CALENDAR ITEM

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04/05/16 PRC 8937.1 D. Tutov

REVISION OF RENT

LESSEE:

California Cellars LLC

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the Sacramento River, adjacent to 15511 B Isleton Road, near the city of Isleton, Sacramento County.

AUTHORIZED USE:

The construction, use, and maintenance of an uncovered floating boat dock, gangway, two pilings, and one debris deflector.

LEASE TERM:

10 years, beginning September 1, 2011.

CONSIDERATION:

This lease provides that Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff has conducted a review of the rent under this lease, and recommends rent be revised from \$184 to \$193 per year, effective September 1, 2016.

OTHER PERTINENT INFORMATION:

- 1. Lessee owns the upland adjoining the lease premises.
- 2. On September 1, 2011, the Commission authorized a General Lease Recreational Use to California Cellars LLC for a term of 10 years beginning September 1, 2011. The lease will expire on August 31, 2021.
- 3. This action is consistent with Strategy 2.1 of the Commission's Strategic Plan to optimize returns for the responsible development and use of State lands and resources, both onshore and offshore..
- 4. Staff conducted the rent review called for in the lease, and recommends annual rent be increased based on the 2015 Delta area benchmark.

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5. Approving the revision of rent is not a project as defined by the California Environmental Quality Act (CEQA) because it is an administrative action that will not result in direct or indirect physical changes in the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378, subdivision (b)(5).

EXHIBIT:

A. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

AUTHORIZATION:

Approve the revision of rent for Lease No. PRC 8937.1 from \$184 per year, to \$193 per year, effective September 1, 2016.

