

**CALENDAR ITEM  
C11**

A 4  
S 1

10/19/12  
PRC 4248.9  
R. Barham

**GENERAL LEASE – RECREATIONAL USE**

**APPLICANTS:**

Johnson L. Chiao and Diana W. Chiao, Trustees of the Johnson L. and Diana W. Chiao Trust created by declaration of trust dated October 7, 2007

**AREA, LAND TYPE, AND LOCATION:**

Sovereign land in Lake Tahoe, adjacent to 3870 North Lake Boulevard, Carnelian Bay, Placer County.

**AUTHORIZED USE:**

Continued use and maintenance of an existing pier previously authorized by the Commission and the use and maintenance of two existing mooring buoys not previously authorized by the Commission.

**LEASE TERM:**

10 years, beginning October 19, 2012.

**CONSIDERATION:**

No monetary consideration pursuant to Public Resources Code Section 6503.5.

**SPECIFIC LEASE PROVISIONS:**

Insurance:

Liability insurance in the amount of no less than \$1,000,000.

Other:

The proposed lease contains a provision requiring the Applicants to obtain authorization from the Tahoe Regional Planning Agency (TRPA) for the mooring buoys within two years after the adoption of a Final Environmental Impact Statement (FEIS) for the Lake Tahoe Shorezone Ordinance Amendments and approval of the amended ordinances. This is a continuation of the process the Commission used from approximately 1995 to October 2008 when TRPA adopted an FEIS and Ordinance Amendments supported by the FEIS. In September 2010, the U.S. District Court invalidated the FEIS and nullified the Amendments. When additional information is available, Commission staff will advise the

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Commission on any suggested modifications to the process used by the Commission pending resolution of the TRPA FEIS and amended ordinance issues.

**OTHER PERTINENT INFORMATION:**

1. Applicants own the upland adjoining the lease premises.
2. On April 13, 1999, the Commission authorized a Recreational Pier Lease for an existing pier with Johnson L. Chiao and Diana W. Chiao. That lease expired on June 25, 2009. Ownership has since been transferred to Johnson L. Chiao and Diana W. Chiao, Trustees of the Johnson L. and Diana W. Chiao Trust created by declaration of trust dated October 7, 2007. The Applicants are now applying for a new General Lease – Recreational Use for the continued use and maintenance of an existing pier previously authorized by the Commission and for the use and maintenance of two existing mooring buoys not previously authorized by the Commission.
3. On October 8, 2011, Chapter 585, Statutes of 2011 became law. The law took effect one January 1, 2012. This new law repeals section 6503.5 of the Public Resources Code, which had allowed rent-free use of State-owned land by certain private parties for their recreational piers. It replaced the former section with a new section 6503.5 which provides that the State Lands Commission “shall charge rent for a private recreational pier constructed on state lands.” The law provides for two exceptions to the imposition of rent. Those exceptions are for:
  - A. A lease in effect on July 1, 2011 through the remaining term of that lease. If a lease in effect on July 1, 2011 expires or is otherwise terminated, any new lease will be subject to rent; and
  - B. A lease for which the lease application and application fees were submitted to the Commission prior to March 31, 2011.

Because the application was submitted to the Commission prior to March 31, 2011, the lease meets the statutory requirements for an exception to recently-enacted changes to Section 6503.5 of the Public Resources Code for the term of this lease.

4. The Applicants’ two mooring buoys have been in Lake Tahoe for many years, but were not previously authorized by the Commission. Staff recommends bringing the placement of the Applicants’ existing mooring

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buoys under lease, subject to the Applicants obtaining TRPA permit authorization.

5. The staff recommends that the Commission find that this activity is exempt from the requirements of CEQA as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

Authority: Public Resources Code section 21084 and California Code of Regulations, Title 14, section 15300 and California Code of Regulations, Title 2, section 2905.

6. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq., but such activity will not affect those significant lands. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

**EXHIBITS:**

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

**RECOMMENDED ACTION:**

It is recommended that the Commission:

**CEQA FINDING:**

Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15061 as a categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

**SIGNIFICANT LANDS INVENTORY FINDING:**

Find that this activity is consistent with the use classification designated by the Commission for the land pursuant to Public Resources Code section 6370 et seq.

**AUTHORIZATION:**

Authorize issuance of a General Lease – Recreational Use to Johnson L. Chiao and Diana W. Chiao, Trustees of the Johnson L. and Diana W. Chiao Trust created by declaration of trust dated October 7, 2007, beginning October 19, 2012, for a term of 10 years, for the continued use and maintenance of an existing pier previously authorized by the

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Commission and the use and maintenance of two existing mooring buoys not previously authorized by the Commission as described in Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; no monetary consideration pursuant to Public Resources Code section 6503.5; and liability insurance with coverage of no less than \$1,000,000.

**EXHIBIT A**

**PRC 4248.9**

**LAND DESCRIPTION**

Three (3) parcels of submerged land situate in the bed of Lake Tahoe, lying adjacent to Lot 3 of fractional Section 28, Township 16 North, Range 17 East, MDM., as shown on Official Government Township Plat approved November 10, 1865, County of Placer, State of California, and more particularly described as follows:

**PARCEL 1 – PIER**

All those lands underlying an existing pier lying adjacent to that Parcel as described in that Quitclaim Deed recorded October 28, 2007 in Document Number 2007-0102649 in Official Records of said County.

TOGETHER WITH a ten foot impact area.

EXCEPTING THEREFROM any portion lying landward of elevation 6223 feet LTD on the shoreline of said Lake Tahoe.

**PARCELS 3 & 4 – BUOYS**

Two (2) circular parcels of land, each being 50 feet in diameter, underlying two (2) existing buoys lying adjacent to that Parcel as described in said Quitclaim Deed.

Accompanying plat is hereby made part of this description.

**END OF DESCRIPTION**

Prepared September 12, 2012 by the California State Lands Commission Boundary Unit.





APN 092-130-007

SHORELINE

APPROXIMATE

115.5'

95±

40±

EXISTING BUOYS (2)

EXISTING PIER

10 FT. IMPACT AREA

6223± LTD

# EXHIBIT A

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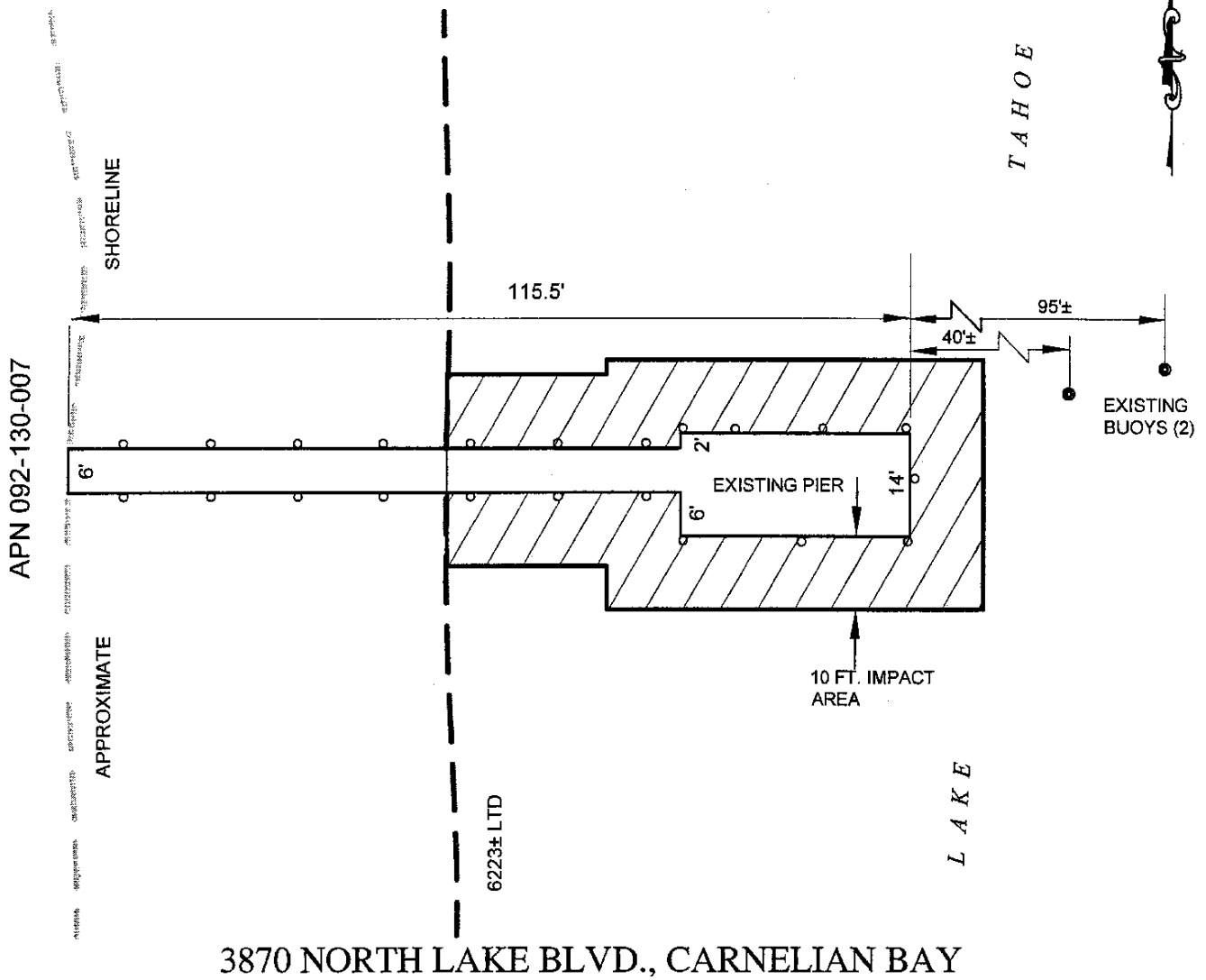
LAND DESCRIPTION PLAT  
PRC 4248.9, CHIAO TRUST  
PLACER COUNTY

CALIFORNIA STATE  
LANDS COMMISSION



NO SCALE

# SITE



NO SCALE

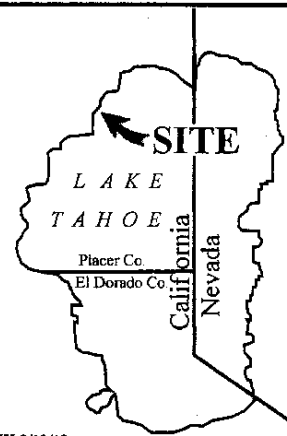
# LOCATION



MAP SOURCE: USGS QUAD

## Exhibit B

PRC 4248.9  
 CHIAO TRUST  
 APN 092-130-007  
 GENERAL LEASE -  
 RECREATIONAL USE  
 PLACER COUNTY



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.