

**STAFF REPORT
C22**

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08/23/18
PRC 6120.1
M.J. Columbus

**ASSIGNMENT, AMENDMENT, AND REVISION OF RENT
FOR A GENERAL LEASE – RECREATIONAL USE**

LESSEE/ASSIGNOR:

PS Tahoe, LLC, a California Limited Liability Company; William E. Hagler and Jean E. Hagler, as Trustees of The Hagler Trust dated January 28, 1975, for the benefit of William E. Hagler and Jean E. Hagler; Jack B. Hagler and Elizabeth Kohl Hagler, as Trustees of The Hagler Family Trust UAD August 21, 2007; Richard W. Hagler; and Kathryn Hagler Taylor

APPLICANT/ASSIGNEE:

Taylor Family Lake Tahoe, LLC, a California Limited Liability Company

AREA, LAND TYPE, AND LOCATION:

Sovereign land located in Lake Tahoe, adjacent to 8559 and 8565 Meeks Bay Avenue, near Tahoma, El Dorado County.

AUTHORIZED USE:

Continued use and maintenance of an existing joint-use pier and four mooring buoys.

LEASE TERM:

10 years, beginning February 1, 2012.

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 \$2,975 to \$2,265 per year, effective February 1, 2018.

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.

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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 State's Best Interests Analysis:

On February 22, 2013, the Commission authorized a 10-year General Lease – Recreational Use to the Lessee, for an existing joint-use pier and four mooring buoys ([Item C39, February 22, 2013](#)). That lease will expire on January 31, 2022. The lease authorized a pier shared between two upland parcels, Assessor's Parcel No. (APN) 016-101-88 and APN 016-101-90. PS Tahoe, LLC, holds title and interest in the upland property, APN 016-101-90, and William E. Hagler and Jean E. Hagler, as Trustees of The Hagler Trust dated January 28, 1975, for the benefit of William E. Hagler and Jean E. Hagler, Jack B. Hagler and Elizabeth Kohl Hagler, as Trustees of The Hagler Family Trust UAD August 21, 2007; Richard W. Hagler; and Kathryn Hagler Taylor held title and interest in APN 016-101-88.

On January 31, 2013, Kathryn Hagler Taylor's ownership interest in the upland Assessor's Parcel Number 016-101-88 was transferred to Kathryn Hagler Taylor, Trustee of the Taylor Declaration of Trust, under Trust Agreement dated May 6, 1994. Then on January 31, 2013, the ownership interest of Kathryn Hagler Taylor, Trustee of the Taylor Declaration of Trust, under Trust Agreement dated May 6, 1994 in the upland parcel was deeded to the Taylor Family Lake Tahoe, LLC, a California Limited Liability Company. The Applicant is now applying for an assignment of the lease from Kathryn Hagler Taylor to the Taylor Family Lake Tahoe, LLC, a California Limited Liability Company. Applicant agrees to perform and be bound by the terms, conditions, covenants, and agreements contained in the lease.

The Taylor Family Lake Tahoe, LLC, a Limited Liability Company is managed by Kathryn Hagler Taylor, Trustee of the Taylor Declaration of Trust, under Trust Agreement dated May 6, 1994. Staff recommends an assignment of the lease to reflect the change in ownership of the upland property from the Assignor to the Assignee.

Staff conducted the rent review called for in the lease and recommends the rent be revised from \$2,975 per year to \$2,265 per year based on changes to the lease (impact) area for the pier. Staff also recommends the lease be amended to reflect the new reduced lease area.

STAFF REPORT NO. **C22** (CONT'D)

The recommended action will not substantially interfere with the Public Trust needs at this location, at this time, and 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 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; Strategy 1.3 to promote, expand, and enhance appropriate public use and access to and along the State's inland and coastal waterways; and Strategy 2.2 to ensure timely receipt of revenues and royalties from the use and development of State lands and minerals.
2. Approving the lease assignment, amendment of lease, and the revision of 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, sections 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 actions 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; is consistent with the common law Public Trust Doctrine; and is in the best interests of the State.

AUTHORIZATION:

1. Authorize the assignment of Lease No. PRC 6120.1, a General Lease – Recreational Use, of sovereign land as shown on Exhibit A, Site and Location Map (for reference purposes only), attached and by this reference made a part hereof, from the Lessee/Assignor to the Applicant/Assignee; effective January 31, 2013.

STAFF REPORT NO. **C22** (CONT'D)

2. Authorize the amendment of Lease No. PRC 6120.1, a General Lease – Recreational Use, effective February 1, 2018, 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).
3. Approve the revision of rent for Lease No. PRC 6120.1 from \$2,975 per year to \$2,265 per year, effective February 1, 2018.

EXHIBIT A

PRC 6120.1

LAND DESCRIPTION

Five (5) parcels of submerged land situate in the bed of Lake Tahoe, lying adjacent to fractional Section 29, Township 14 North, Range 17 East, MDM., as shown on Official Government Township Plat approved July 29, 1880, County of El Dorado, State of California, and more particularly described as follows:

PARCEL 1 – PIER

All those lands underlying an existing pier and catwalk lying adjacent to Parcel 2 as described in Quitclaim Deed recorded January 13, 2004 as Document Number 2004-0002329 and that parcel described in Exhibit "A" of that Grant Deed recorded August 31, 2007 as Document Number 2007-0056781-11 in Official Records of said County.

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, 3, 4 & 5 – BUOYS (4)

Four (4) circular parcels of land, being 50 feet in diameter, underlying four (4) existing buoys lying adjacent to said parcels.

Accompanying plat is hereby made part of this description.

END OF DESCRIPTION

Prepared June 6, 2018 by
The California State Lands Commission Boundary Unit.



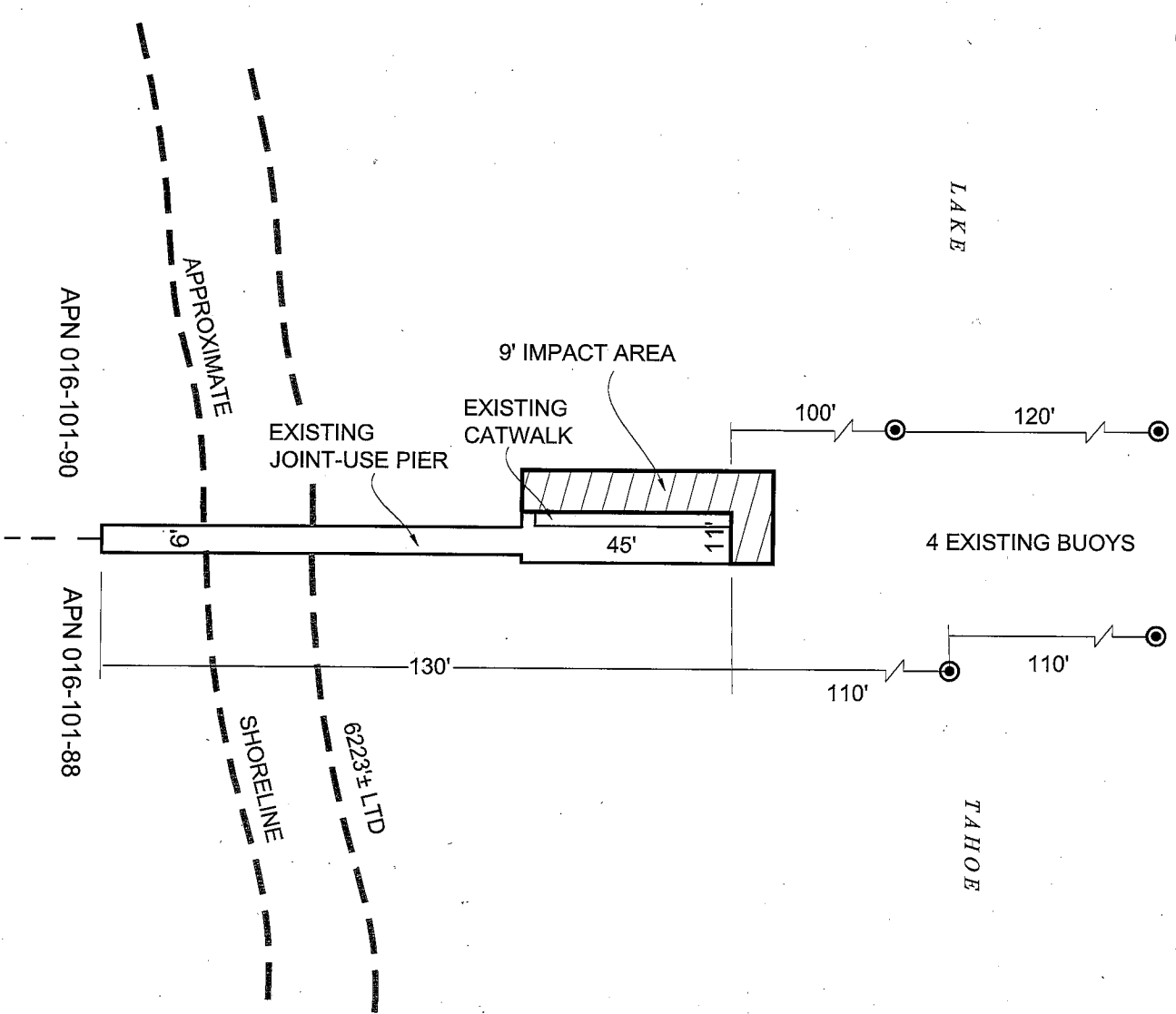


EXHIBIT A

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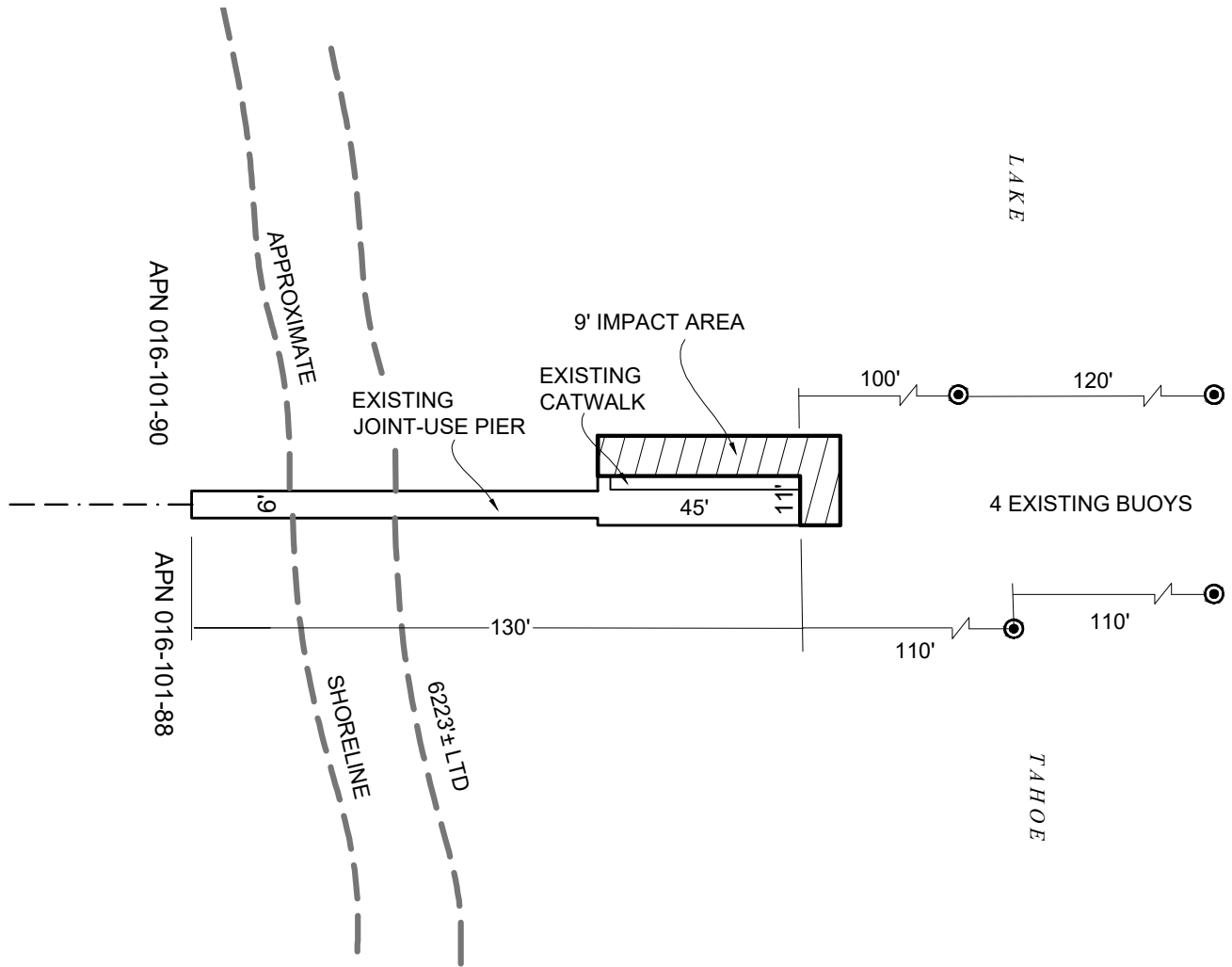
LAND DESCRIPTION PLAT
 PRC 6120.1, PS TAHOE, LLC,
 HAGLER TRUSTS ET AL. &
 TAYLOR FAMILY LAKE TAHOE, LLC
 EL DORADO COUNTY

CALIFORNIA STATE
 LANDS COMMISSION



NO SCALE

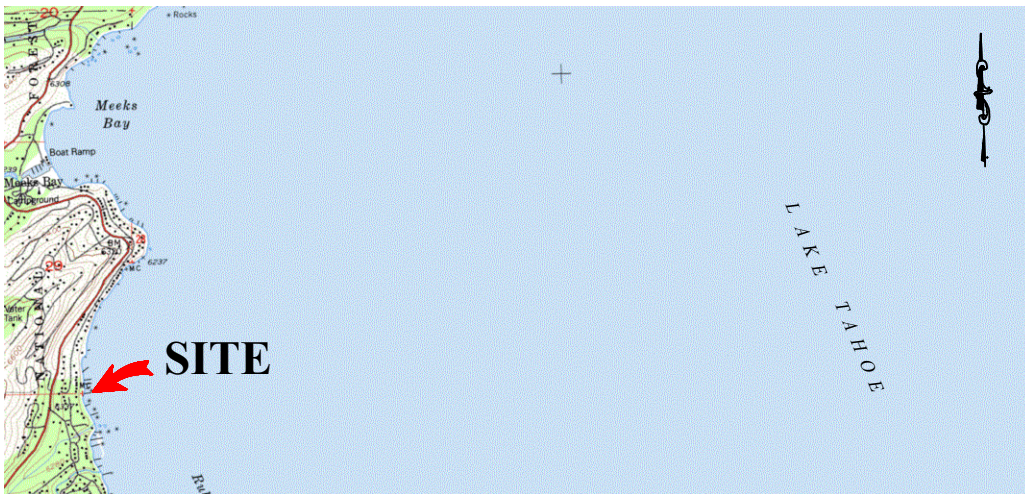
SITE



8559 & 8565 MEEKS BAY AVE., MEEKS BAY

NO SCALE

LOCATION

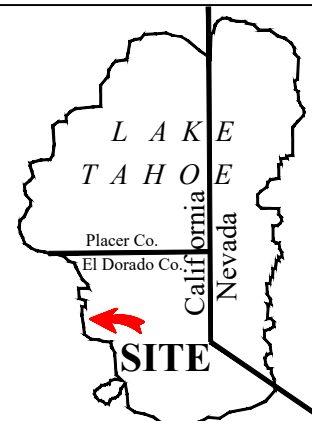


MAP SOURCE: USGS QUAD

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 6120.1
 PS TAHOE, LLC,
 HAGLER TRUSTS ET AL. &
 TAYLOR FAMILY LAKE TAHOE, LLC
 APN 016-101-88 &
 APN 016-101-90
 GENERAL LEASE -
 RECREATIONAL USE
 EL DORADO COUNTY



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