Work Order: WP 3288.9

For Commission Use Only

STATE OF CALIFORNIA STATE LANDS COMMISSION RENT FREE PRIVATE RECREATIONAL PIER LEASE

The parties to this Lease are the **State of California** acting by and through the **State** Lands Commission (hereinafter "Lessor") and **Huntington Marina Association** (hereinafter "Lessee").

SECTION A. LESSEE'S CERTIFICATION OF QUALIFICATION PURSUANT TO PUBLIC RESOURCES CODE SECTION 6503.5

Lessee hereby certifies the following:

1. Lessee is owner of or the beneficiary of a trust owning the following described land in the County of Orange adjacent to Huntington Harbor which is sovereign land of the State of California.

Description of Lessee's Property: 16101 Mariner Drive, Huntington Beach /APN 178-581-02, 178-581-03, 178-581-04, and 178-581-05.

This property is hereinafter referred to as the "Littoral Land."

- 2. Lessee is:
 - a. _ A natural person or persons who owns the Littoral Land improved with, and used solely for, a single family dwelling;

OR

- b. $\underline{\mathbf{X}}$ An association or non-profit corporation all of whose members are:
 - (1) Natural persons who own parcels of land, each of which is zoned or used solely for a single family dwelling;

and

(2) Entitled to the use of a private recreational pier (and/or buoy) on the Littoral Land that is owned by the Lessee.

The pier shall not be more than one mile from any parcel owned by a member of the association.

3. Lessee shall notify Lessor immediately if Lessee's status as outlined above changes in any way. Lessee understands that any such change in status may result in disqualification for rent-free status pursuant to Public Resources Code Section 6503.5.

SECTION B. GRANT OF LEASE, LEASED PREMISES AND LEASE TERM

1. The lands referenced within this Lease as the "Leased Premises" consist of sovereign fee lands adjacent to the parcel identified in Section A, Paragraph 1. These lands are held in fee by the State of California, for the benefit of all its people, for the public trust purposes of water related commerce, navigation, fisheries, recreation, open space, and such other public trust purposes from time to time identified pursuant to the law of the State of California. The Leased Premises shall consist only of those sovereign lands and a reasonable use area lying beneath, adjacent and around the improvements authorized in this Lease.

The Leased Premises are depicted on the attached Exhibit A.

2. By reason of the representations made and herein incorporated, and upon the condition that the same are factual, but for only so long as they shall continue to be factual, the Lessor hereby issues this Lease to Lessee to occupy and use Leased Premises for purposes authorized herein, for a period of ten years beginning August 23, 2000 and ending August 22, 2010.

SECTION C. AUTHORIZED IMPROVEMENTS

- 1. Lessee is hereby authorized to construct and maintain on the Leased Premises only those fixed facilities for the docking or mooring of boats, specifically Forty-four 26 foot-8 inch by 30 foot floating boat docks, one 6 foot-5 inch by 2 foot-8 inch floating boat dock, one one 6 foot-5 inch by 3 foot-7 inch floating boat dock, and access ramps as shown on the attached Exhibit A. Said improvements shall hereinafter be referred to as the "Authorized Improvements."
- 2. Improvements authorized by this Lease do not include swimming floats or platforms, sun decks, swim areas, fishing platforms, residential, recreational dressing, storage or eating facilities or areas attached or adjacent to the Authorized Improvements, or any other facilities not constructed for the docking or mooring of boats. As such, Lessor reserves the right to require a lease and compensation or removal of any non-authorzied encroachment, should it be deemed appropriate.
- 3. Lessee shall use Authorized Improvements solely for private recreational purposes as provided for by Public Resources Code Section 6503.5 and not for business or commercial purposes. Use of the upland single family residence or recreational pier or other Authorized Improvements for business or commercial purposes shall be a breach of

4. No improvements other than those Authorized Improvements shown on Exhibit A shall be constructed or maintained by Lessee on the Leased Premises without the prior written consent of the Lessor. Lessee agrees to remove, at Lessee's sole expense and without cost to Lessor, any other improvements, facilities, structures, or appurtenances from the Leased Premises at the request of the Lessor.

SECTION D. GENERAL PROVISIONS

1. Indemnification

Lessor shall not be liable and Lessee shall indemnify, hold harmless and, at the option of the Lessor, defend Lessor, its officers, agents, and employees against and for any and all liability, claims, damages or injuries of any kind and from any cause arising out of or connected in any way with the issuance, enjoyment or breach of this Lease or Lessee's use of the Leased Premises except for any such liability, claims, damage or injury solely caused by the negligence of Lessor, its officers, agents and employees. Lessee shall notify Lessor immediately in case of any accident, injury or casualty on the Leased Premises.

2. Insurance

- a. Lessee shall obtain and maintain in full force and effect during the term of this Lease public liability and property damage insurance, with coverage and limits as may be requested by Lessor from time to time, but in no event less than \$300,000, insuring Lessor and Lessee against any and all claims of liability arising out of the ownership, use, occupancy, condition or maintenance of the Leased Premises and all improvements.
- b. The insurance policy or policies shall name the State of California as a named insured or an additional insured party as to the Leased Premises and shall identify the Lease by its assigned number. Lessor will not be responsible for any premiums or other assessments on the policy. The coverage provided by the insured (Lessee) shall be primary and non-contributing.
- c. The insurance coverage specified in this Lease shall be in effect at all times during the Lease term and subsequently until all of the Leased Premises have been restored to as close to its natural condition as practical by Lessee and acceptable to Lessor.
- d. By executing this Lease, Lessee covenants that Lessee has purchased and will maintain the required insurance and that the State of California has been named as an additional insured on the policy.

3. Boundaries

This Lease is not intended to constitute the establishment of the State's boundaries and is made without prejudice to any boundary or property interest claims which may be asserted by State or Lessee in the future.

4. Repair and Maintenance

The Leased Premises and Authorized Improvements shall be constructed, installed and maintained in conformance with all applicable laws and code requirements. Lessee shall, at its own expense, keep and maintain the Leased Premises and all improvements in good order and repair and safe condition. If at any time subsequent to the issuance of this Lease, the facilities authorized herein should fall into a state of disrepair as determined by Lessor, then upon written notice by Lessor, Lessee shall have sixty (60) days to repair and correct the conditions cited by Lessor. Failure to comply with the written notice of Lessor shall be grounds for termination of this Lease and Lessee shall, at the option of the Lessor, remove all facilities and restore the Leased Premises to natural conditions. Such removal and restoration shall be at Lessee's sole expense and shall be without cost to the Lessor. This shall not waive any cause of action for damages which Lessor may have resulting from the Lessee's actions.

5. Restoration of the Leased Premises

Upon expiration or sooner termination of the term of this Lease and unless Lessee has obtained a replacement lease, Lessee shall immediately seek any necessary regulatory permits and commence the removal of all improvements, and restore, as nearly as possible, the Leased Premises to their original condition.

6. Prohibition Against Residential Use

Authorized Improvements located on the Leased Premises shall not at any time be converted for use as a residence, nor for the purpose of mooring a vessel or ark which is occupied and used as a floating residence.

7. Lessor Inspection

Lessor, through its authorized agents, shall have the right, at all reasonable times, to cross those Littoral Lands owned by the Lessee and identified in Section A of this Lease, and enter upon the Leased Premises, for the purpose of inspecting the Leased Premises and Authorized Improvements or carrying out any function required by statutes or the rules and regulations of the State Lands Commission.

8. Compliance with Applicable Law

Lessee shall comply with and be bound by all presently existing or subsequently enacted rules, regulations, statutes or ordinances of the State Lands Commission or any other governmental agency or entity having lawful authority and jurisdiction; and further will comply with any applicable holdings or orders of any court of competent jurisdiction. Lessee further understands and agrees that a necessary condition for the granting and continued existence of this Lease is that Lessee obtain and maintain in effect all other federal, state and local permits and other entitlements.

9. Possessory Interest Tax

Lessee recognizes and understands in accepting this Lease that the Leased Premises may be subject to a Possessory Interest Tax that the city and/or county may impose on such interest, and that such tax payment shall not reduce any fees due the State hereunder and any such tax shall solely be the liability of and be paid by the Lessee.

10. Assignment, Subletting and Encumbrancing

This Lease may be assigned only with the prior written consent of Lessor, which consent will not be unreasonably withheld, and only upon sale of the Littoral Lands to the proposed assignee.

Lessee may not otherwise assign, sublet, transfer, mortgage, pledge, hypothecate, or encumber this Lease in whole or in part.

11. Identification Markers

If this Lease is for or includes the placement of mooring buoy(s), Lessor expressly reserves the right to require Lessee to affix an identification marker to the buoy(s) authorized under this Lease at any time during the term of this Lease. If buoy identification marking is required by Lessor, Lessee shall purchase identification marker(s) from Lessor at actual cost but not exceeding \$250 for the term of this Lease. Lessee shall immediately thereafter affix the identification marker(s) to the buoy(s) in the manner prescribed by Lessor.

12. Default and Remedies

- a. Default: Unless otherwise specifically stated in this Lease, Lessee's failure to comply with any of the terms or conditions of this Lease shall without further notice constitute a default or breach of the Lease by Lessee.
- b. Remedies: In the event of a default or breach by Lessee and Lessee's failure to cure such default or breach within thirty days following notification by Lessor, or as otherwise specifically provided in this Lease, Lessor may at any time and with or without notice do any one or more of the following:

(1) Terminate this Lease and Lessee's right of possession of the Leased Premises, and compel removal, at Lessee's sole expense and without cost to Lessor, of all persons and property from the Leased Premises. Such termination shall be effective upon Lessor giving written notice and upon receipt of such notice Lessee shall immediately surrender possession of the Leased Premises to Lessor.

- (2) Maintain this Lease in full force and effect and recover any rental, royalty, or other consideration as it becomes due without terminating Lessee's right of possession regardless of whether Lessee shall have abandoned the Lease Premises.
- (3) Exercise any other right or remedy which Lessor may have at law or equity.

SECTION E: SPECIAL PROVISIONS

- 1. $\underline{\mathbf{X}}$ None.
- 2. _ See Exhibit B attached hereto.

This Lease shall become effective only upon execution on behalf of Lessor-and shall supersede any prior authorization made by Lessor at this location. Execution of this document was authorized by Lessor on Nov 27 200.

I / We understand and agree to be bound by all the terms, conditions and qualifications of this Lease.

Huntington Moving Assecration By Ben Willetteller of president (Lessee)	STATE OF CALIFORNIA STATE LANDS COMMISSION	
(Lessee)	Assistant Chief Land Management Division	
(Street Address)	JUL 19 2001	(Title)
Hunfingfon Beach, (2 92649 (City, State & Zip Code)		(Date)
(Date)		

EXHIBIT "A"

LAND DESCRIPTION

WP 3288

COMMENCING at the most westerly corner of the land described in the quitclaim deed to Sam Arvanitis and George Arvanitis, recorded January 20, 1953, in Book 2439, Page 488, Official Records, in the office of the Orange County Recorder, being also a point in the southwesterly line of tideland location No. 141, recorded in Book 1, Page 194 of patents of said Orange County as shown on Record of Survey Map recorded July 17, 1963, in Book 65, Page 28 of maps, records of Orange County, and also having California coordinates, Zone 6, N 572,059.30 and E 1,444,106.82; thence N 46° 32' 00" E 208.25 feet to a point on the northeasterly line of tideland location No. 141, which point is the TRUE POINT OF BEGINNING; thence from said true point of beginning along the following courses:

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N 44° 15' 00" W 417.42 feet,

N 52° 45' 00" W 750.25 feet,

N 37° 15' 00" E 50.00 feet,

S 52° 45' 00" E 754.00 feet,

S 44° 15' 00" E 421.10 feet, and

S 45° 45' 00" W 50.00 feet to point of beginning, containing 1.344 acres.
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END OF DESCRIPTION

REVIEWED JULY 28, 1980 BY TECHNICAL SERVICES UNIT, ROY MINNICK, SUPERVISOR