

**CALENDAR ITEM
C27**

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06/21/13
PRC 8594.1
G. Kato

CONSENT TO ENCUMBRANCING OF LEASE

APPLICANT:

Waldo Point Harbor LLC
c/o Sequoia Land Investments
1C Gate Five Road
Sausalito, CA 94965-1401

AREA, LAND TYPE, AND LOCATION:

Partially filled and unfilled sovereign land at Waldo Point Harbor, in Richardson Bay, County of Marin.

AUTHORIZED USE:

Public access: for walking, bicycling (shoreline path), public park to include public pier, landscaping, seating, signage, lighting on ten (10) public parking spaces, fencing, trash containers, and utilities.

Open water area is to be utilized for visual access and to be maintained as open water.

LEASE TERM:

Beginning April 1, 2005, with termination date to be March 18, 2024.

CONSIDERATION:

\$17,300 per year, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

SPECIFIC LEASE PROVISIONS:

Insurance:

Combined single limit coverage in an amount not less than \$2,000,000.

Bond:

\$5,000.

CALENDAR ITEM NO. **C27** (CONT'D)

OTHER PERTINENT INFORMATION:

1. On February 17, 2005, the Commission authorized the issuance of a General Lease – Commercial Use to Waldo Point Harbor, LLC. The lease is the result of a condition contained in the April 5, 2004, Commission action authorizing an amendment to the Settlement Agreement and Land Exchange in Case entitled Waldo Point Harbor v. State of California, et al. (Marin County Superior Court; Case No. 137916). The lease expires March 18, 2024.

2. Waldo Point Harbor, LLC is in the process of obtaining financing with the Bank of Marin for a total encumbrance of the lease premises in an amount not to exceed \$12,000,000. Under the terms of the new loan, the Bank of Marin is requiring Waldo Point Harbor, LLC to pledge their interest in the lease as additional security.

3. The \$12 million in financing will be utilized within Waldo Point Harbor for:
 - Construction of seawall along entire waterfront,
 - Reconstruction and raising of all parking areas to maintain a minimum elevation of 7 feet NGVD after subsidence,
 - Paving of all roadways and parking lots,
 - Reconfiguration and expansion of existing 245-berth marina to 283 berths,
 - Creation of 17 newly authorized houseboat berths along existing Waldo Point Harbor docks,
 - Construction of new dock to accommodate 21 newly authorized houseboat berths,
 - Construction of new parking lot for 134 vehicles, including 10 new public parking spaces on site,
 - Construction of 1.26 acre shoreline park plus new pedestrian/biking trails, all new landscaping, new lighting, signage and viewing platforms,
 - New water lines through entire Harbor, and
 - Construction of new office for harbor management.

4. Residential use of public trust lands, like houseboats, is generally not consistent with the Public Trust. Lease No. PRC 8594.1 was authorized pursuant to the terms of the settlement agreement referenced above and is only for open water areas for visual access, a public pier, a public park with amenities and associated public parking. The \$12 million to be financed will include the entire marina.

CALENDAR ITEM NO. **C27** (CONT'D)

5. The staff recommends that the Commission find that the consent to encumbrancing of lease does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with the California Environmental Quality Act (CEQA).

Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, sections 15060, subdivision (c)(3), and 15378.

EXHIBIT:

- A. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the consent to encumbrancing of lease is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.

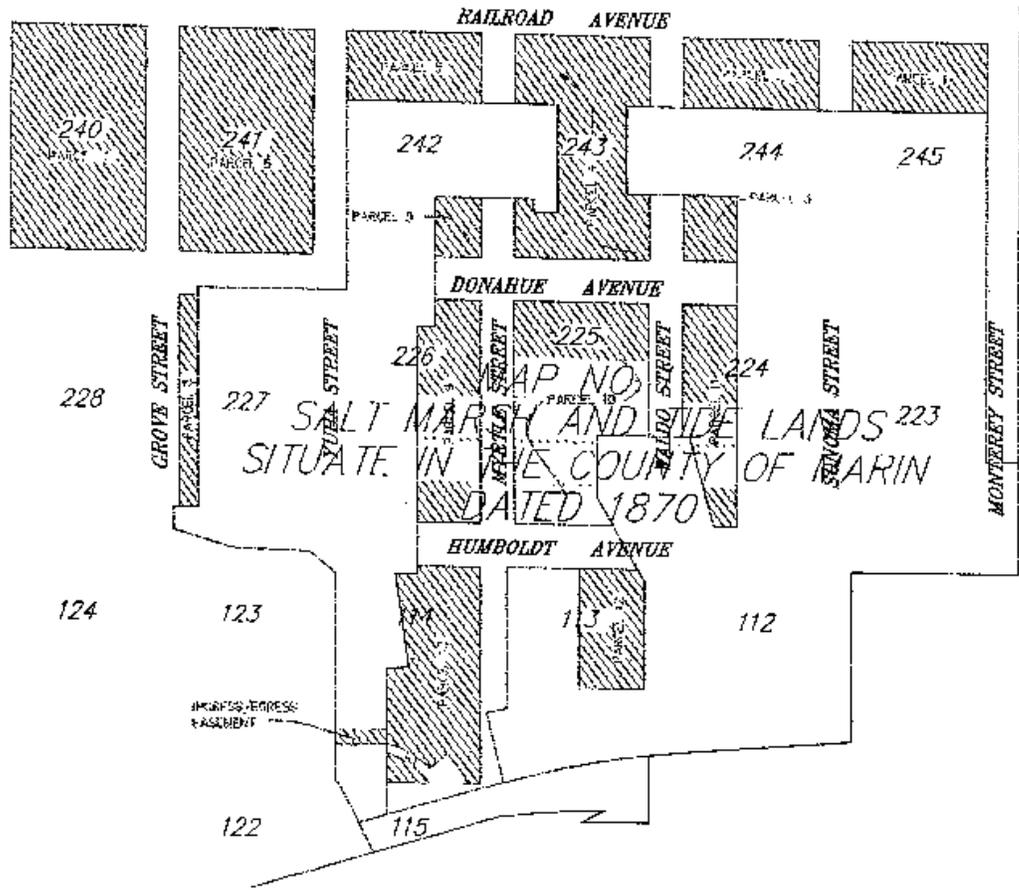
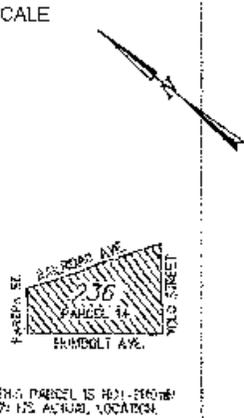
AUTHORIZATION:

Authorize execution of the document "Agreement and Consent to Encumbrancing of Lease", in the amount not to exceed \$12,000,000, on file in the office of the Commission, between the State Lands Commission, Waldo Point Harbor, LLC and the Bank of Marin, effective on the close of escrow of a loan from the Bank of Marin or July 1, 2013, whichever occurs sooner.

NO SCALE

SITE

NO SCALE



WALDO POINT HARBOR, LLC

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit A

PRC 8594.1
WALDO POINT
HARBOR, LLC
CONSENT TO
ENCUMBRANCING OF LEASE
MARIN COUNTY



DJT 06/05/13

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.