

Staff Report 24

LESSEE:

City of Napa

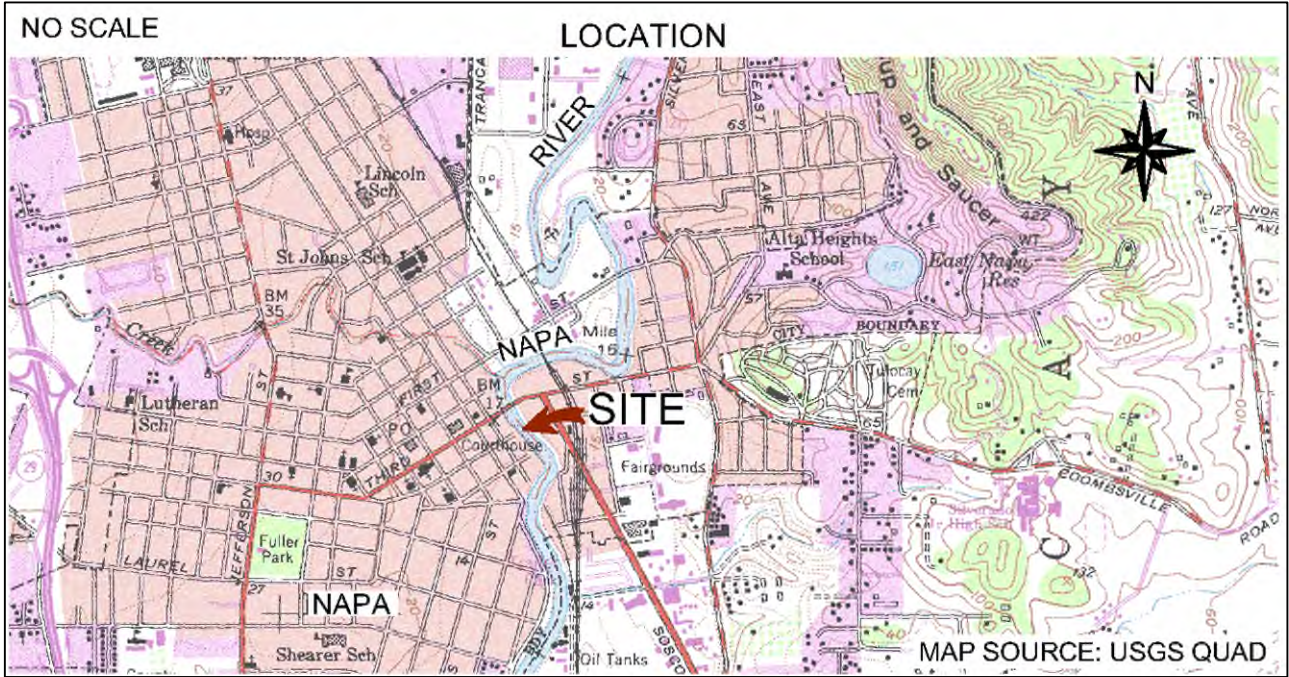
PROPOSED ACTION:

Revision of Rent.

AREA, LAND TYPE, AND LOCATION:

14,365 square feet, more or less, of sovereign land in the Napa River, Napa, Napa County (as shown in Figure 1).

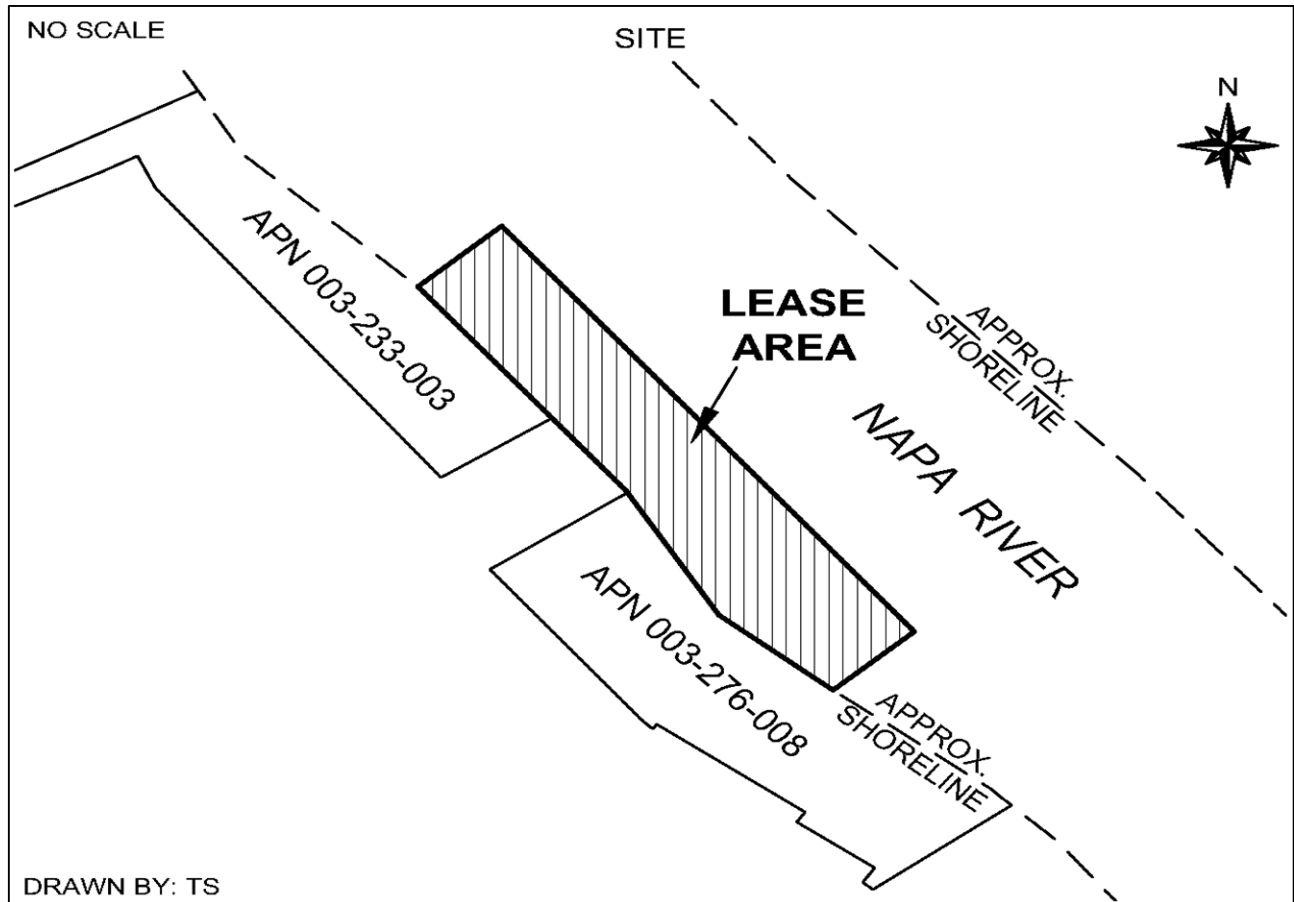
Figure 1. Location



AUTHORIZED USE:

Continued use and maintenance of a boat dock, ramp, platform, gangway, floating debris barrier, 15 steel guide piles, 3-pile dolphin, and sheet pile retaining wall (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 December 5, 2012.

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 recommend a revision of annual base rent from \$1,038.98 to \$14,872, adjusted annually by the Consumer Price Index.

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 December 5, 2012, the Commission authorized a 25-year General Lease – Public Agency Use ([Item 30, December 5, 2012](#)) to the City of Napa for the reconstruction, use, operation and maintenance of the Main Street Boat Dock. On April 20, 2017, the Commission approved an amendment of lease ([Item 24, April 20, 2017](#)) and endorsed a sublease between the Lessee and Tideline Marine Group, Inc. for the operation and management of commercial watercraft services on the lease premises. The watercraft services included sightseeing and recreational water tours, gondola rides, dinner cruises, water taxi excursions, and kayak, canoe, skiff, and paddleboard rentals. The sublease agreement with Tideline Marine Group, Inc. was terminated by the Lessee effective July 30, 2023. On May 14, 2024, the Lessee applied to the Commission for approval of new subleases with the existing watercraft service vendors that were previously managed under the prior sublease. This application will be brought to a future Commission meeting. The lease provides for a review and revision of rent each 10-year anniversary or any year thereafter if the Lessee fails to complete a review on the 10th year. The increase in rent is a result of the increased annual revenues generated on the lease premises from the commercial services.
3. This action is consistent with the “Address current and future risk and liabilities” in 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, sections 15060, subdivision (c)(3), and 15378, subdivision (b)(5).

RECOMMENDED ACTION:

It is recommended that the Commission:

AUTHORIZATION:

Approve a revision of annual base rent from \$1,038.98 to \$14,872 for Lease PRC 7636, adjusted annually by the Consumer Price Index, effective December 5, 2024.