STAFF REPORT C12

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10/18/18 PRC 9102.1 S. Evans

AMENDMENT OF LEASE AND REVISION OF RENT

LESSEE:

Owens Pier, LLC

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Lake Tahoe, adjacent to 664 Olympic Drive, near Tahoe City, Placer County.

AUTHORIZED USE:

Continued use and maintenance of an existing pier, boat lift and two mooring buoys.

LEASE TERM:

10 years, beginning December 2, 2013.

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 \$3,372 per year to \$2,082 per year, effective December 2, 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); and add an existing unattached piling not previously authorized by the Commission. 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, 6503, and 6503.5; California Code of Regulations, title 2, sections 2000 and 2003.

Public Trust and the State's Best Interests Analysis:

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On December 2, 2013, the Commission authorized a 10-year General Lease – Recreational Use to Owens Pier, LLC, for an existing pier, boat lift and two mooring buoys (<u>Item C58, December 2, 2013</u>). The lease will expire on December 1, 2023.

Staff conducted the rent review called for in the lease and recommends the rent be revised from \$3,372 per year to \$2,082 per year based on changes to the lease (impact) area for the pier and application of the current Lake Tahoe Benchmarks. 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, 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 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 9102.1 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; is

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consistent with the common law Public Trust Doctrine; and is in the best interests of the State.

AUTHORIZATION:

- 1. Authorize the amendment of Lease No. PRC 9102.1, a General Lease – Recreational Use, effective December 2, 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); and add an existing unattached piling not previously authorized be the Commission.
- 2. Approve the revision of rent for Lease No. PRC 9102.1 from \$3,372 per year to \$2,082 per year, effective December 2, 2018.

EXHIBIT A

LAND DESCRIPTION

Four parcels of submerged land situate in the bed of Lake Tahoe, lying adjacent to Lot 5 fractional Section 7, Township 15 North, Range 17 East, MDM., as shown on Official Government Township Plat approved November 9, 1866 County of Placer, State of California, and more particularly described as follows:

PARCEL 1 – PIER

All those lands underlying an existing pier, one catwalk, and one boat lift lying adjacent to those parcels as described in that Grant Deed recorded December 3, 2012 in Document 2012-0115329 of Official Records of said County.

TOGETHER WITH any applicable impact area(s).

EXCEPTING THEREFROM any portion(s) lying landward of the CSLC 1950 Low Water Mark as shown on that "Survey of the Low Water Mark on the Shore of Lake Tahoe, Vicinity of Tahoe City", Placer County, Sheet 10, dated September 1950. On file at the Sacramento Offices of the California State Lands Commission.

PARCELS 2, 3 - BUOYS (2)

Two (2) circular parcels of land, being 50 feet in diameter, underlying two (2) existing buoys lying adjacent to said parcel.

PARCEL 4 – UNATTACHED PILING

All those lands underlying an existing unattached piling lying adjacent to said parcel.

Accompanying plat is hereby made part of this description.

END OF DESCRIPTION

Prepared August 17, 2018 by the California State Lands Commission Boundary Unit.



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