Meeting Date: 06/05/23 Lease Number: PRC 6616 Staff: V. Caldwell

Staff Report 60

LESSEE:

City of Huntington Beach

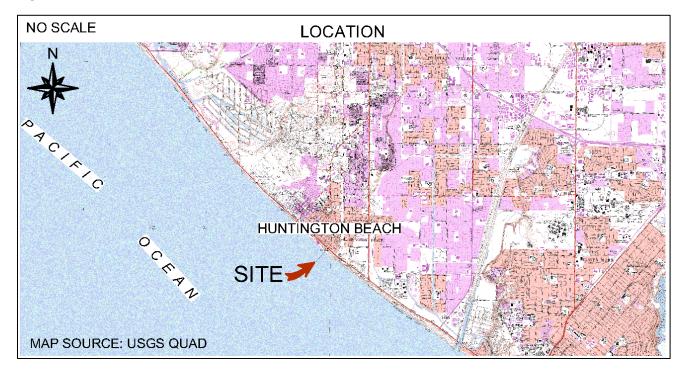
PROPOSED ACTION:

Revision of Rent

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the Pacific Ocean, offshore Huntington Beach, Orange County (as shown in Figure 1).

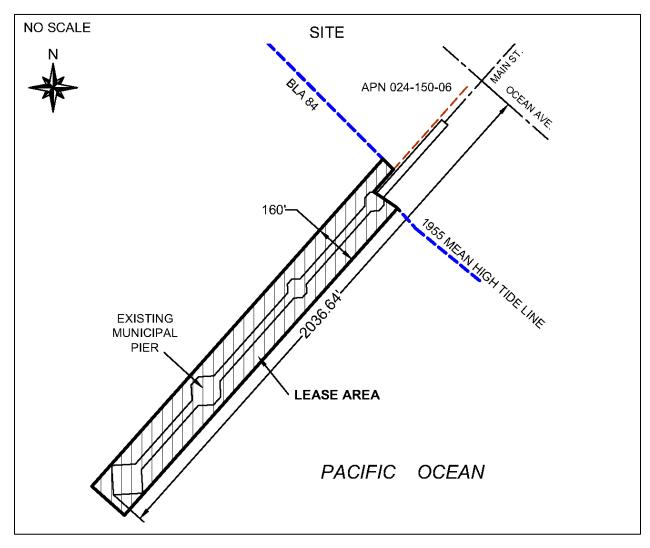
Figure 1. Location



AUTHORIZED USE:

The operation and maintenance of an existing public municipal pier and related concessions (as shown in Figure 2).

Figure 2. Site Map



NOTE: This depiction of the lease premises is based on unverified information provided by the Applicant or other parties and is not a waiver or limitation of any State interest in the subject or any other property.

TERM:

25 years, beginning June 21, 2018.

CONSIDERATION:

The 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 \$125 per year to \$140 per year, effective June 21, 2023.

OTHER PERTINENT INFORMATION:

- 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. 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 June 21, 2018, the Commission authorized a General Lease Public Agency Use to the lessee (<u>June 21, 2018, Item 57</u>) for an existing municipal public pier and six subleases: Abercrombie & Fitch Co., Ruby's Diner, Inc., Let's Go Fishing, Fare Share Enterprises, Surf City Store, and Kite Connection. The lease will expire on June 20, 2043.
- 3. This action is consistent with the "Meeting Evolving Public Trust Needs" Strategic Focus Area of the Commission's 2021-25 Strategic Plan.
- 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).

RECOMMENDED ACTION:

It is recommended that the Commission:

AUTHORIZATION:

Approve the revision of rent for Lease PRC 6616 from \$125 per year to \$140 per year, effective June 21, 2023.