

Staff Report 58

LESSEE:

Bradford D. Pappalardo and Katherine L. Pappalardo

PROPOSED ACTION:

Revision of Rent and Bond

AREA, LAND TYPE, AND LOCATION:

0.350 acres of sovereign land in the Steamboat Slough, adjacent to 12530 Grand Island Road, near Walnut Grove, Sacramento County.

AUTHORIZED USE:

Continued use and maintenance of an accommodation dock, debris diverter, gangway and pilings used by a private boat club known as Steamboat Resort Club.

TERM:

20 years, beginning February 3, 2006.

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 annual rent be revised from \$1,789 per year to \$2,561 per year and an increase in surety bond from \$5,000 to \$20,000, effective February 3, 2023.

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 February 9, 2006, the Commission authorized a General Lease – Commercial Use ([Item 42, February 09, 2006](#)) to Bradford D. Pappalardo and Katherine L. Pappalardo for an accommodation dock facility associated with the Steamboat Resort Club, effective February 3, 2006. On December 5, 2012, ([Item 8, December 5, 2012](#)), the Commission authorized a continuation in rent, effective February 3, 2013. On February 27, 2018, ([Item 36, February 27, 2018](#)), the Commission approved a revision of annual rent from \$1,400 to \$1,789, effective February 3, 2018.
3. Under the terms of the current lease, lessee holds a surety bond in the amount of \$5,000. This amount is subject to increases over the lease term and serves the purpose of being able to mitigate costs that might otherwise be borne by the state, including where the state must take restorative actions with the leased premises upon lease termination or lease premises abandonment. A bond adjustment is currently appropriate with an increase in rent and to keep it consistent with estimated removal costs for similar facilities. Increase the bond from \$5,000 to \$20,000, effective February 3, 2023. The lease will expire on February 2, 2026.
4. This action is consistent with the "Meeting Evolving Public Trust Needs" Strategic Focus Area of the Commission's 2021-2025 Strategic Plan.
5. 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:

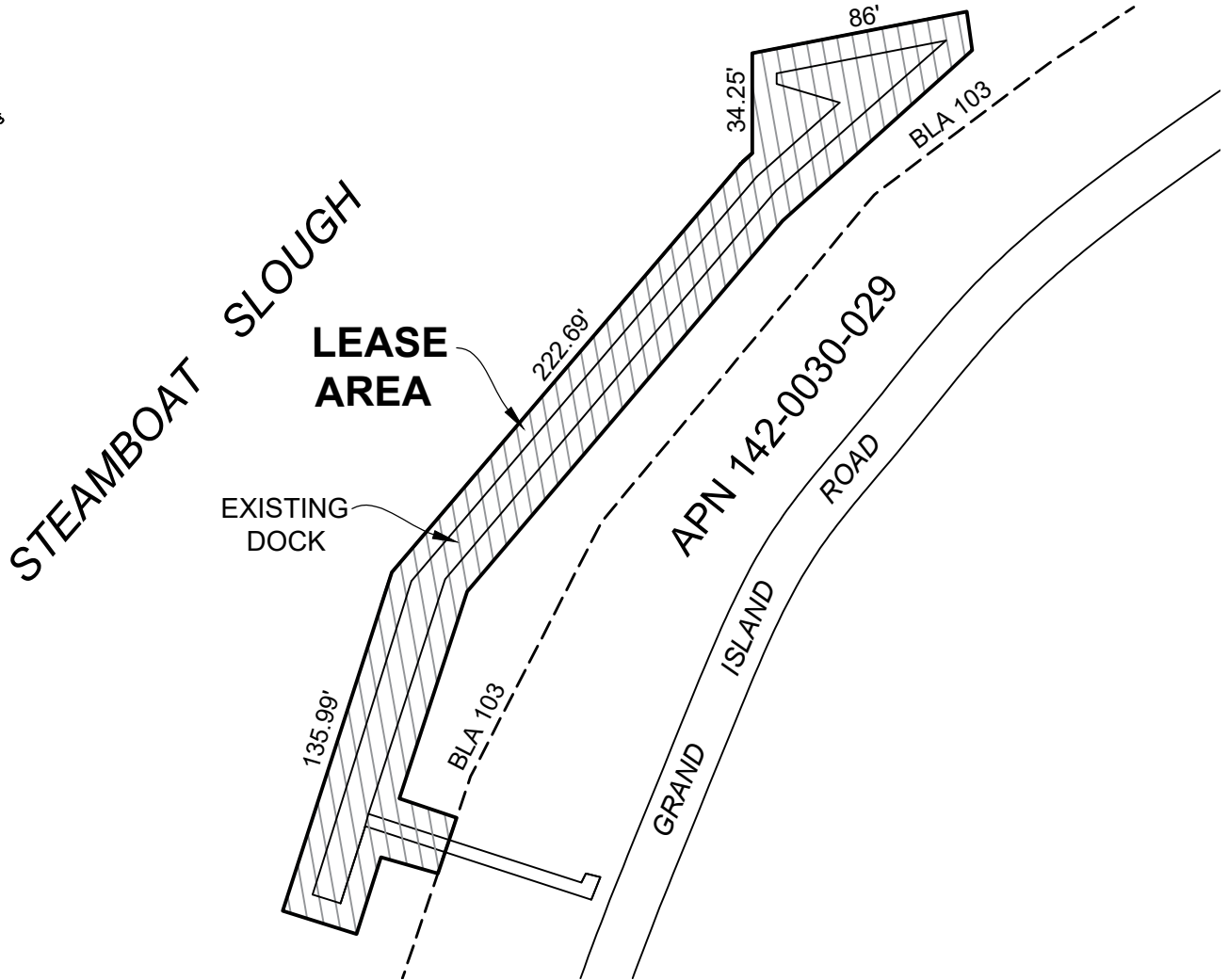
It is recommended that the Commission:

AUTHORIZATION:

Approve the revision of the annual rent for Lease PRC 3885 from \$1,789 per year to \$2,561 per year and an increase the bond from \$5,000 to \$20,000, effective February 3, 2023.

NO SCALE

SITE



12530 GRAND ISLAND ROAD, WALNUT GROVE

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

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

PRC 3885
 STEAMBOAT RESORT CLUB
 APN 142-0030-029
 GENERAL LEASE -
 COMMERCIAL USE
 SACRAMENTO COUNTY



TS 11/10/2021