

**STAFF REPORT
C01**

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08/17/17
PRC 3368.1
M.J. Columbus

AMENDMENT OF LEASE AND REVISION OF RENT

LESSEE:

Bruck-McLain Properties, a General Partnership; and Gary R. Sitzmann and Lindy Lou Sitzmann, Co-Trustees of the Jennifer B. Lavis 2010 Irrevocable Trust u/a/d June 25, 2010, and Gary R. Sitzmann and Lindy Lou Sitzmann, Co-Trustees of the Matthew M. Sitzmann 2010 Irrevocable Trust u/a/d June 25, 2010.

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Lake Tahoe, adjacent to Assessor's Parcel Numbers 098-210-026 and 098-210-027 (6960 West Lake Boulevard), near Tahoma, Placer County.

AUTHORIZED USE:

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

LEASE TERM:

10 years, beginning August 4, 2010.

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 \$2,937 to \$1,935 per year, effective August 4, 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, 6503, and 6503.5; California Code of Regulations, title 2, sections 2000 and 2003.

STAFF REPORT NO. **C01** (CONT'D)

Public Trust and the State's Best Interests Analysis:

On April 6, 2011, the Commission authorized a 10-year General Lease – Recreational Use to Bruck-McLain Properties, a General Partnership; and Gary R. Sitzmann and Lindy Lou Sitzmann, Co-Trustees of the Jennifer B. Lavis 2010 Irrevocable Trust u/a/d June 25, 2010, and Gary R. Sitzmann and Lindy Lou Sitzmann, Co-Trustees of the Matthew M. Sitzmann 2010 Irrevocable Trust u/a/d June 25, 2010, for an existing pier and four mooring buoys ([Item C49, April 6, 2011](#)). That lease will expire on August 3, 2020.

Staff conducted the rent review called for in the lease and recommends the rent be revised from \$2,937 to \$1,935 per year based on seasonal use and reduced impact area for the pier and application of the Lake Tahoe Benchmark. Staff also recommends the lease be amended to reflect the new reduced lease (impact) area.

The recommended action will not substantially interfere with 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.

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.

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

STAFF REPORT NO. **C01** (CONT'D)

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 or for the foreseeable term of the lease, and are in the best interests of the State.

AUTHORIZATION:

1. Authorize the amendment of Lease No. PRC 3368.1, a General Lease – Recreational Use, effective August 4, 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 3368.1 from \$2,937 to \$1,935 per year, effective August 4, 2017.

EXHIBIT A

PRC 3368.1

LAND DESCRIPTION

Five (5) parcels of submerged land situate in the bed of Lake Tahoe, lying adjacent to Lot 2 of fractional Section 8, 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 two (2) catwalks lying adjacent to parcels as described in Exhibit A of that Grant Deed recorded August 4, 2010 as Document Number 2010-0059468-00 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.

PARCELS 2-5 – BUOYS (4)

Four (4) circular parcels of land, being 50 feet in diameter, underlying four (4) existing buoys lying adjacent to said Parcel 2.

Accompanying plat is hereby made part of this description.

END OF DESCRIPTION

Prepared May 26, 2017 by the California State Lands Commission Boundary Unit.



L A K E T A H O E

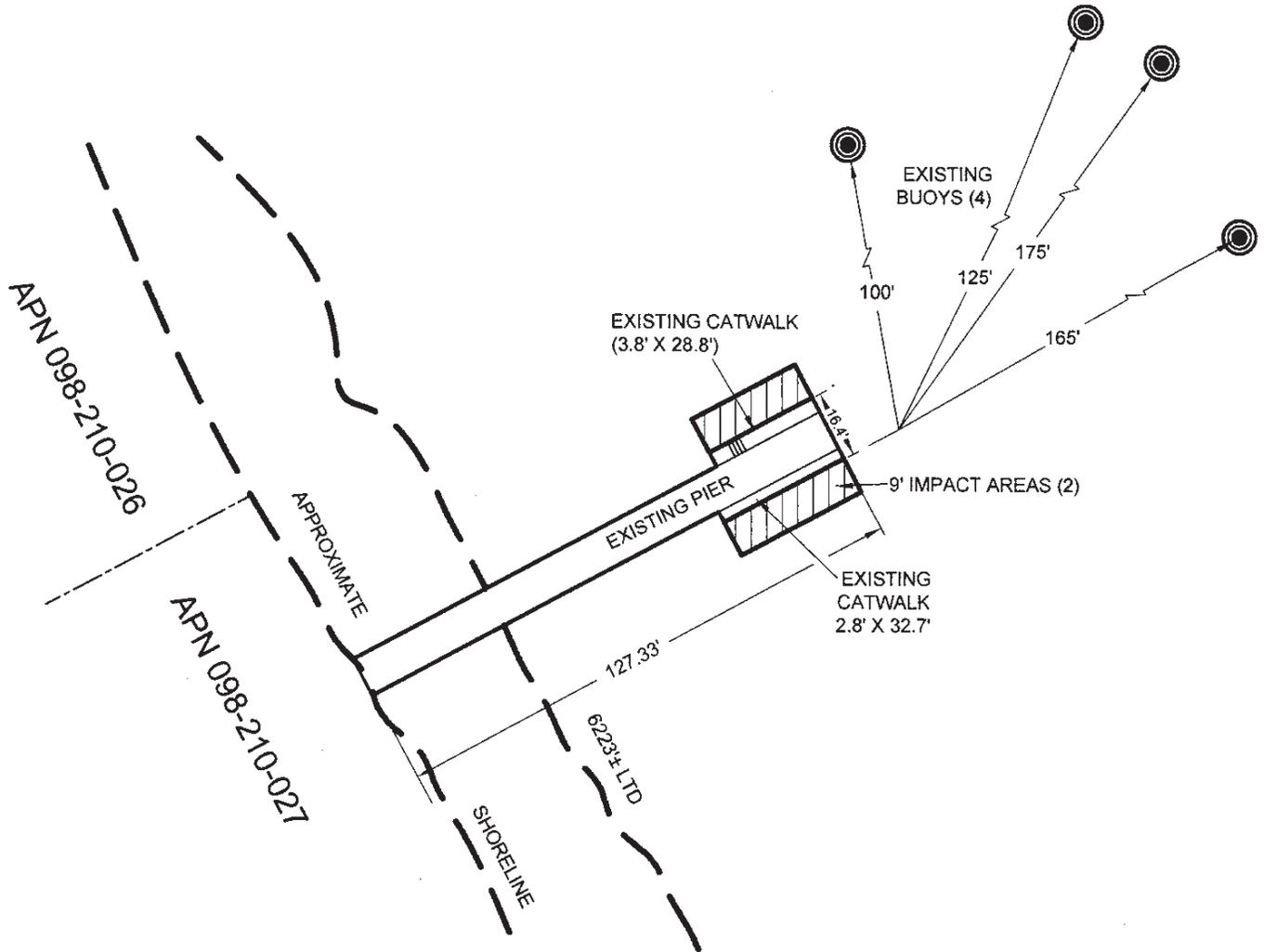


EXHIBIT A

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LAND DESCRIPTION PLAT
PRC 3368.1
SITZMANN/BRUCK-MCLAIN PROPERTIES
PLACER COUNTY

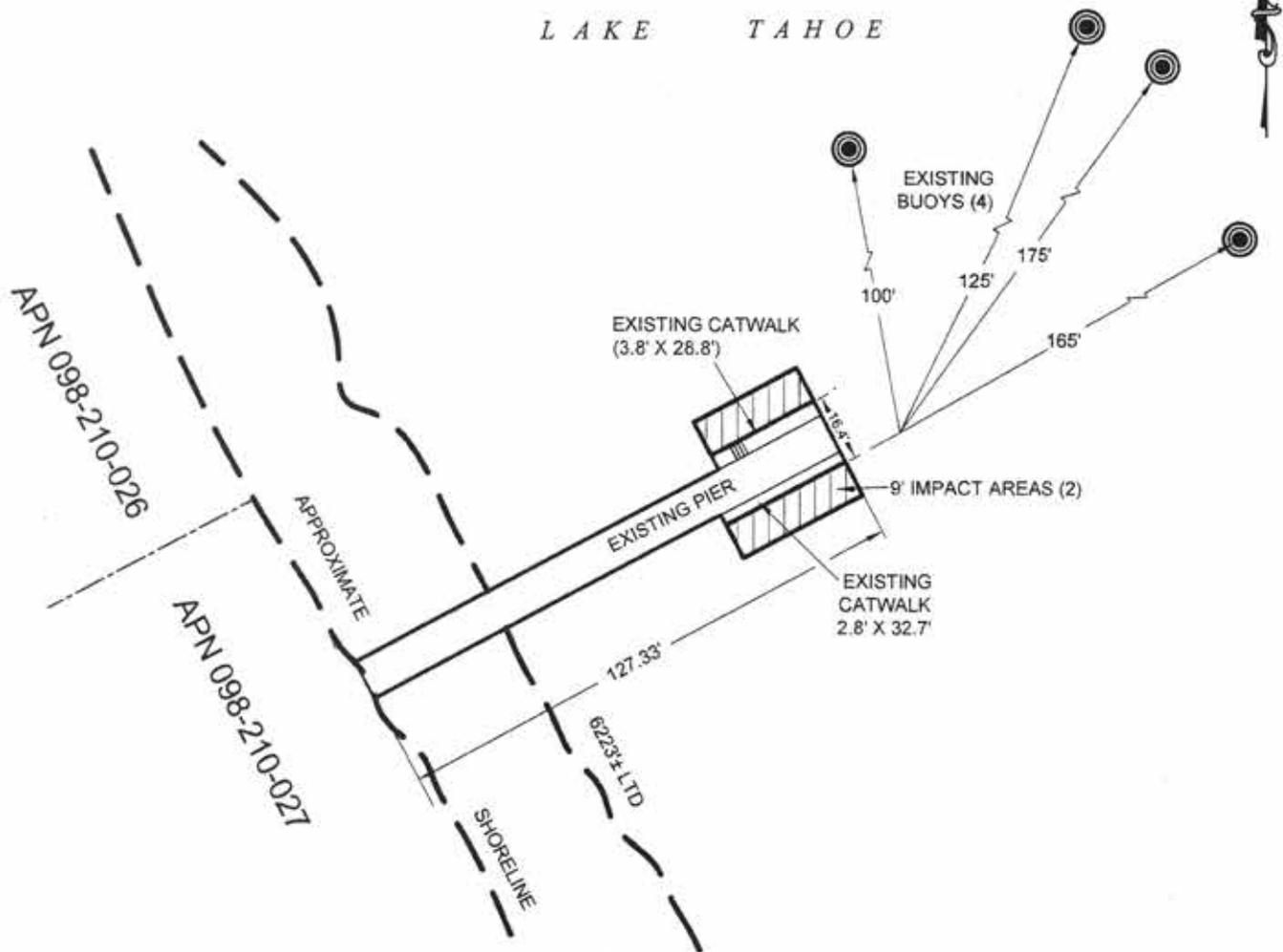
CALIFORNIA STATE
LANDS COMMISSION



NO SCALE

SITE

L A K E T A H O E



6960 WEST LAKE BLVD., NEAR TAHOMA

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit B

PRC 3368.1
 SITZMANN/BRUCK-MCLAIN
 PROPERTIES
 APN 098-210-026 & 027
 GENERAL LEASE -
 RECREATIONAL USE
 PLACER COUNTY



MJJ 05/23/17

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.