

**CALENDAR ITEM
C10**

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10/13/16
PRC 3887.1
M. Schroeder

AMENDMENT OF LEASE AND REVISION OF RENT

LESSEE:

The Trustees of the Lake Tahoe Park Association

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Lake Tahoe, adjacent to 1700 Sequoia Avenue, Tahoe City, Placer County.

AUTHORIZED USE:

Continued use and maintenance of two existing piers, swim area with swim line, and 50 mooring buoys.

LEASE TERM:

10 years, beginning September 29, 2011.

CONSIDERATION:

This lease provides that the Commission 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 rent be revised from \$1,689 to \$2,104 per year, effective September 29, 2016.

PROPOSED AMENDMENT:

Amend the lease to replace the existing Exhibit B, Site and Location Map, with the attached Exhibit B, Site and Location Map (for reference purposes only).
Revise rent from \$1,689 per year to \$2,104 per year. All other terms and conditions of the lease shall remain in effect without amendment.

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).

Public Trust and the State's Best Interests Analysis:

In 2012, the Commission authorized a 10-year General Lease

CALENDAR ITEM NO. **C10** (CONT'D)

– Recreational Use to The Trustees of the Lake Tahoe Park Association, beginning September 29, 2011, for two existing piers, a swim area with swim line, and 50 mooring buoys ([Calendar Item C45, March 29, 2012](#)). That lease will expire on September 28, 2021.

Staff conducted the rent review called for in the lease and recommends the rent increase. When the lease was authorized on March 29, 2012, the Lessee met the statutory requirements for an exception to changes made to Public Resources Code section 6503.5, which as originally enacted exempted private recreational piers and mooring buoys from rent when operated by associations consisting of natural persons who own single-family dwellings on the littoral, or upland property. The Lessee is a property owners association that consisted of 708 members upon issuance of the lease. Three percent of the members did not qualify for rent-free status when the lease was issued. The rent was prorated accordingly. Upon review of the current list of members, there has been an increase to 719 members and 5 percent of those members do not qualify for rent-free status. Rent on the swim area with swim line is not prorated because a swim area with swim line did not qualify for rent-free status under former Public Resources Code section 6503.5.

Staff recommends the rent be revised to \$2,104 per year from \$1,689 per year based on seasonal use and reduced impact areas for the piers, application of the updated Lake Tahoe Benchmark, and the adjustment in the proration of rent due to the change in the composition of the property owners association membership. Staff also recommends the lease be amended to reflect the new reduced lease (impact) area.

The amendment and revision of rent is an administrative action unlikely to result in any changes to the use of the lease premises. The recommended action will not substantially interfere with the Public Trust needs at this time and at this location. For these reasons, staff recommends finding the proposed action is in the best interests of the State at this time.

OTHER PERTINENT INFORMATION:

1. This action is consistent with Strategy 2.2 of the Commission's Strategic Plan to ensure timely receipt of revenues and royalties from the use and development of State lands and minerals.
2. Amendment of the lease to make an adjustment in the lease area and the revision of the rent are not projects as defined by the California

CALENDAR ITEM NO. **C10** (CONT'D)

Environmental Quality Act, because they are administrative actions 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).

EXHIBITS:

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

RECOMMENDED ACTION:

It is recommended that the Commission:

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed amendment of Lease No. PRC 3887.1 will not substantially interfere with the Public Trust needs and values at this location; find these actions are consistent with the common law Public Trust Doctrine and are in the best interests of the State.

AUTHORIZATION:

1. Authorize the amendment of Lease No. PRC 3887.1, a General Lease – Recreational Use, effective September 29, 2016, to replace the existing Exhibit B, Site and Location Map, with the attached Exhibit B, Site and Location Map (for reference purposes only); all other terms and conditions of the lease will remain in effect without amendment.
2. Approve the revision of rent for Lease No. PRC 3887.1 from \$1,689 to \$2,104 per year, effective September 29, 2016.

EXHIBIT A

PRC 3887.1

LAND DESCRIPTION

Four (4) parcels of submerged land in the bed of Lake Tahoe, Placer County, California, adjacent to the land described in the deed recorded March 7, 1952 in Volume 604, page 336, Official Records of Placer County, being more particularly described as follows:

PARCEL 1 (South Pier)

COMMENCING at the southeast corner of Lot Four (4) as described in above said deed; thence N 26°09'59" E 368 feet more or less to the most westerly corner of an existing pier, said corner also being the POINT OF BEGINNING; thence N 12°17'21" E 20.52 feet; thence S 77°42'39" E 131.00 feet; thence S 12°17'21" W 32.75 feet; thence N 77°42'39" W 131.00; thence N 12°17'21" E 12.23 feet to the POINT OF BEGINNING.

EXCEPTING THEREFROM any portion thereof lying landward of the elevation 6223.0'(LTD).

PARCEL 2 (North Pier)

COMMENCING at the southeast corner of Lot Four (4) as described in above said deed; thence N 22°16'32" E 582 feet more or less to the most westerly corner of an existing pier, said corner also being the POINT OF BEGINNING; thence N 20°12'08" E 20.88 feet; thence S 69°47'52" E 120.00 feet; thence S 20°12'08" W 33.75 feet; thence N 69°47'52" W 120.00 feet; thence N 20°12'08" E 12.87 feet to the POINT OF BEGINNING.

EXCEPTING THEREFROM any portion thereof lying landward of the elevation 6223.0'(LTD).

PARCEL 3 (Swim Area)

All that land bounded on the south and north by above described Parcels 1 and 2 respectively; on the east by a line lying 56 feet westerly of and parallel with a line between the most easterly corner of Parcel 1 and the most southerly corner of Parcel 2; and on the west by the ordinary low water mark of Lake Tahoe.

PARCEL 4 (Buoy Field)

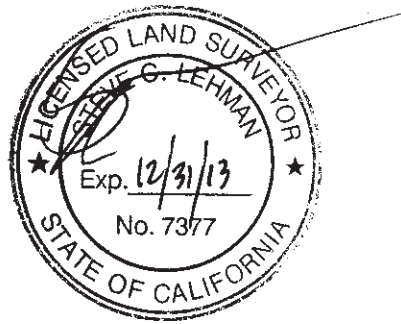
COMMENCING at the southeast corner of Lot Four (4) as described in above said deed; thence N 53°40'57" E 156.70 feet to the POINT OF BEGINNING; thence S 75°59'30" E 340.00 feet; thence N 14°00'30" E 637.68 feet; thence N 75°59'30" W 340.00 feet; thence S 14°00'30" W 637.68 feet to the POINT OF BEGINNING.

EXCEPTING THEREFROM any portion thereof lying landward of elevation 6223.0'(LTD).

BASIS OF BEARINGS is based on California Coordinate System NAD83, Zone 2. All distances are grid distances.

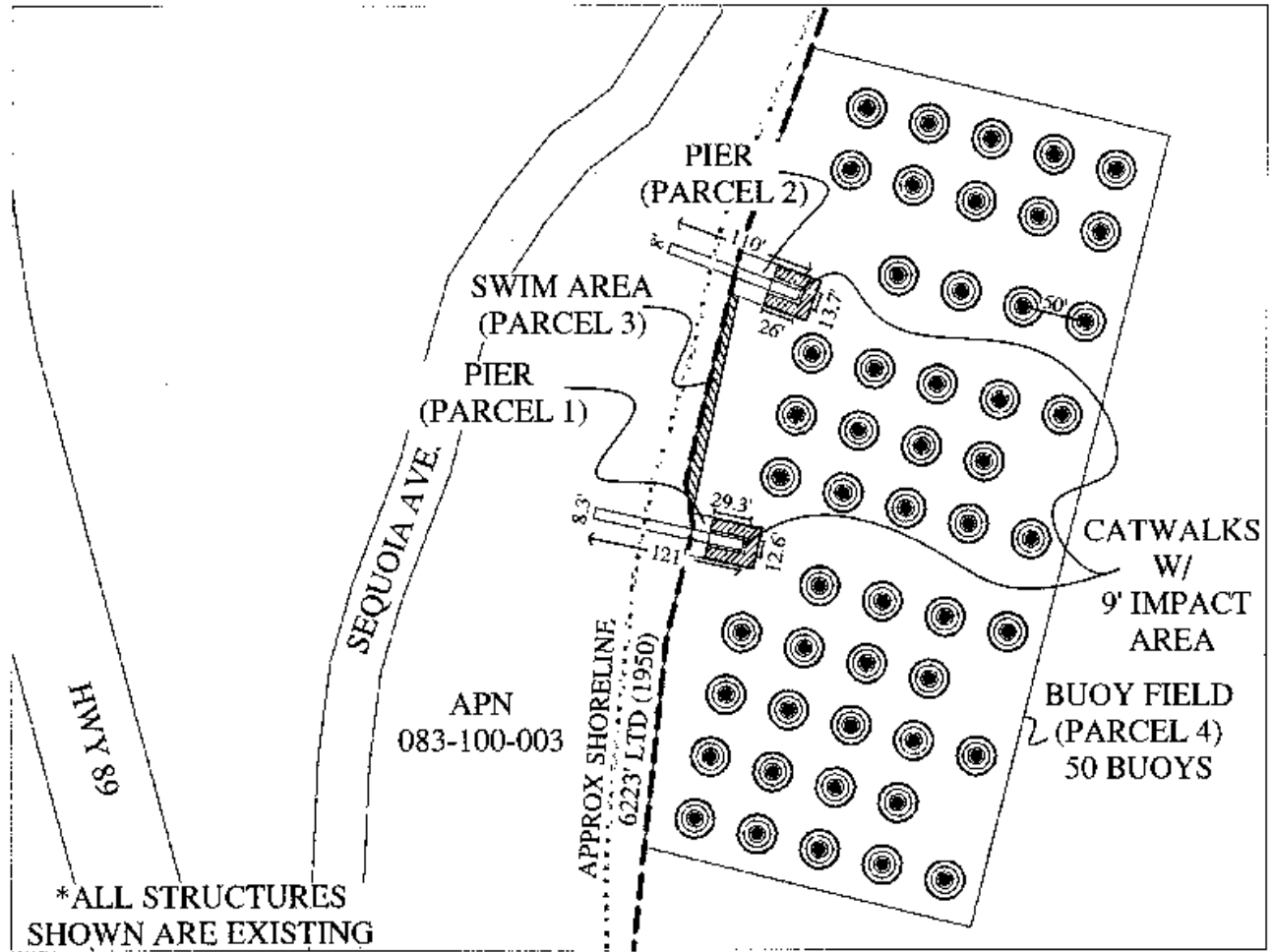
END OF DESCRIPTION

Prepared 3/15/12 by the California State Lands Commission Boundary Unit



NO SCALE

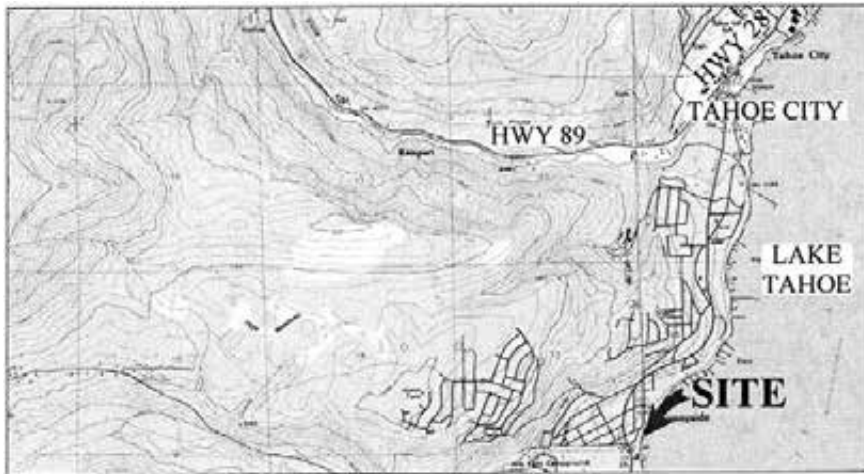
SITE



1700 Sequoia Avenue, Tahoe City

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

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.

Exhibit B

PRC 3887.1
 LAKE TAHOE PARK ASSN.
 APN 083-100-003
 GENERAL LEASE -
 RECREATIONAL USE
 PLACER COUNTY

