Meeting Date: 10/21/26
Lease Number: 9128
Staff: K. Connor

Staff Report 48

APPLICANT/LESSEE/SUBLESSOR:

Riverside County Regional Park and Open-Space District

CURRENT SUBLESSEE:

Cove RV Resorts on the Colorado River, LLC

PROPOSED SUBLESSEE:

PMRV Fund, LLC

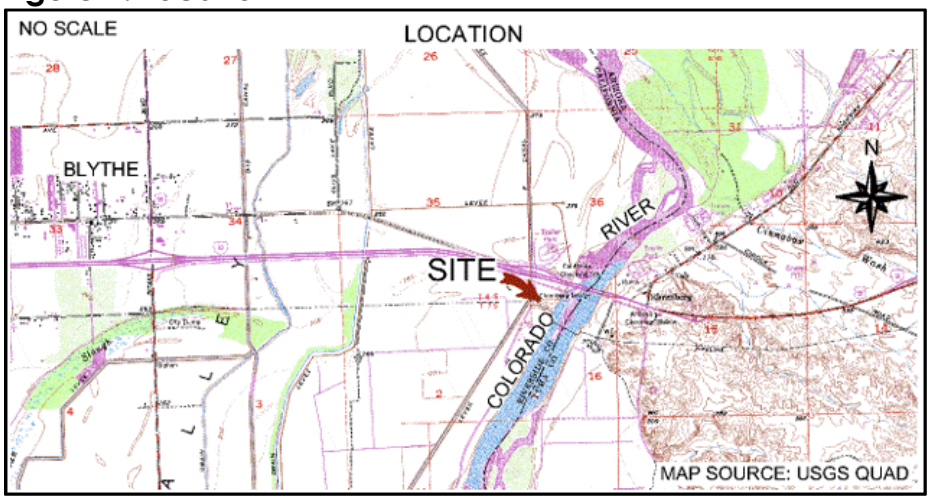
PROPOSED ACTION:

Amendment of a General Lease – Commercial Use and Endorsement of Sublease.

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the historic bed of the Colorado River, adjacent to 500 Riviera Drive, Blythe, Riverside County (as shown in Figure 1).

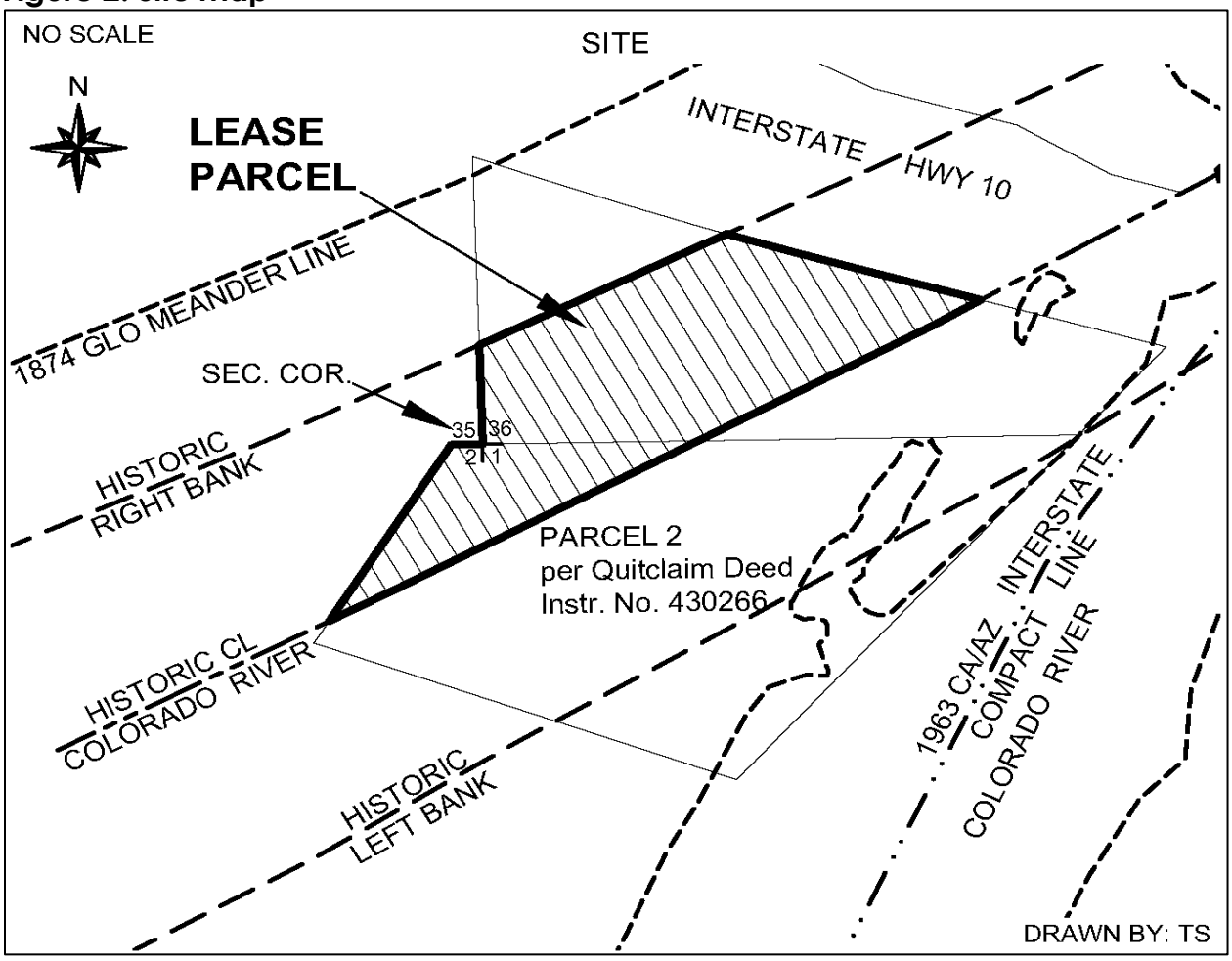
Figure 1. Location



AUTHORIZED USE:

Operation, use, and maintenance of an existing recreational vehicle campground (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:

30 years, beginning July 1, 2014.

CONSIDERATION:

$11,577 per year; with an annual Consumer Price Index adjustment; and the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

PROPOSED AMENDMENT:

- Replace the existing endorsement of sublease for Cove RV Resorts on the Colorado River, LLC, with a new endorsement of sublease for PMRV Fund, LLC. Attached as Exhibit C in the lease.
- All other terms and conditions of the lease remain unchanged and in full force and effect.

STAFF ANALYSIS AND RECOMMENDATION:

AUTHORITY:

Public Resources Code sections 6005, 6216, 6301, 6501.1, and 6503; California Code of Regulations, title 2, sections 2000 and 2003.

PUBLIC TRUST AND STATE'S BEST INTERESTS:

On June 19, 2014, the Commission authorized a 30-year General Lease – Commercial Use (Item 65) to Riverside County Regional Park and Open Space District, for 7.31 acres, more or less, of sovereign land in the historic bed of the Colorado River, adjacent to 500 Riviera Drive, Blythe, Riverside County, for the use and maintenance of an existing recreational vehicle (RV) campground; and endorsement of Sublease to Reynolds Resorts – Blythe, LLC as the operator of the RV park. On December 17, 2020, the Commission authorized an amendment of lease, endorsement of sublease, and revision of rent (Item 49), removing the reference to the sublessee, Reynolds Resorts – Blythe, LLC, endorsing sublease between Riverside County Regional Park and Open Space District and Cove RV Resorts on the Colorado River, LLC, effective December 17, 2020, and revising the rent from $7,357.19 per year to $10,555 per year, with an annual Consumer Price Index adjustment, effective July 1, 2020. On June 3, 2025, the Commission authorized a revision of rent for the lease to $11,577 per year with an annual Consumer Price Index adjustment (Item 49). The lease expires June 30, 2044. The Lessee is now applying for a lease amendment to replace the existing sublease endorsement with a new sublease endorsement identifying the proposed sublessee and to remove the reference to the current sublessee.

Staff reviewed the sublease and determined that its terms are consistent with the Lease, and that the proposed activities are consistent with Public Trust needs and values at this location and at this time. The Commission first endorsed the sublease

when approving the lease in June 2014. Other than the operator, the sublease terms and conditions have not changed.

Additionally, as part of the proposed amendment to the lease, the Lessee must provide staff with a copy of any subsequent sublease or sublease amendment for review and approval to ensure its terms are consistent with this lease. The Lessee must also provide records of all revenue generated through the use of sovereign land on each 4th anniversary, allowing staff to ensure the State is appropriately compensated for the use of State land.

The proposed amendment and endorsement of a sublease do not alienate the State's fee simple interest or permanently impair public rights. The proposed amendment does not expand or increase the nature or intensity of use or expand Lessee's rights within the lease premises. The lease also requires the Lessee to indemnify the State for any liability incurred as a result of any activities within the lease premises. Upon the expiration or termination of the lease, the Lessee may be required to remove all improvements from State land. The proposed amendment and endorsement of a sublease will not result in a change in the use of, or impacts to, Public Trust resources

CONCLUSION:

Staff believes the proposed amendment and endorsement of a sublease will not substantially impair the public rights to navigation and fishing or substantially interfere with Public Trust needs and values at this location, at this time, and for the term of the lease; and is in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. Approval or denial of the lease amendment and endorsement of sublease is a discretionary action by the Commission. Each time the Commission approves or rejects a use of sovereign land, it exercises legislatively delegated authority and responsibility as trustee of the State's Public Trust lands as authorized by law. The lessee also has no right to a new lease or to renewal of any previous lease.
2. This action is consistent with the "Leading Climate Activism", "Meeting Evolving Public Trust Needs", and "Committing to Collaborative Leadership" Strategic Focus Areas of the Commission's 2021-2025 Strategic Plan.
3. Endorsement of a sublease and amendment of the lease to incorporate that endorsement 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 15060, subdivision (c)(3), and 15378, subdivision (b)(5).

RECOMMENDED ACTION:

It is recommended that the Commission:

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed amendment and endorsement of a sublease will not substantially impair the public rights to navigation and fishing or substantially interfere with Public Trust needs and values at this location, at this time, and for the term of the lease; and is in the best interests of the State.

AUTHORIZATION:

1. Authorize the amendment of Lease 9128, a General Lease – Commercial Use, effective October 21, 2026, to replace Exhibit C, Sublease Endorsement; all other terms and conditions of the lease shall remain in effect without amendment.
2. Authorize, by endorsement, a sublease between the Lessee/Sublessor and the Sublessee for facilities and activities located on the lease premises. The Sublessee shall name the State as an additional insured for all liability insurance covering its operations within the lease premises.