

# Staff Report 32

## **LESSEE:**

---

The Cultured Abalone Farm, LLC

## **PROPOSED ACTION:**

---

Revision of Rent

## **AREA, LAND TYPE, AND LOCATION:**

Sovereign land located in the Pacific Ocean, near Goleta, Santa Barbara County.

## **AUTHORIZED USE:**

Continued use, maintenance, and operation of two 18-inch-diameter intake pipelines each extending 1,550 feet into the Pacific Ocean and three 8-inch-diameter intake pipelines each extending 850 feet into the Pacific Ocean.

## **TERM:**

20 years, beginning October 19, 2012.

## **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 that the rent be revised from \$3,003.71 per year to \$2,761 per year, adjusted annually by the Consumer Price Index, and the surety bond be revised from \$10,000 to \$50,000, effective October 19, 2022.

## **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 Lands as authorized by law. The Lessee has no right to a new lease or to renewal of any previous lease.

2. On October 19, 2012, the Commission authorized a General Lease – Right-of-Way Use to The Cultured Abalone Farm, LLC, for two existing 18-inch diameter intake pipelines extending 1,550 feet and three existing 8-inch-diameter intake pipelines extending 850 feet into the Pacific Ocean ([Item 77, October 19, 2012](#)). The lease will expire on October 18, 2032.
3. This action is consistent with the “Meeting Evolving Public Trust Needs” Strategic Focus Area of the Commission's 2021-2025 Strategic Plan.
4. Approving the revision of rent, insurance, and surety bond 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

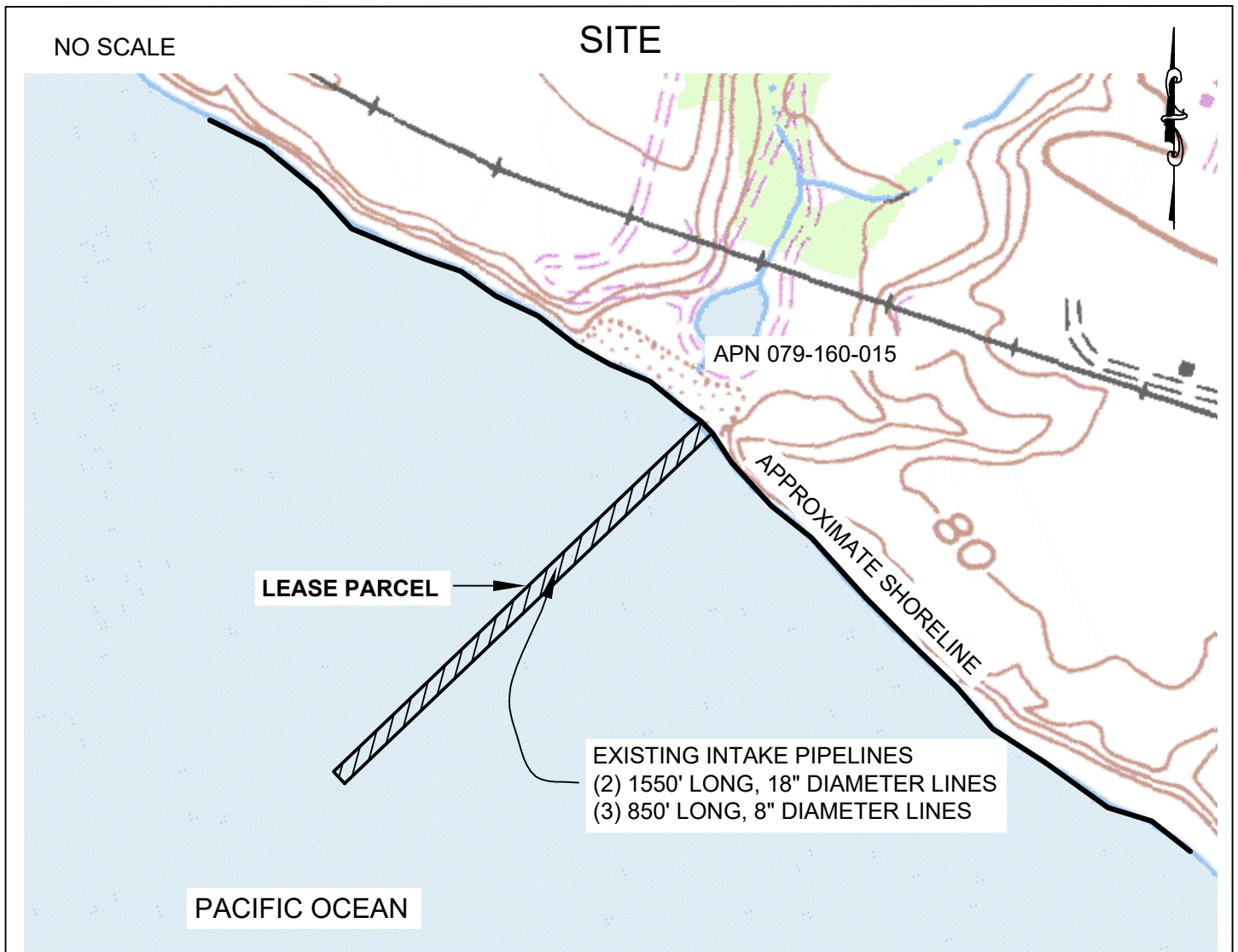
## **RECOMMENDED ACTION:**

---

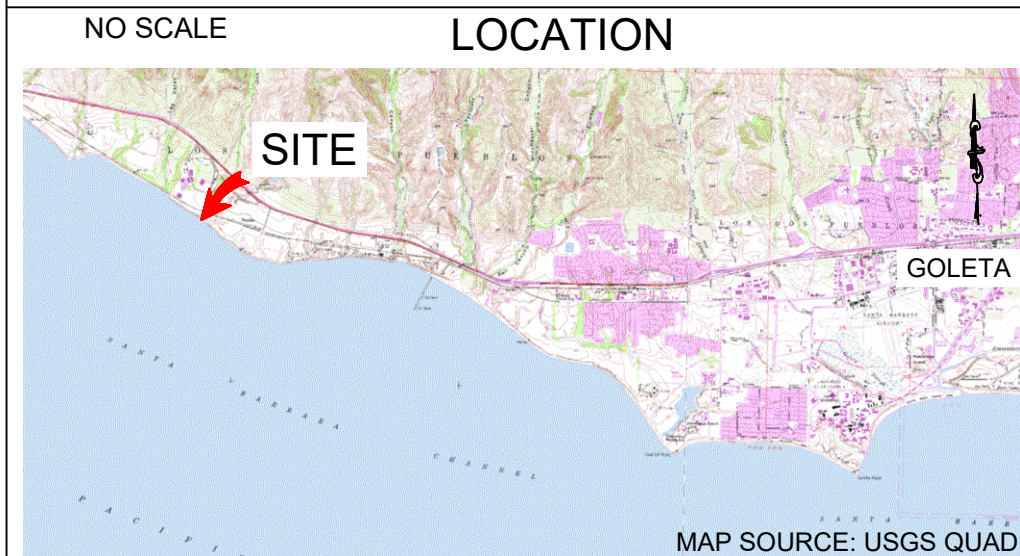
It is recommended that the Commission:

### **AUTHORIZATION:**

Approve the revision of rent for Lease PRC 7456 from \$3,003.71 per year to \$2,761 per year, and the surety bond revised from \$10,000 to \$50,000, effective October 19, 2022.



9580 DOS PUEBLOS CANYON RD., GOLETA



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 A

LEASE 7456  
THE CULTURED ABALONE  
APN 079-160-015  
GENERAL LEASE -  
RIGHT - OF - WAY USE  
SANTA BARBARA COUNTY



DJF 6/21/2022