STAFF REPORT C28

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10/19/17 PRC 3850.1 J. Toy

AMENDMENT OF LEASE AND REVISION OF RENT

LESSEE:

William E. Bittner and Nancy G. Bittner, co-trustees under revocable trust dated September 5, 1990

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Lake Tahoe, adjacent to 3675 Idlewild Way, near Homewood, Placer County.

AUTHORIZED USE:

Continued use and maintenance of an existing pier and one mooring buoy.

LEASE TERM:

10 years, beginning September 1, 2012.

CONSIDERATION:

This lease provides that the Commission may modify the rent periodically during the lease term. Pursuant to this provision, staff reviewed the rent under this lease and recommends that rent be revised from \$1,762 per year to \$970 per year, effective September 1, 2017.

PROPOSED AMENDMENT:

Amend the lease to replace the existing Exhibit A, Land Description, and Exhibit B, Site and Location Map, with the attached Exhibit A, Land Description, and Exhibit B, Site and Location Map (for reference purposes only). 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, 6501.1, and 6503.5; California Code of Regulations, title 2, sections 2000, and 2003.

Public Trust and the State's Best Interests Analysis:

On December 2, 2013, the Commission authorized a 10-year General Lease – Recreational Use to William E. Bittner and Nancy G. Bittner, co-

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trustees under revocable trust dated September 5, 1990, for an existing pier and one mooring buoy (<u>Item 41, December 2, 2013</u>). That lease will expire on August 31, 2022.

Staff conducted the rent review called for in the lease and recommends the rent be revised from \$1,762 per year to \$970 per year based on changes to the lease (impact) area for the pier and application of the current Lake Tahoe Benchmark. Staff also recommends the lease be amended to reflect the new reduced lease area.

The lease does not alienate the State's fee simple interest or permanently impair public rights. The recommended action will not substantially interfere with the Public Trust needs at this location, at this time or for the foreseeable term of the lease. For these reasons, staff recommends finding the proposed action is in the best interests of the State.

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 approving 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.

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 3850.1 will not substantially interfere with the Public Trust needs and values at this location, at this time or for the foreseeable term of the lease, and is in the best interests of the State.

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AUTHORIZATION:

- 1. Authorize the amendment of Lease No. PRC 3850.1, a General Lease – Recreational Use, effective September 1, 2017, to replace the existing Exhibit A, Land Description, and Exhibit B, Site and Location Map, with the attached Exhibit A, Land Description, and Exhibit B, Site and Location Map (for reference purposes only).
- 2. Approve the revision of rent for Lease No. PRC 3850.1 from \$1,762 per year to \$970 per year, effective September 1, 2017.

EXHIBIT A

PRC 3850.1

LAND DESCRIPTION

Two parcels of submerged land situate in the bed of Lake Tahoe, lying adjacent to Lot 1 fractional Section 36, Township 15 North, Range 16 East, MDM., as shown on Official Government Township Plat approved April 11, 1884, County of Placer, State of California, and more particularly described as follows:

PARCEL 1 – PIER

All those lands underlying an existing pier, two catwalks and four ladders lying adjacent to that Parcel as described in Exhibit "A" of that Grant Deed recorded September 12, 1990 as Document Number 90-059496 in Official Records of said County.

ALSO TOGETHER WITH any applicable impact area(s).

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

PARCEL 2 – BUOY

One (1) circular parcel of land, being 50 feet in diameter, underlying one (1) existing buoy lying adjacent to said Parcel.

Accompanying plat is hereby made part of this description.

END OF DESCRIPTION

Prepared July 14, 2017 by the California State Lands Commission Boundary Unit.





