

**CALENDAR ITEM  
C19**

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S 1

06/21/13  
PRC 4120.1  
M.J. Columbus

**CONSIDER ACCEPTANCE OF A QUITCLAIM DEED  
AND ISSUANCE OF A GENERAL LEASE – RECREATIONAL USE**

**LESSEE:**

Paradise Flat II, L.P.

**APPLICANT:**

Dreamy, LLC, a California Limited Liability Company

**AREA, LAND TYPE, AND LOCATION:**

Sovereign land in Lake Tahoe, adjacent to 291 and 301 Paradise Flat Lane, near Rubicon Bay, El Dorado County.

**AUTHORIZED USE:**

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

**LEASE TERM:**

10 years, beginning December 28, 2012.

**CONSIDERATION:**

\$1,867 per year, with the State reserving the right to fix a different rent periodically during lease term, as provided in the lease.

**SPECIFIC LEASE PROVISIONS:**

Insurance:

Liability insurance in an amount no less than \$1,000,000 per occurrence.

Other:

The proposed lease contains a provision requiring the Applicant to obtain authorization from the Tahoe Regional Planning Agency (TRPA) for the mooring buoys within two years of the adoption of a Final Environmental Impact Statement (FEIS) for the Lake Tahoe Shorezone Ordinance Amendments and approval of the amended ordinances. This is a continuation of the process the Commission used from approximately 1995 to October 2008 when TRPA adopted an FEIS and Ordinance

CALENDAR ITEM NO. **C19** (CONT'D)

Amendments supported by the FEIS. In September 2010, the U.S. District Court invalidated the FEIS and nullified the Amendments. When additional information is available, Commission staff will advise the Commission on any suggested modifications to the process used by the Commission pending resolution of the TRPA FEIS and ordinance issues.

**OTHER PERTINENT INFORMATION:**

1. Applicant owns the upland adjoining the lease premises.
2. On December 17, 2009, the Commission authorized a General Lease - Recreational Use with Paradise Flat II, L.P. That lease will expire on November 30, 2018. On December 28, 2012, the upland parcel was deeded to the Applicant, Dreamy, LLC, a California Limited Liability Company. The Applicant is now applying for a new General Lease – Recreational Use. The Lessee has executed a quitclaim deed releasing its interest in the lease to the State. Staff is recommending acceptance of the quitclaim deed and issuance of a new lease.
3. **Acceptance of Quitclaim Deed:** The staff recommends that the Commission find that the subject acceptance of a quitclaim deed does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with the California Environmental Quality Act (CEQA).

Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, sections 15060, subdivision (c)(3), and 15378.

4. **Issuance of New Lease:** The staff recommends that the Commission find that this activity is exempt from the requirements of CEQA as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

Authority: Public Resources Code section 21084 and California Code of Regulations, Title 14, section 15300 and California Code of Regulations, Title 2, section 2905.

5. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq., but such activity will not affect those significant lands. Based upon the staff's consultation with the persons nominating such lands and

CALENDAR ITEM NO. C19 (CONT'D)

through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

**EXHIBITS:**

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

**RECOMMENDED ACTION:**

It is recommended that the Commission:

**CEQA FINDING:**

**Acceptance of Quitclaim Deed:** Find that the subject acceptance of a quitclaim deed is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.

**Issuance of New Lease:** Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15061 as a categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

**SIGNIFICANT LANDS INVENTORY FINDING:**

Find that this activity is consistent with the use classification designated by the Commission for the land pursuant to Public Resources Code section 6370 et seq.

**AUTHORIZATION:**

1. Authorize acceptance of a quitclaim deed, effective December 27, 2012, of Lease No. PRC 4120.1, a General Lease – Recreational Use, issued to Paradise Flat II, L.P.
2. Authorize issuance of a General Lease – Recreational Use to Dreamy, LLC, a California Limited Liability Company, beginning December 28, 2012, for a term of 10 years, for the continued use and maintenance of an existing pier and two mooring buoys described in Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; annual rent in the amount of \$1,867, with the State reserving the right to fix a different rent periodically during the lease term, as

CALENDAR ITEM NO. **C19** (CONT'D)

provided in the lease; and liability insurance in an amount no less than \$1,000,000 per occurrence.

**EXHIBIT A**

**PRC 4120.1**

**LAND DESCRIPTION**

Three parcels of submerged land situate in the bed of Lake Tahoe, lying adjacent to Lot 4 of fractional Section 4, Township 13 North, Range 17 East, M.D.M., as shown on Official Government Township Plat approved November 10, 1874, County of El Dorado, State of California, described as follows:

**PARCEL 1 – PIER**

All those lands underlying an existing pier and catwalk lying adjacent to those parcels described as Parcel 1 and Parcel 2 in Quitclaim Deed recorded 4/23/2003 as Document Number 20030040300 in Official Records of said County.

TOGETHER WITH a ten foot impact area.

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

**PARCELS 2 & 3 – BUOYS**

Two circular parcels of land, each being 50 feet in diameter, underlying two existing buoys lying adjacent to those parcels described as Parcel 1 and Parcel 2 in Quitclaim Deed recorded 4/23/2003 as Document Number 2003-40300 in Official Records of said County.

Accompanying plat is hereby made a part of this description.

**END OF DESCRIPTION**

Prepared 5/8/2013 by the California State Lands Commission Boundary Unit.





LAKE TAHOE

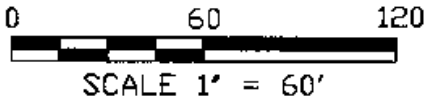
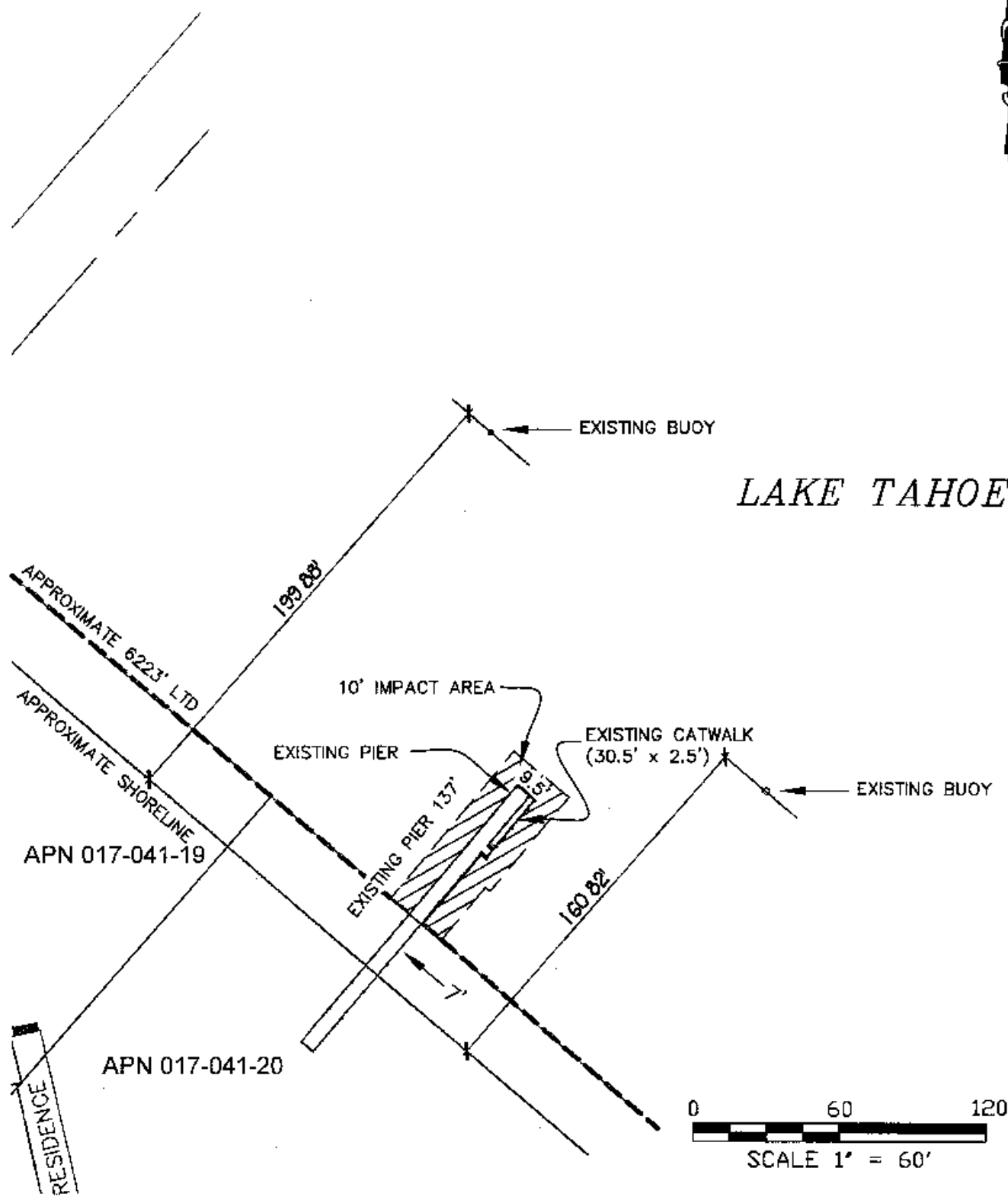


EXHIBIT A

Page 2 of 2

DJF 05/09/13

LAND DESCRIPTION PLAT  
 PRC 4120.1, DREAMY LLC  
 EL DORADO COUNTY

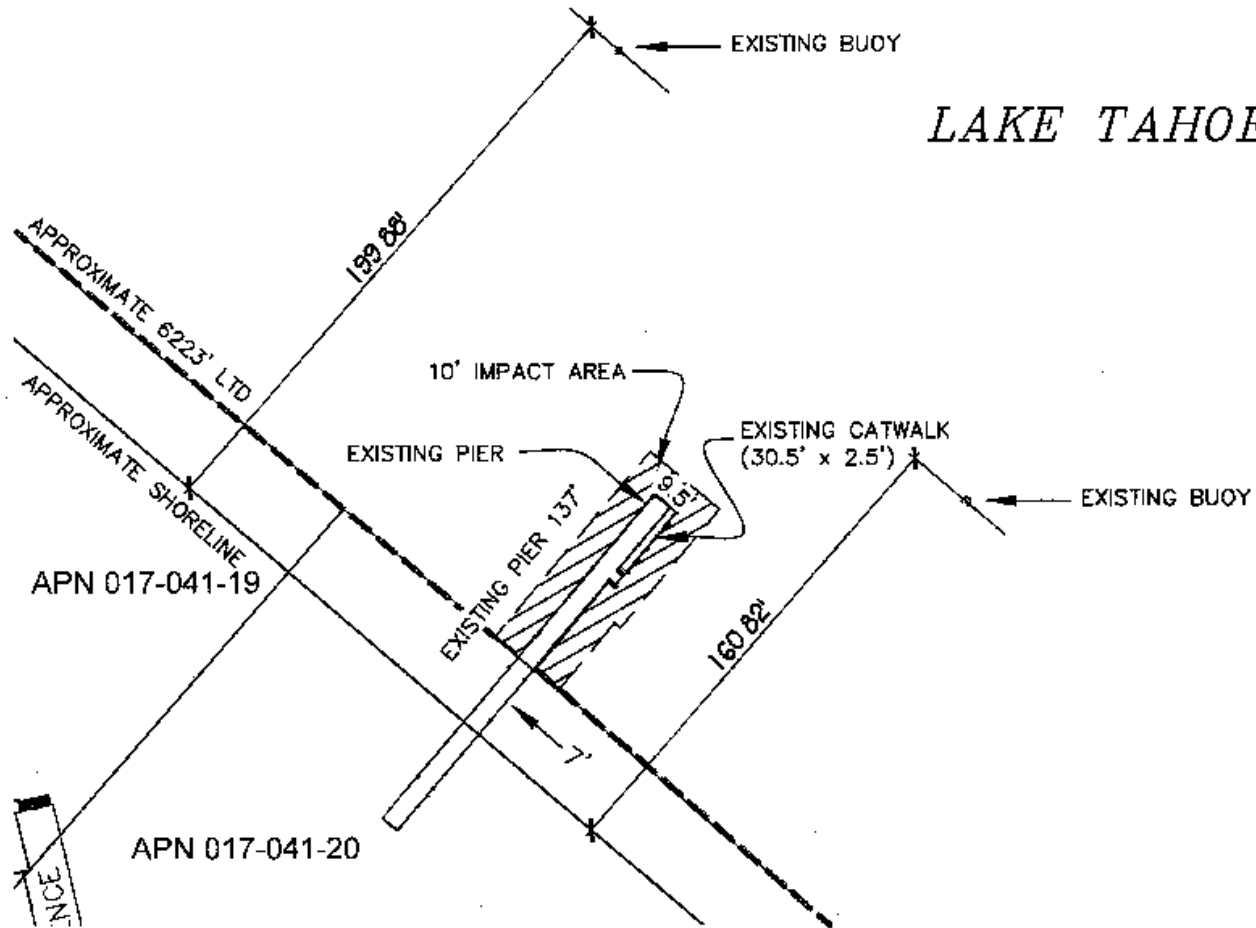
CALIFORNIA STATE  
 LANDS COMMISSION



NO SCALE

# SITE

## LAKE TAHOE



291 & 301 PARADISE FLAT LANE - NEAR RUBICON BAY

NO SCALE

# LOCATION



MAP SOURCE: USGS QUAD

# Exhibit B

PRC 4120.1  
 DREAMY LLC  
 APN 017-041-19 & 017-041-20  
 GENERAL LEASE -  
 RECREATIONAL USE  
 EL DORADO COUNTY



DJF 05/13

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.