

CESWL-RE-M

DEPARTMENT OF THE ARMY
Little Rock District, Corps of Engineers
P. O. Box 867
Little Rock, Arkansas 72203

SWLOM 405-1-5

Office Memorandum
No. 405-1-5

9 January 1993

Real Estate
OUTGRANTS
LIMITED MOTEL/RESORT/CAMPGROUND LEASES

1. Purpose. This memorandum prescribes the responsibilities, policies, and procedures for issuance and management of leases for limited motel/resort/campground services at water resource development projects in this District.
2. Applicability. This regulation is applicable to all personnel involved with management and supervision of real estate outgrants.
3. References.
 - a. ER 405-1-12.
 - b. 9th Ind, ENGRE-M/ENG CW-O, 20 June 1968, to letter SWDRE/SWDCO, 5 February 1968, Subject: Cabins with Boat License and 2nd Ind, DAEN-REM-I, 23 March 1973, to letter SWLRE-M, 31 January 1973, Subject: Proposed Leases for Limited Motel/Resort and Campground Services.
4. Responsibilities.
 - a. The preparation and administration of leases for limited motel/resort/campground services is the responsibility of the Real Estate Division. Under authority by the above references, the District Engineer or his Chief, Real Estate Division, are authorized to negotiate, execute, amend and revoke leases for limited motel/resort/campground services.
 - b. An annual compliance inspection of the area leased will be made by personnel of Real Estate Division. A report of each compliance inspection will be furnished to the concerned Resident Engineer/Manager.

This memorandum supersedes LRDOM 405-1-5, dated 20 June 1979

9 Jan 93

5. Policies.

a. Leases for limited motel/resort/campground services may be granted without advertising, at a fair market consideration, to owners of motels, resorts, or campgrounds which border project lands. Lands or part of ownerships which are separated by public roads maintained by a state, county or city, are not considered to border project lands for the purpose of this regulation. The intent of the Government is for the boat dock to be located in close proximity of the property line of the lessee, preferably right below the motel, resort or campground. The leases are subject to SWLOM 1130-2-33, dated 15 Sep 1992, and provided (1) the area is zoned for limited development; (2) there is sufficient shoreline available; (3) the motel, resort or campground is not within 500 feet of a commercial dock; and (4) the proposed use will not interfere with project operations. SWL Form 185-C, Revised 1 June 1982, Department of the Army Lease of United States Property for Limited Motel/Resort/Campground Services, and SWL Form 252, Revised 1 June 1982, Department of the Army Lease of United States Property for Limited Campground Services, will be used for these purposes.

b. The term of the outgrants will not exceed ten (10) years, and the outgrants will expire on the same date of the same year for each project.

c. Said limited motel/resort/campground business may include only the following activities for the use of their overnight guests:

(1) Fishing and other recreation boats, except houseboats or other floating facilities with overnight accommodations. All boats must display the name of the Limited Motel/Resort/Campground.

(2) Motors for fishing and other recreational purposes.

(3) Floating swimming pool, the design and location of which shall be approved by said District Engineer.

(4) Fish cleaning facilities.

(5) Storage of boats and motors.

(6) Sell bait, gasoline and oil for motors, charge batteries and provide minor and emergency repair and equipment to boats and motors.

9 Jan 93

(7) Those leases with 50 or more overnight rental units qualify to sell food, refreshments, packaged merchandise, fishing tackle, boat accessories, and other supplies on Government land to their bona fide overnight guests. This approval will be granted on a case by case basis.

(8) Ice and soft drink machines.

(9) Guide service for hunting and fishing.

d. The number of single boat storage slips provided for overnight registered guests shall not exceed one and one fourth times the number of living units and not more than two others for the use of the operator, provided there is adequate available space at the shore approved by the Resident Engineer/Manager in charge of this project. To prevent a too rapid build-up of slips, the amount of slips initially authorized may be limited to an amount which, in the opinion of the District Engineer, can reasonably expect to be fully utilized. The width of a single boat slip may not exceed 14 feet; slips wider will be considered double slips. At lessee's option, 25% of allowed slips may be designated as courtesy slips. These courtesy slips may be used without charge on a short-term basis by other than overnight guests. Such use is incidental to the primary purpose of the lease, such as while dining in facilities provided by resort.

e. A living unit is defined as a rental unit, regardless of number of bedrooms.

f. An overnight registered guest is a person using the facility in a recreational capacity and not renting or occupying the facility for longer than a month duration during any one period of stay.

g. At the commencement of a lease, the Lessee will obtain from a reputable insurance company a contract of liability insurance. The insurance shall provide an amount not less than that which is prudent, reasonable and consistent with sound business practices or a minimum Combined Single Limit of \$300,000.00 whichever is greater, for any number of persons or claims arising from any one incident with respect to bodily injuries or death resulting therefrom, property damage or both suffered or alleged to have been suffered by any person or persons resulting from the operations of the Lessee under the terms and conditions of the lease. If risk factors such as jet skis, water slides, diving platforms, boats for guests with

9 Jan 93

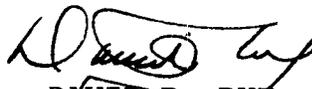
motors greater than 25 horsepower, except for motors up to 50 horsepower for pontoon barges only, and any other activity identified by the insurance industry to be of a high risk nature are present, the coverage must be \$1,000,000.00. The Lessee shall require its insurance company to furnish to the District Engineer a copy of the policy or policies, or if acceptable to the District Engineer, a certificate of insurance verifying the purchase of such insurance. The minimum amount of liability insurance coverage is subject to revision by the District Engineer every three years or upon renewal or modification of the lease. The Lessee shall require that the insurance company give the District Engineer thirty (30) days written notice of any cancellation or change in such insurance.

6. Procedures.

a. Applications will be furnished by the applicants to the Resident Engineer/Manager, who will complete the application, attach appropriate plats of the lease site or area of location of the resort in connection with the leases or licenses and forward, with his recommendations.

b. The Resident Engineer/Manager will forward to the Chief, Real Estate Division, with his recommendations, any change in an existing operation that will require an amendment of the outgrant. In the event of a change in ownership, both parties should notify the Chief, Real Estate Division, in writing, of the date of sale and the date transfer of the outgrant is desired. The Chief, Real Estate Division, will coordinate all transfers with the Chief, Construction-Operations Division and the concerned Resident Engineer/Manager.

7. Request for Expansion of Existing Docks or Requests for New Limited Motel/Resort/Campground Leases. Requests for substantial enlargement or requests for new leases will require a 30 day public notice be distributed through the effected area. The notice will be generated and distributed by the resident office. Comments will be solicited and compiled by the Resident Engineer/Manager to provide a basis for their recommendation to the Chief, Construction Operations Division.



DAVID R. RUFF
Colonel, Corps of Engineers
District Engineer

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