

**CALENDAR ITEM
C16**

A 1
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06/22/17
PRC 5423.1
N. Lee

AMENDMENT OF LEASE AND REVISION OF RENT

LESSEE:

Chinquapin Homeowners Association

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Lake Tahoe, adjacent to 3600 North Lake Boulevard, near Dollar Point, Placer County.

AUTHORIZED USE:

Continued use and maintenance of two existing piers, two swim floats, 132 mooring buoys, and two marker buoys.

LEASE TERM:

10 years, beginning July 1, 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 \$3,348 to \$4,527 per year, effective July 1, 2017.

PROPOSED AMENDMENT:

Amend the lease to replace the existing Exhibit B-2, Site and Location Map, and Exhibit B-3, Site and Location Map, with the attached Exhibit B-2, Site and Location Map, and Exhibit B-3, Site and Location Map (for reference purposes only).

STAFF ANALYSIS AND RECOMMENDATION:

Authority:

Public Resources Code sections 6005, 6216, 6301, 6501.1, 6503, and 6503.5; California Code of Regulations, title 2, sections 2000 and 2003.

Public Trust and the State's Best Interests Analysis:

On March 29, 2012, the Commission authorized a 10-year General Lease – Recreational Use to Chinquapin Homeowners Association, beginning July 1, 2011, for two existing piers, 132 mooring buoys, and two marker

CALENDAR ITEM NO. **C16** (CONT'D)

buoys ([Calendar Item C44, March 29, 2012](#)). That lease will expire on June 30, 2021. On December 17, 2014, the Commission authorized an amendment of the lease to include two existing two swim floats ([Calendar Item C07, December 17, 2014](#)).

Staff conducted the rent review called for in the lease and recommends an increase in the annual rent. When the lease was authorized on March 20, 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met the statutory requirements for an exception to changes made to Public Resources Code section 6503.5, which as originally enacted exempted private recreational piers and mooring buoys from rent when operated by associations consisting of natural persons who own single-family dwellings on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 homeowners association that consists of 190 member units. Upon issuance of the lease, 5 percent of the members did not qualify for rent-free status. The rent was prorated accordingly. Upon review of the current list of member units, 7 percent of member units do not qualify for rent-free status. Rent on the two swim floats is not prorated because swim floats did not qualify for rent-free status under former Public Resources Code section 6503.5.

Staff recommends the rent be revised to \$4,527 per year based on changes to the impact areas for the piers, application of the 2012 Lake Tahoe Benchmark, and the adjustment in the proration of rent due to the change in the composition of the homeowners' association membership. Staff also recommends the lease be amended to reflect the new, reduced lease (impact) area.

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 Environmental Quality Act, because they are administrative actions that will not result in direct or indirect physical changes in the environment.

CALENDAR ITEM NO. **C16** (CONT'D)

Authority: Public Resources Code section 21065 and California Code of Regulations, title 14, section 15378, subdivision (b)(5).

EXHIBITS:

- A. Land Description
- B-1. Site and Location Map
- B-2. Site and Location Map
- B-3. 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 5423.1 will not substantially interfere with the Public Trust needs and values at this location, at this time, and for the foreseeable term of the lease; 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 5423.1, a General Lease – Recreational Use, effective July 1, 2017, to replace the existing Exhibit B-2, Site and Location Map, and Exhibit B-3, Site and Location Map, with the attached Exhibit B-2, Site and Location Map, and Exhibit B-3, Site and Location Map (for reference purposes only).
2. Approve the revision of rent for Lease No. PRC 5423.1 from \$3,348 to \$4,527 per year, effective July 1, 2017.

EXHIBIT A

PRC 5423.1

LAND DESCRIPTION

One hundred thirty eight parcels of submerged lands situated in the bed of Lake Tahoe, lying adjacent to fractional Section 33, Township 16 North, Range 17 East, M.D.B.&M., as shown on Official Government Township Plat approved November 10, 1865, County of Placer, State of California, more particularly described as follows:

PARCEL 1 – PIER

All those lands underlying an existing pier and catwalks lying adjacent to that parcel described in Grant Deed recorded September 28, 1977 as Document Number 37552 in Official Records of said County.

TOGETHER WITH any applicable Impact Area(s).

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

PARCEL 2 – PIER

All those lands underlying an existing pier lying adjacent to that parcel described in Grant Deed recorded September 28, 1977 as Document Number 37552 in Official Records of said County.

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

PARCEL 3 – SWIM FLOAT 1

All those lands underlying an existing swim float lying adjacent to that parcel described in Grant Deed recorded September 28, 1977 as Document Number 37552 in Official Records of said County.

PARCEL 4 – SWIM FLOAT 2

All those lands underlying an existing swim float lying adjacent to that parcel described in Grant Deed recorded September 28, 1977 as Document Number 37552 in Official Records of said County.

PARCELS 5 through 138 – BUOYS

One hundred thirty two circular parcels of land, each being 50 feet in diameter, underlying one hundred thirty two existing buoys lying adjacent to that parcel described in Grant Deed recorded September 28, 1977 as Document Number 37552 in Official Records of said County.

TOGETHER WITH two U.S. COAST GUARD MARKER BUOYS.

Accompanying plat is hereby made part of this description.

END OF DESCRIPTION

Prepared 09/19/2014 by the California State Lands Commission Boundary Unit.



CHINQUAPIN HOA
APN 093-450-009

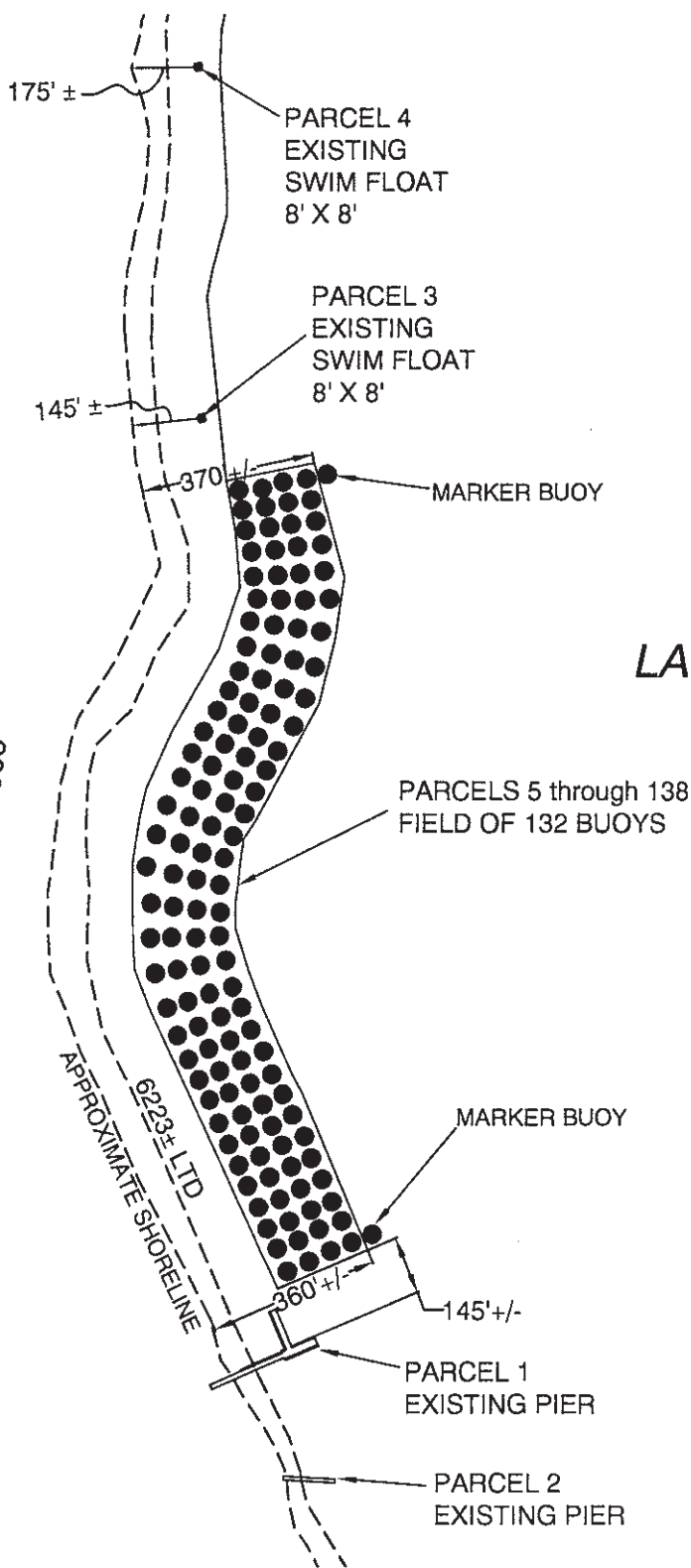


EXHIBIT A



NO SCALE

SITE

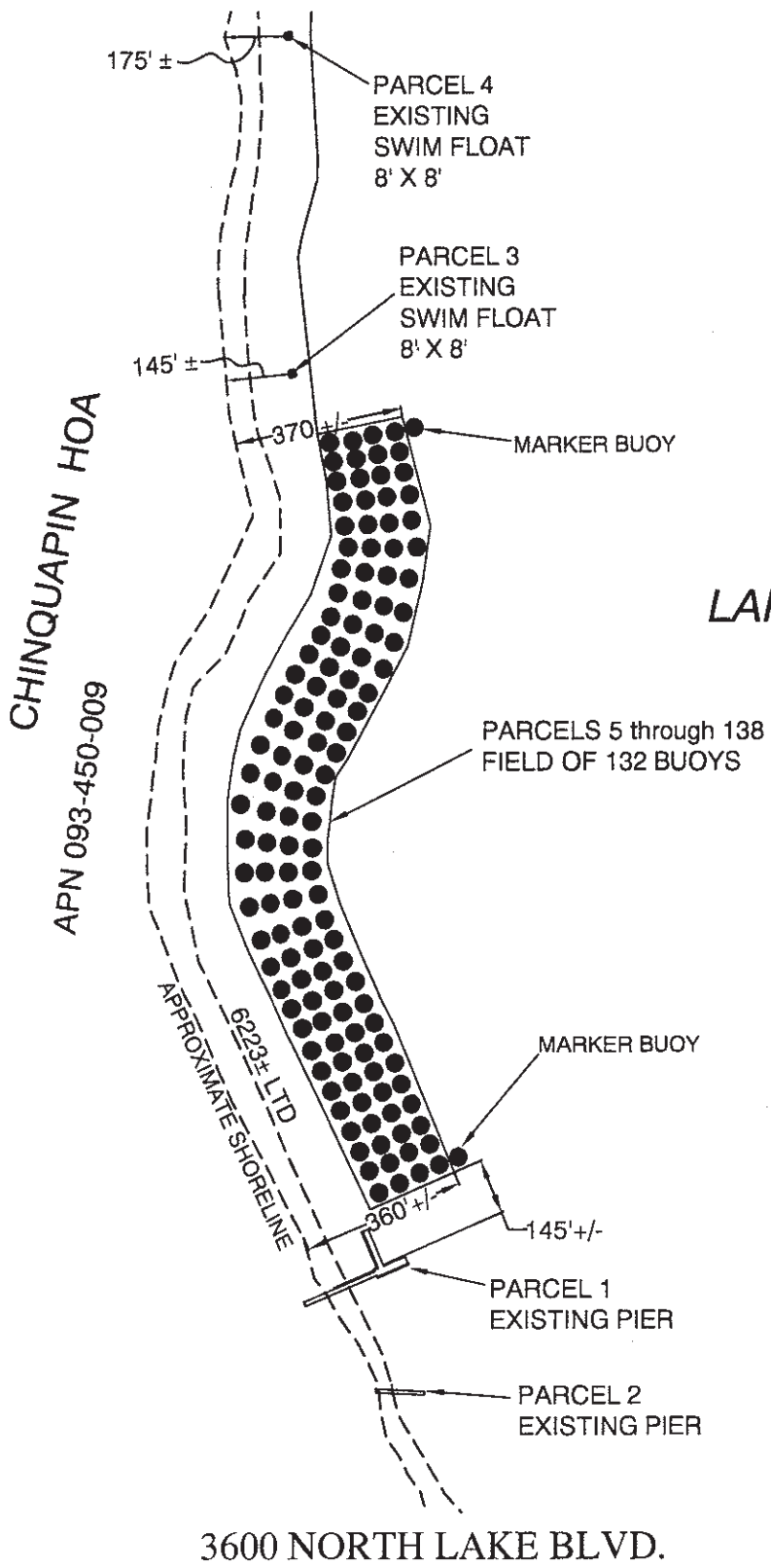
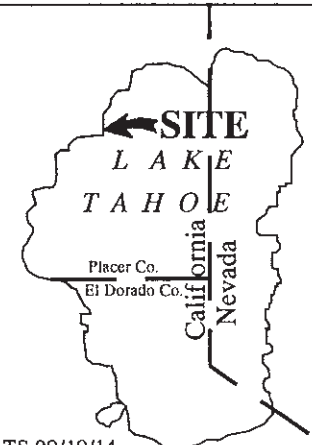
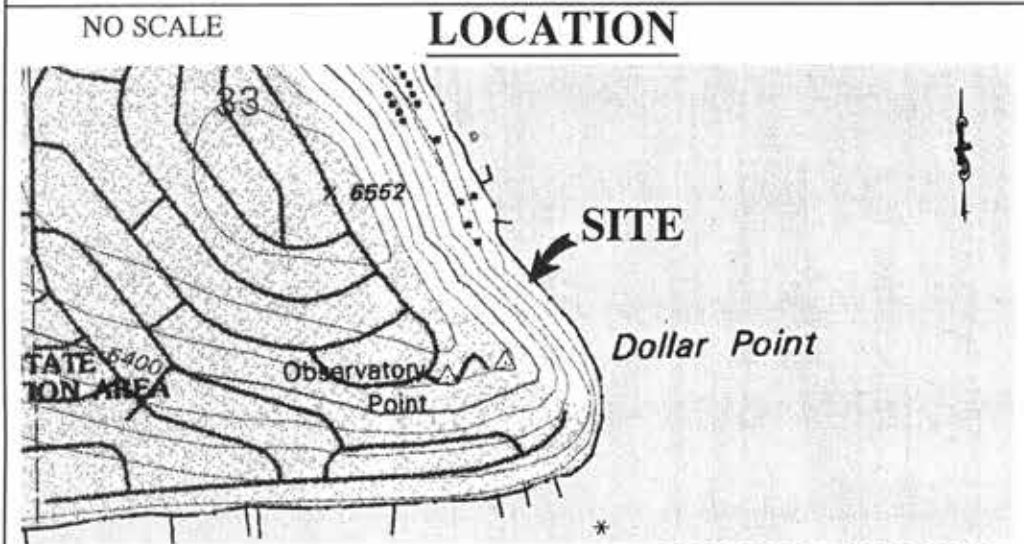
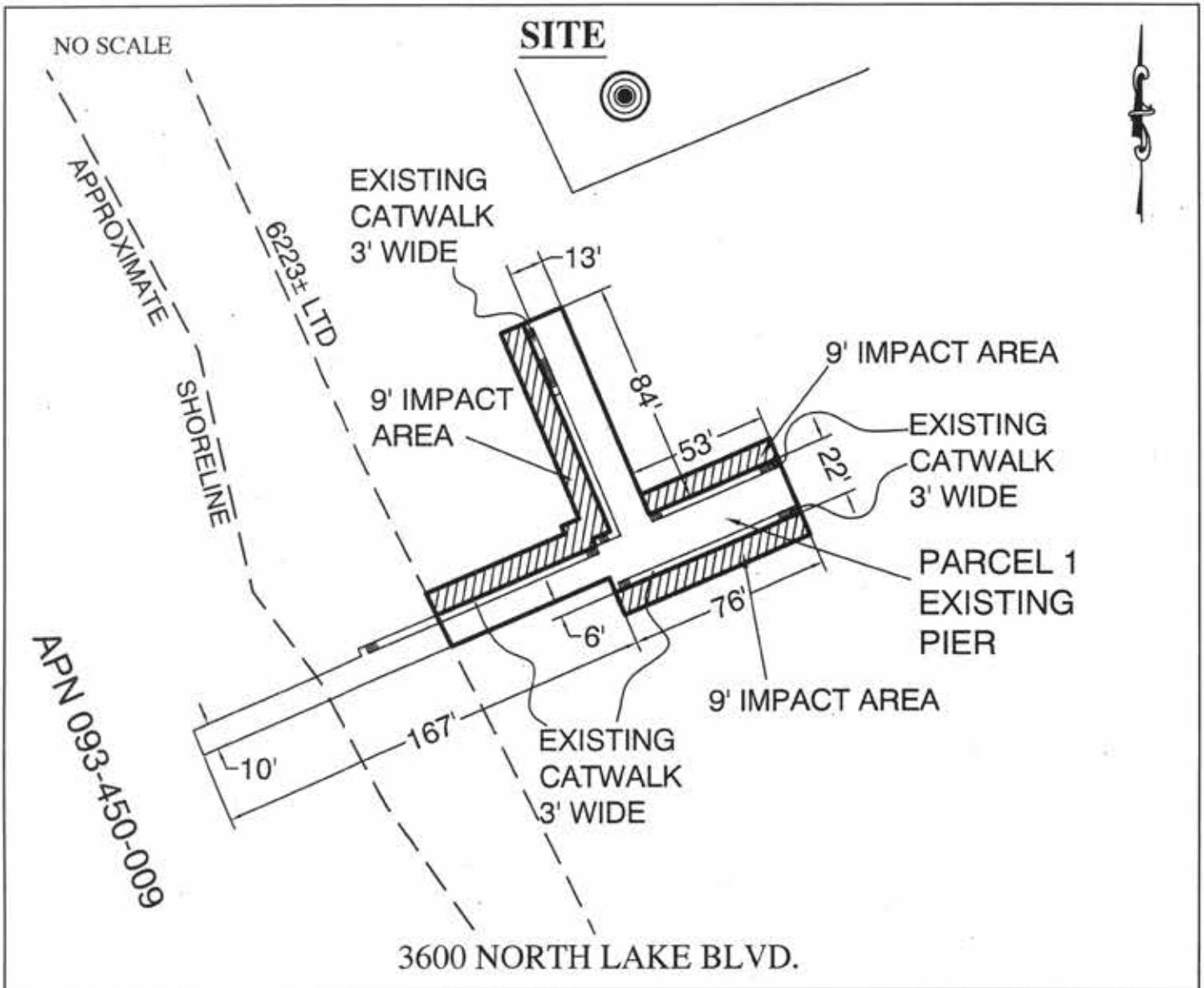


Exhibit B-1
 PRC 5423.1
 CHINQUAPIN HOA
 APN 093-450-009
 GENERAL LEASE-
 RECREATIONAL USE
 PLACER COUNTY



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.



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Exhibit B-2
 PRC 5423.1
 CHINQUAPIN HOA
 APN 093-450-009
 GENERAL LEASE-
 RECREATIONAL USE
 PLACER COUNTY



TS 09/19/14

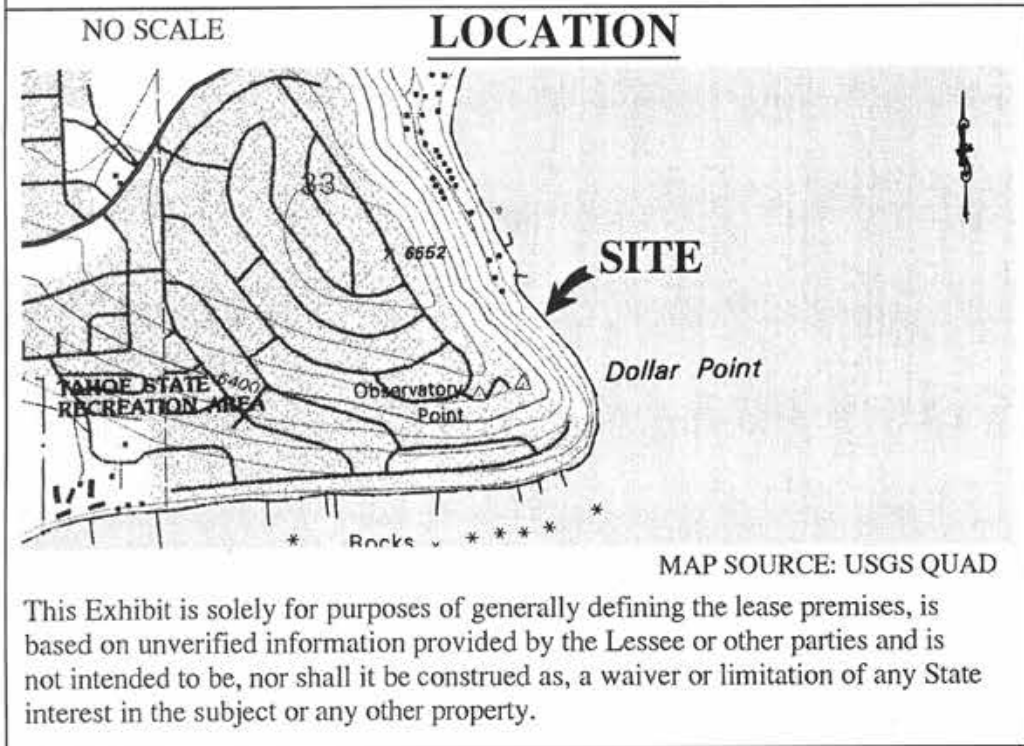
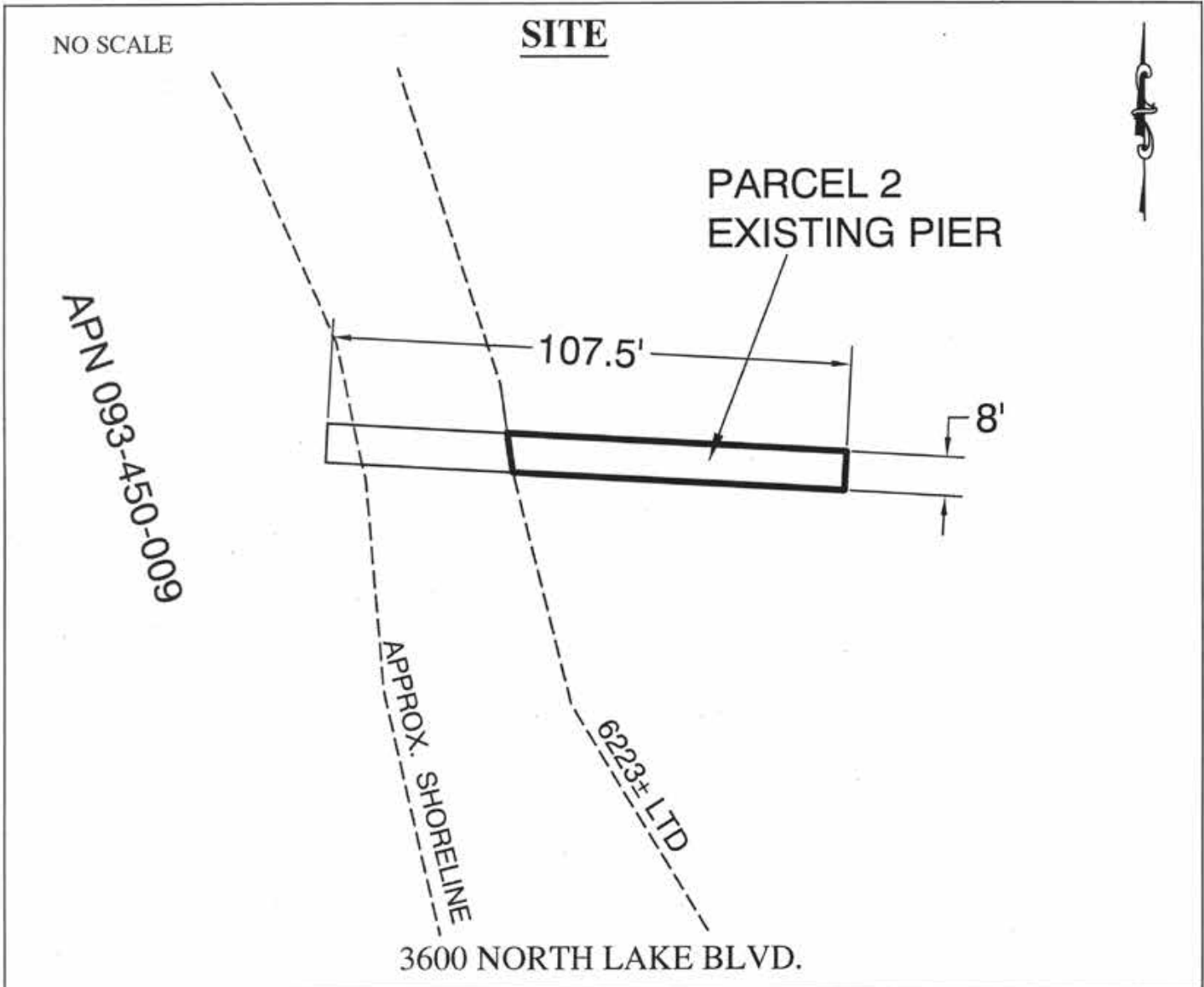
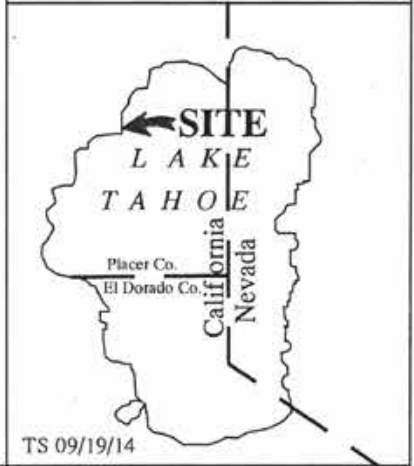


Exhibit B-3
 PRC 5423.1
 CHINQUAPIN HOA
 APN 093-450-009
 GENERAL LEASE-
 RECREATIONAL USE
 PLACER COUNTY



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