

**CALENDAR ITEM
C13**

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02/04/11
PRC 8663.1
N. Lee

REVISION OF RENT

LESSEE:

North Tahoe Cruises, Inc.
P.O. Box 7913
Tahoe City, CA 96145

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Lake Tahoe, adjacent to 950 North Lake Boulevard, near
Tahoe City, Placer County.

AUTHORIZED USE:

Commercial operation of the "Tahoe Gal" tour boat.

LEASE TERM:

20 years, beginning January 1, 2006.

CONSIDERATION:

The current minimum rent is \$3,544 per year, or \$0.25 per ticket of ticket sales on any regularly scheduled vessel operation; one percent of the gross income derived from private charter sales; one percent for the first year of the lease, two percent for the second year of the lease and three percent for the third year of the lease and subsequent lease years of the gross annual income derived from the sale of food and beverages from all regularly scheduled vessel operations and private charter operations; five percent of the gross annual income derived from all other sales of goods, merchandise, or products sold on regularly scheduled vessel or private charter operations; and 25 percent of any commission received or earned from coin-operated vending machines or other devices.

This lease provides that the Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff conducted a review of the rent under this lease, and recommends the minimum rent be revised from \$3,544 per year to \$7,550 per year, effective January 1, 2011.

CALENDAR ITEM NO. **C13** (CONT'D)

OTHER PERTINENT INFORMATION:

1. The Lessee has the right to use the existing pier and uplands adjoining the lease premises.
2. On February 9, 2006, the Commission authorized a General Lease – Commercial Use with North Tahoe Cruises, Inc. for the operation of the tour boat, the “Tahoe Gal,” which operates from the pier authorized under General Lease – Commercial Use, PRC 3495.1. The lease expires December 31, 2025.

EXHIBIT:

- A. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

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

AUTHORIZATION:

Approve the revision of minimum rent for Lease No. PRC 8663.1 from \$3,544 per year to \$7,550 per year, effective January 1, 2011.