STAFF REPORT C10

Α	1	11/29/17
		PRC 4172.1
S	1	K. Connor

AMENDMENT OF LEASE AND REVISION OF RENT

LESSEE:

JRB Property Company II, L.P., a California Limited Partnership

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Lake Tahoe, adjacent to 2720 West Lake Boulevard, near Homewood, Placer County.

AUTHORIZED USE:

Continued use and maintenance of an existing pier, boathouse with boat lift, sundeck with stairs, and two mooring buoys.

LEASE TERM:

10 years, beginning December 1, 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 \$3,186 to \$2,890 per year, effective December 1, 2017.

PROPOSED AMENDMENT:

Amend the lease to replace the existing Section 3, 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.

Public Trust and State's Best Interests Analysis:

On June 23, 2011, the Commission authorized a 10-year General Lease – Recreational Use to JRB Property Company II, L.P., a California Limited Partnership, for an existing pier, boathouse with boat lift, sundeck with

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stairs and two mooring buoys (<u>Item C112, June 23, 2011</u>). That lease will expire on November 30, 2020.

Staff conducted the rent review called for in the lease and recommends the rent be revised from \$3,186 to \$2,890 per year based on changes to the lease (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 area.

The amendment and revision of rent are lease administrative actions unlikely to result in any changes to the use of the lease premises. 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

RECOMMENDED ACTION:

It is recommended that the Commission:

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed amendment and revision of rent for Lease No. PRC 4172.1 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; are consistent with the common law Public Trust Doctrine; and are in the best interests of the State.

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AUTHORIZATION:

- 1. Authorize the amendment of Lease No. PRC 4172.1, a General Lease Recreational Use, effective December 1, 2017, to replace the existing Section 3, 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 4172.1 from \$3,186 to \$2,890 per year, effective December 1, 2017.

LAND DESCRIPTION

Three (3) parcels of submerged land situate in the bed of Lake Tahoe, lying adjacent to Lot 2 of fractional Section 25, 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, five catwalks and one boathouse with one boat lift, stairs and sundeck lying adjacent to those parcels as described in that Grant Deed recorded November 23, 2010 as Document Number 2010-0097454-00 of 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 & 3 – BUOYS

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

Accompanying plat is hereby made part of this description.

END OF DESCRIPTION

Prepared September 12, 2017 by the California State Lands Commission Boundary Unit.







