

**CALENDAR ITEM
C40**

A 72
S 34

02/07/17
PRC 3854.1
S. Avila

ASSIGNMENT OF LEASE AND REVISION OF RENT

LESSEE/ASSIGNOR:

William J. Schmit Jr. and Michelle Schmit

APPLICANT/ASSIGNEE:

William J. Schmit and Michelle H. Schmit, Co-Trustees of The William J. Schmit Revocable Trust dated August 12, 2014; and William J. Schmit and Michelle H. Schmit, Co-Trustees of The Michelle H. Schmit Revocable Trust dated August 12, 2014.

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Huntington Harbour, adjacent to 16841 Bolero Lane, city of Huntington Beach, Orange County.

AUTHORIZED USE:

Continued use and maintenance of an existing boat dock, access ramp, and cantilevered deck extending no more than five feet waterward of the bulkhead.

LEASE TERM:

10 years, beginning August 14, 2012.

CONSIDERATION:

This lease provides that Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff reviewed the rent under this lease and recommends rent be revised from \$1,905 per year to \$2,472 per year, effective August 14, 2017.

SPECIFIC LEASE PROVISIONS:

Insurance: Liability insurance in an amount no less than \$1,000,000 per occurrence.

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STAFF ANALYSIS AND RECOMMENDATION:

Authority:

Public Resources Code sections 6005, 6216, 6301, 6501.1, and 6503.5; California Code of Regulations, title 2, section 2000, subdivision (b).

Public Trust and State's Best Interests Analysis:

On August 14, 2012, the Commission authorized a 10-year General Lease – Recreational Use ([Calendar Item C73, August 14, 2012](#)) to William J. Schmit Jr. and Michelle Schmit for the existing facilities at 16841 Bolero Lane. The lease will expire August 13, 2022. On October 20, 2014, ownership of the upland property adjoining the lease premises transferred to William J. Schmit and Michelle H. Schmit, Co-Trustees of The William J. Schmit Revocable Trust dated August 12, 2014; and William J. Schmit and Michelle H. Schmit, Co-Trustees of The Michelle H. Schmit Revocable Trust dated August 12, 2014. The Applicant is now applying for an assignment of the existing lease. The proposed assignment will be made effective October 20, 2014.

The recommended action will not substantially interfere with Public Trust needs at this time, at this location, or for the foreseeable term of the lease. For these reasons, staff recommends finding the proposed action is in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. This action is consistent with Strategy 1.1 of the Commission's Strategic Plan to deliver the highest levels of public health and safety in the protection, preservation, and responsible economic use of the lands and resources under the Commission's jurisdiction, and Strategy 2.2 to ensure timely receipt of revenues and royalties from the use and development of State lands and minerals.
2. Authorizing the assignment of the lease and approving the revision of rent are not projects as defined by the California Environmental Quality Act because they are administrative actions 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 15378, subdivision (b)(5).

EXHIBITS:

- A. Land Description
- B. Site and Location Map

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RECOMMENDED ACTION:

It is recommended that the Commission:

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed action will not impact the public rights to navigation and fishing or substantially interfere with the Public Trust needs and values at this location at this time and for the foreseeable term of the lease; is consistent with the common law Public Trust Doctrine; and is in the best interests of the State.

AUTHORIZATION:

1. Authorize the assignment of Lease No. PRC 3854.1, a General Lease – Recreational Use, of sovereign land in Huntington Harbour as described on Exhibit A and as shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof, from William J. Schmit Jr. and Michelle Schmit to William J. Schmit and Michelle H. Schmit, Co-Trustees of The William J. Schmit Revocable Trust dated August 12, 2014, and to William J. Schmit and Michelle H. Schmit, Co-Trustees of The Michelle H. Schmit Revocable Trust dated August 12, 2014, effective October 20, 2014.
2. Approve the revision of rent for Lease No. PRC 3854.1 from \$1,905 per year to \$2,472 per year, effective August 14, 2017.

LAND DESCRIPTION

A parcel of submerged land in Huntington Harbour, in the City of Huntington Beach, Orange County, California, described as follows:

Beginning at the most southerly corner of Lot 53, as said lot is shown and so designated on that certain map of Tract No. 5264 filed in Book 185, Pages 27 through 34 of Miscellaneous Maps, Official Records of said County; thence along the southwesterly extension of the southeasterly line of said lot 60.00 feet; ~~thence parallel with the southwesterly line of said lot northwesterly~~ 50.00 feet to the southwesterly extension of the northwesterly line of said lot; thence along said southwesterly extension to the most northerly corner of said lot; thence southeasterly along said southwesterly line 50.00 feet to the point of beginning.

END OF DESCRIPTION

Prepared 06/12/2012 by the California State Lands Commission Boundary Unit



NO SCALE

SITE

ACCESS RAMP

60'

APN
178-371-15

EXISTING
CANTILEVERED
DECK 36' x 5'
(180 SQ.FT.)

BOAT DOCK

50'

LEASE
AREA

60'

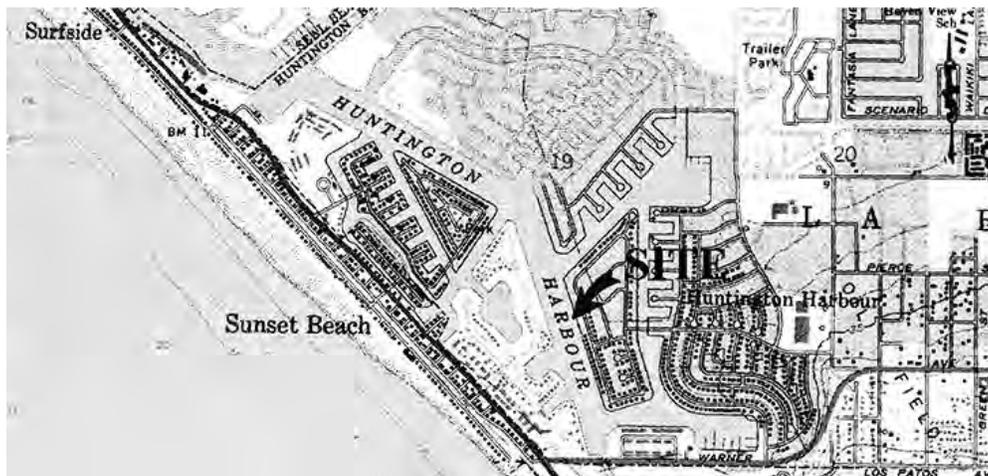
BULKHEAD LINE

STATE OF CALIFORNIA 400' CHANNEL

16841 BOLERO LANE, HUNTINGTON HARBOUR

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit B

PRC 3854.1
SCHMIT TRUST
APN 178-371-15
GENERAL LEASE-
RECREATIONAL USE
ORANGE COUNTY



TS 12/19/16

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.