

**CALENDAR ITEM
C18**

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06/28/16
PRC 7936.1
M. Schroeder

**TERMINATION OF A RECREATIONAL PIER LEASE AND ISSUANCE OF A
GENERAL LEASE – RECREATIONAL USE**

LESSEE:

Chester John Pipkin and Janice Ann Pipkin, Trustees of the Pipkin Family Revocable Trust dated October 6, 1989, as amended and completely restated July 19, 1995

APPLICANT:

Second Manassas, LLC, a California Limited Liability Company

PROPOSED LEASE:

AREA, LAND TYPE, AND LOCATION:

Sovereign land located in Lake Tahoe, adjacent to 843 Stateline Avenue, city of South Lake Tahoe, El Dorado County.

AUTHORIZED USE:

Continued use and maintenance of an existing pier and boat lift.

LEASE TERM:

10 years, beginning June 28, 2016.

CONSIDERATION:

\$285 per year, with an annual Consumer Price Index adjustment.

SPECIFIC LEASE PROVISIONS:

Liability insurance in an amount no less than \$1,000,000 per occurrence.

STAFF ANALYSIS AND RECOMMENDATION:

Authority:

Public Resources Code sections 6005, 6216, 6301, and 6503.5; California Code of Regulations, Title 2, section 2000, subdivision (b).

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Public Trust and State's Best Interests Analysis:

The subject facilities are for the docking and mooring of boats. Recreational boating is a water-dependent use that is generally consistent with the common law Public Trust Doctrine. The California Legislature has identified private recreational boating facilities as an authorized use of public trust lands (Pub. Resources Code, § 6503.5).

The subject facilities have existed for many years at this location. The pier is built on a gently sloped, mostly flat and sandy part of the shore. The public is able to pass and repass under the pier along the beach and lease terms allow for this.

The proposed lease does not alienate the State's fee simple interest or permanently impair public rights. The lease is limited to a 10-year term, does not grant the Lessee exclusive rights to the lease premises, and reserves an easement to the public for public trust consistent uses. Upon termination of the lease, the Lessee may be required to remove all improvements from State land.

The proposed lease requires the Lessee to insure the lease premises and indemnify the State for any liability incurred as a result of the Lessee's activities thereon. The lease also requires the payment of annual rent to compensate the people of the State for the use of public land. For all the reasons above, Commission staff believes the issuance of this lease is consistent with the common law Public Trust Doctrine, will not substantially interfere with the public trust needs at this location, at this time, and for the foreseeable term of the proposed lease, and is in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. Applicant owns the upland adjoining the lease premises.
2. On February 5, 2007, the Commission authorized a 10-year Recreational Pier Lease to Chester John Pipkin and Janice Ann Pipkin, Trustees of the Pipkin Family Revocable Trust dated October 6, 1989, as amended and completely restated July 19, 1995. That lease will expire on November 30, 2016.
3. On March 28, 2014, the upland was deeded to Second Manassas, LLC, a California Limited Liability Company. The Applicant is now applying for a

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General Lease – Recreational Use. The Lessee has requested termination of the lease.

4. This action is consistent with Strategy 1.1 of the Commission's Strategic Plan to deliver the highest levels of public health and safety in the protection, preservation, and responsible economic use of the lands and resources under the Commission's jurisdiction and Strategy 1.3 to protect, expand, and enhance appropriate public use and access to and along the State's inland and coastal waterways.
5. Staff recommends that the Commission accept compensation in the amount of \$642 for the unauthorized occupation of State land, for the period beginning March 28, 2014, when the Applicant took ownership, through June 27, 2016.
6. Termination of the lease is not a project as defined by the California Environmental Quality Act (CEQA) because it is an administrative action 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, section 15378, subdivision (b)(5).

7. The staff recommends that the Commission find that issuance of the lease 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.

8. 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

CALENDAR ITEM NO. **C18** (CONT'D)

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that issuance of the lease 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).

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed lease will not substantially impair the public rights to navigation and fishing or substantially interfere with the public trust needs and values at this location at this time, is consistent with the common law Public Trust Doctrine, and is in the best interests of the State.

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:

1. Authorize termination, effective June 27, 2016, of Lease No. PRC 7936.9, a Recreational Pier Lease, issued to Chester John Pipkin and Janice Ann Pipkin, Trustees of the Pipkin Family Revocable Trust dated October 6, 1989, as amended and completely restated July 19, 1995.
2. Authorize acceptance of compensation in the amount of \$642 for the unauthorized occupation of state land beginning March 28, 2014 through June 27, 2016.
3. Authorize issuance of a General Lease – Recreational Use to Second Manassas, LLC, a California Limited Liability Company, beginning June 28, 2016, for a term of 10 years, for the continued use and maintenance of an existing pier and boat lift, as described in Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; annual rent in the amount of \$285, with an annual Consumer Price Index adjustment; and liability insurance in an amount no less than \$1,000,000 per occurrence.

EXHIBIT A

PRC 7936.1

LAND DESCRIPTION

A parcel of submerged land situate in the bed of Lake Tahoe, lying adjacent to Lot 2 fractional Section 27, Township 13 North, Range 18 East, MDM., as shown on Official Government Township Plat approved July 8, 1875 County of El Dorado, State of California, and more particularly described as follows:

PARCEL 1 – PIER

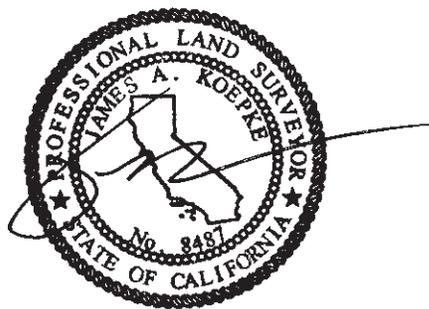
All those lands underlying an existing pier and boat lift adjacent to that parcel described in that Grant Deed recorded March 28, 2014 in Document 2014-0011568 of Official Records of said County.

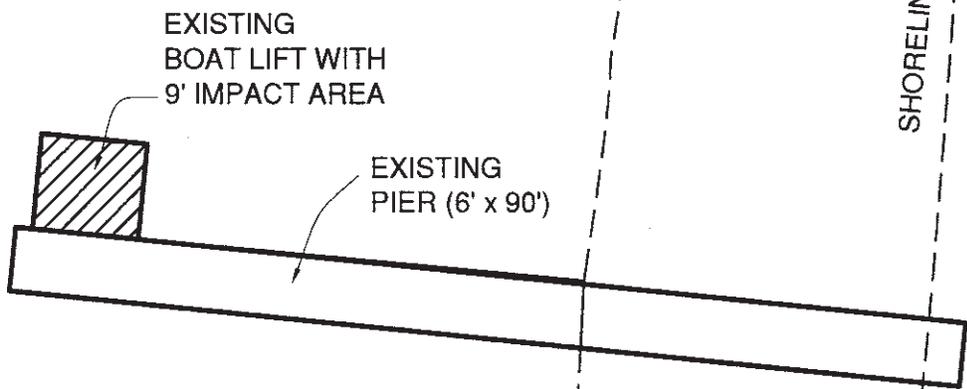
EXCEPTING THEREFROM any portion lying landward of elevation 6223 feet LTD on the shoreline of said Lake Tahoe.

Accompanying plat is hereby made part of this description

END OF DESCRIPTION

Prepared May 18, 2016 by the California State Lands Commission Boundary Unit.





L A K E
T A H O E

APN 029-010-13

EXHIBIT A

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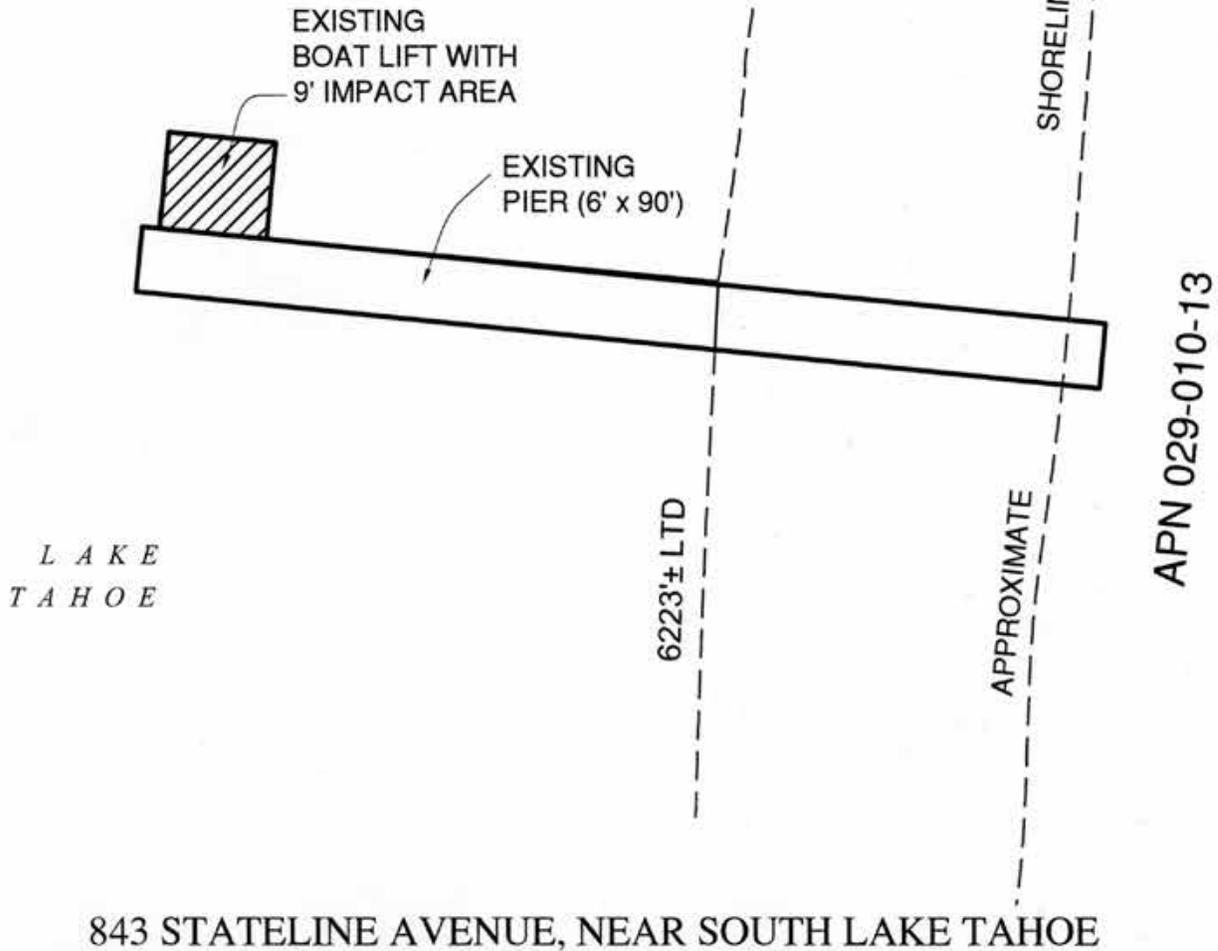
LAND DESCRIPTION PLAT
 PRC 7936.1 , SECOND MANASSAS, LLC
 EL DORADO COUNTY

CALIFORNIA STATE
 LANDS COMMISSION



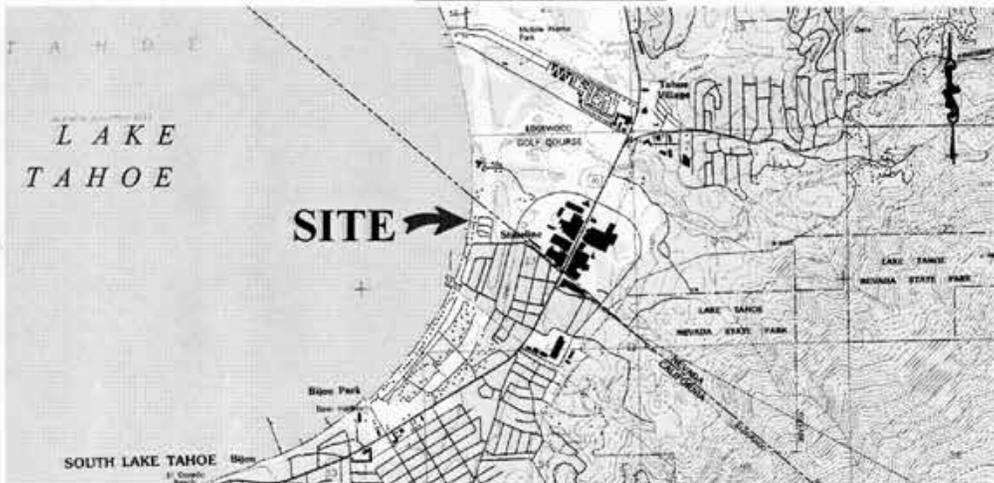
NO SCALE

SITE



NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit B

PRC 7936.1
 SECOND MANASSAS, LLC
 APN 029-010-13
 GENERAL LEASE -
 RECREATIONAL USE
 EL DORADO 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.