1. Applicant owns APN 007-700-006 adjoining the lease premises.
2. On April 13, 1999, the Commission authorized a 20-year General Lease – Industrial Use with Jerico Products, Inc. That lease expired on March 31, 2014. Since that time, the lease has been in holdover status and the Lessee is current on rent through March 31, 2016. On June 2, 2014, Jerico Products, Inc., changed its name to Lind Marine Incorporated (Lind Marine). Applicant has submitted an application for a General Lease – Industrial Use.
3. The oyster shells are transported by Morris to Lind Marine for offloading, processing, sale, and distribution. Morris is under lease with the State Lands Commission, Lease No. PRC 5534.1, for the dredging operation of oyster shells located in the South San Francisco Bay, north of the San Mateo Bridge.
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 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

CALENDAR ITEM NO. **C25** (CONT'D)

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 – Industrial Use to Lind Marine Incorporated beginning April 1, 2016, for a term of 20 years, for continued use and maintenance of a dock and dolphin pilings used for the mooring of vessels for the off-loading of fossilized oyster shells as described in Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; annual rent in the amount of \$8,795, with an annual Consumer Price Index adjustment and the State reserving the right to adjust the rent at the 10-year anniversary as provided in the lease; liability insurance in an amount no less than \$2,000,000 per occurrence; and \$10,000 surety bond.

EXHIBIT A

PRC 6695.1

LAND DESCRIPTION

A parcel of tide and submerged land situate in the bed of the Petaluma River, lying adjacent to that certain Public Trust Easement Parcel as described in Exhibit "C" of the "Agreement for the Settlement of a Title Dispute in the City of Petaluma, County of Sonoma, Between Michael J. Lind and Barbara J. Lind and the California State Lands Commission", recorded March 9, 1998 in Document No. 1998-0023089 Official Records of Sonoma County, State of California and more particularly described as follows:

BEGINNING at the southwest corner of that parcel of land described in said EXHIBIT "C"; thence along the southerly boundary line of said parcel the following three (3) courses:

1. South 69° 27' 00" East 178 feet, more or less,
2. at a right angle to said line, northerly 6 feet, more or less, to the top of bank of the Petaluma River,
3. along said bank in an easterly direction 205.80 feet;

thence leaving said line South 17° 04' 36" West 51.32 feet; thence North 69° 27' 00" West 386.35 feet; thence North 20° 33' 00" East 30.00 feet to the POINT OF BEGINNING.

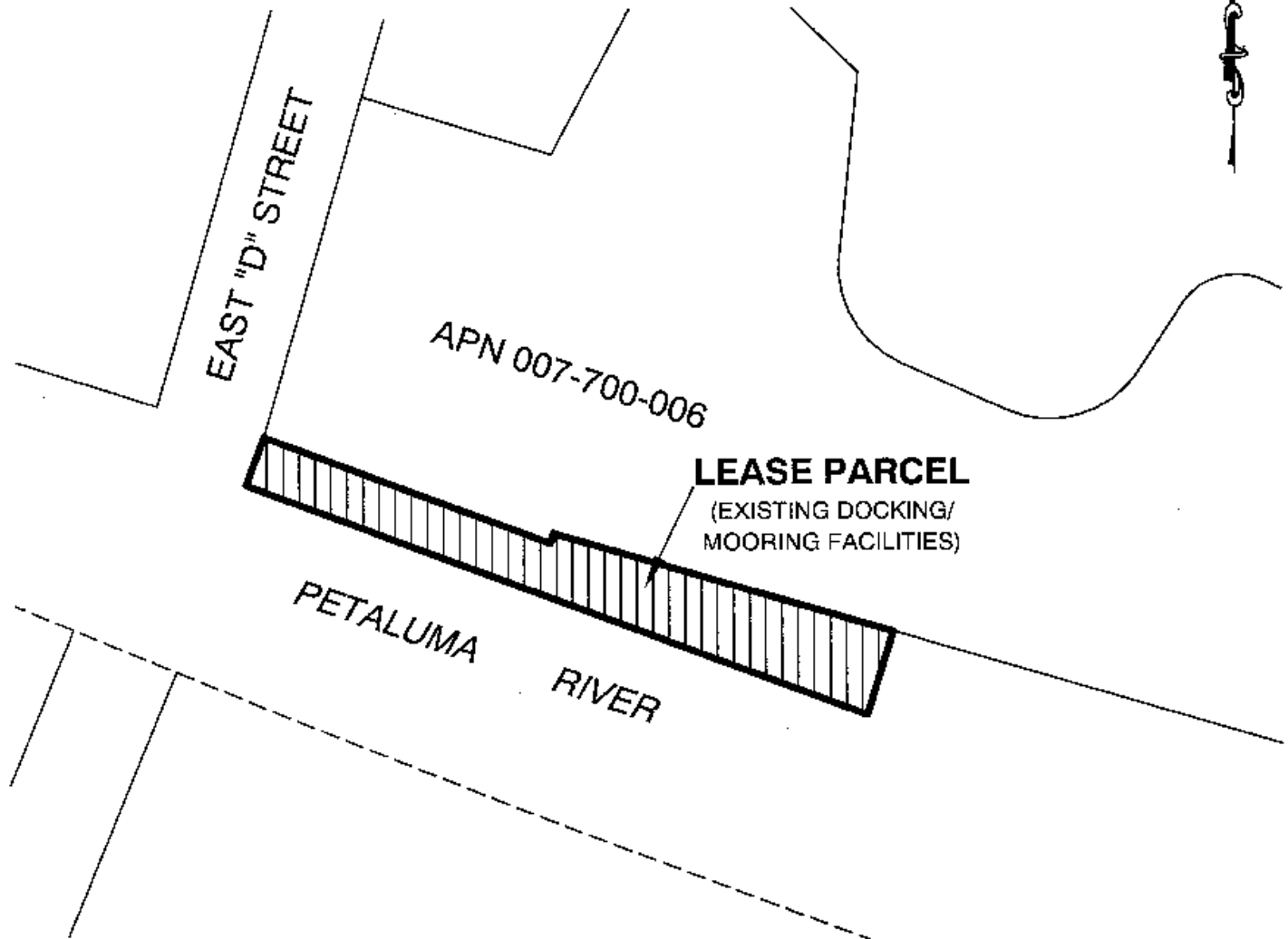
END OF DESCRIPTION

Prepared 12/18/14 by the California State Lands Commission Boundary Unit



NO SCALE

SITE



PETALUMA RIVER, CITY OF PETALUMA

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit B

PRC 6695.1
 LIND MARINE INCORPORATED
 APN 007-700-006
 GENERAL LEASE -
 INDUSTRIAL USE
 SONOMA 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.