

STAFF REPORT

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10/24/19
PRC 2049.1
N. Lavoie

REVISION OF RENT

LESSEE:

KoKet Resort LLC

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the Sacramento River, adjacent to 14174 Isleton Road, near Walnut Grove, Sacramento County.

AUTHORIZED USE:

Operation, use, and maintenance of an existing commercial marina, known as KoKet Resort, consisting of 18 existing boat docks with gangways, launch ramp, fuel dock with gangway, an accommodation dock with gangway, 14 existing wood decks, electrical and water utility outlets, two bulkheads with fill, and bank protection.

LEASE TERM:

25 years, beginning December 18, 2014.

CONSIDERATION:

This lease provides that the Commission 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 that rent be revised from \$3,259 per year to \$3,724 per year, effective December 18, 2019.

OTHER PERTINENT INFORMATION:

1. Approval or denial of the revision of rent is a discretionary action by the Commission. Each time the Commission approves or rejects a revision of rent, it exercises legislatively delegated authority and responsibility as trustee of the State's Public Trust lands as authorized by law. Upon expiration or prior termination of the lease, the Lessee has no right to a new lease or to renewal of any previous lease.
2. On April 23, 2014, the Commission authorized a General Lease – Commercial Use to Dale E. Dorn 1983 Revocable Trust, dba Ko-Ket Resort, for a commercial marina ([Item 3, April 23, 2014](#)). Staff later became aware that in addition to Dale E. Dorn, Willa Dean Dorn is a

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trustee of the Dale E. Dorn 1983 Revocable Trust and on June 19, 2014, the Commission authorized a correction of the Lessee name to Dale E. Dorn and Willa Dean Dorn, Trustees of the Dale E. Dorn 1983 Revocable Trust, dba Ko-Ket Resort ([Item 4, June 19, 2014](#)). On February 27, 2018, the Commission authorized the assignment of the lease to KoKet Resort LLC ([Item 42, February 27, 2018](#)).

3. This action is consistent with Strategy 2.2 of the Commission's Strategic Plan to ensure timely receipt of revenues and royalties from the use and development of State lands and minerals.
4. Approving the revision of rent is not a project as defined by the California Environmental Quality Act 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:

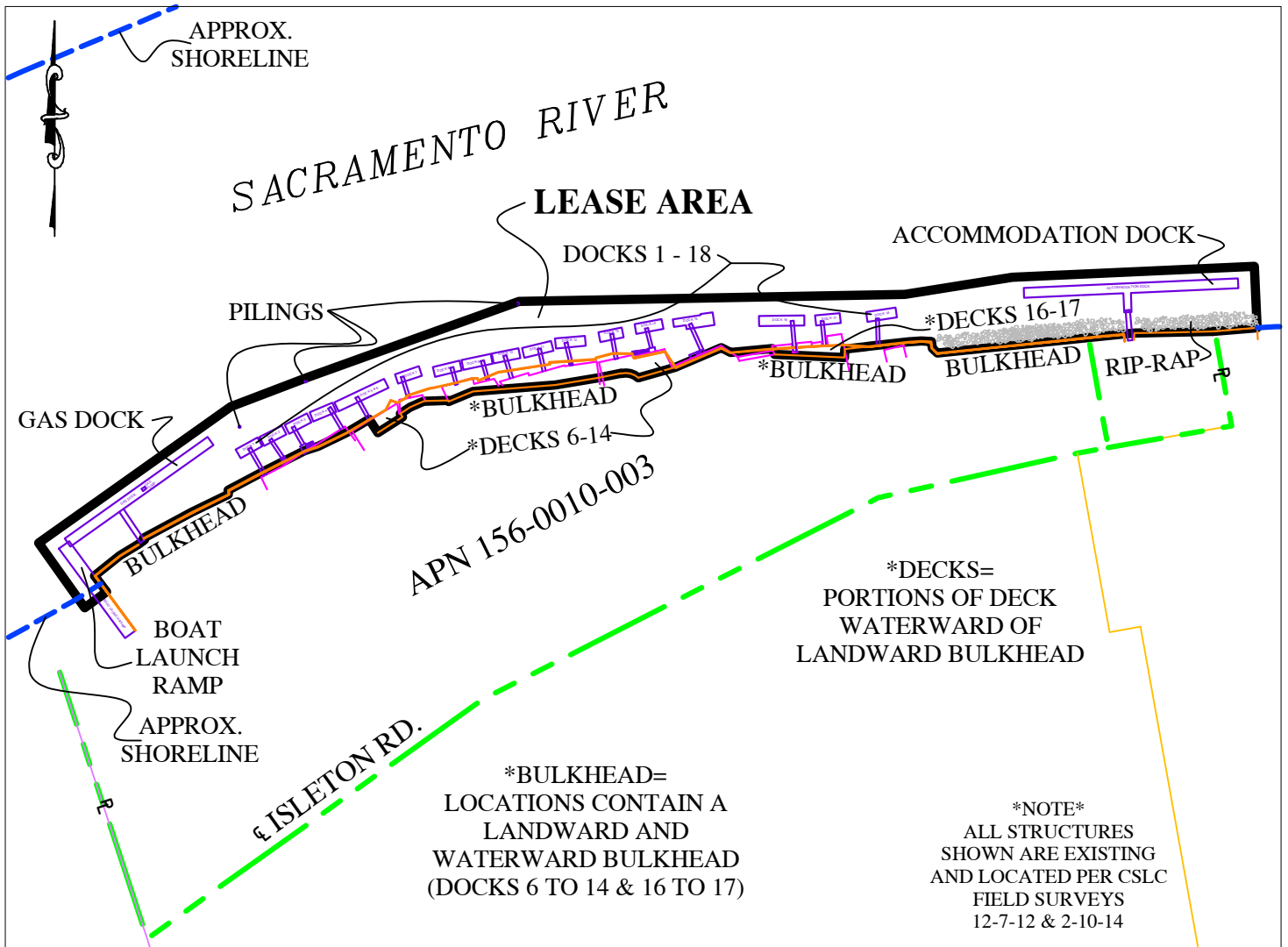
It is recommended that the Commission:

AUTHORIZATION:

Approve the revision of rent for Lease No. PRC 2049.1 from \$3,259 per year to \$3,724 per year, effective December 18, 2019.

NO SCALE

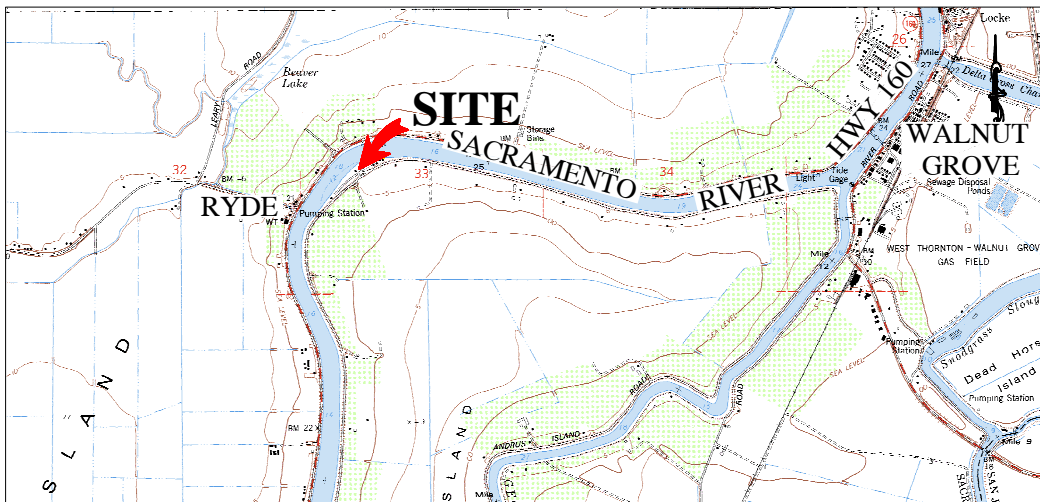
SITE



14174 Isleton Rd., Isleton

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit A

PRC 2049.1
 KOKET RESORT LLC
 APN 156-0010-003
 GENERAL LEASE -
 COMMERCIAL USE
 SACRAMENTO 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.