

**STAFF REPORT
C22**

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11/29/17
PRC 4120.1
J. Toy

**AMENDMENT OF LEASE AND
REVISION OF RENT**

LESSEE:

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:

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 \$1,867 per year to \$1,267 per year, effective December 28, 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.

Public Trust and the State's Best Interests Analysis:

On June 21, 2013, the Commission authorized a 10-year General Lease – Recreational Use to Dreamy, LLC, a California Limited Liability Company,

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for an existing pier and two mooring buoys ([Item C19, June 21, 2013](#)). That lease will expire on December 27, 2022.

Staff conducted the rent review called for in the lease and recommends the rent be revised from \$1,867 per year to \$1,267 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, or 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 4120.1 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; is consistent with the common law Public Trust Doctrine; and is in the best interests of the State.

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

AUTHORIZATION:

1. Authorize the amendment of Lease No. PRC 4120.1, a General Lease – Recreational Use, effective December 28, 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 4120.1 from \$1,867 per year to \$1,267 per year, effective December 28, 2017.

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 any applicable Impact Area(s).

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

Revised by the California State Lands Commission Boundary Unit 9/28/2017. Original description found in PRC 4120.1 file.





LAKE TAHOE

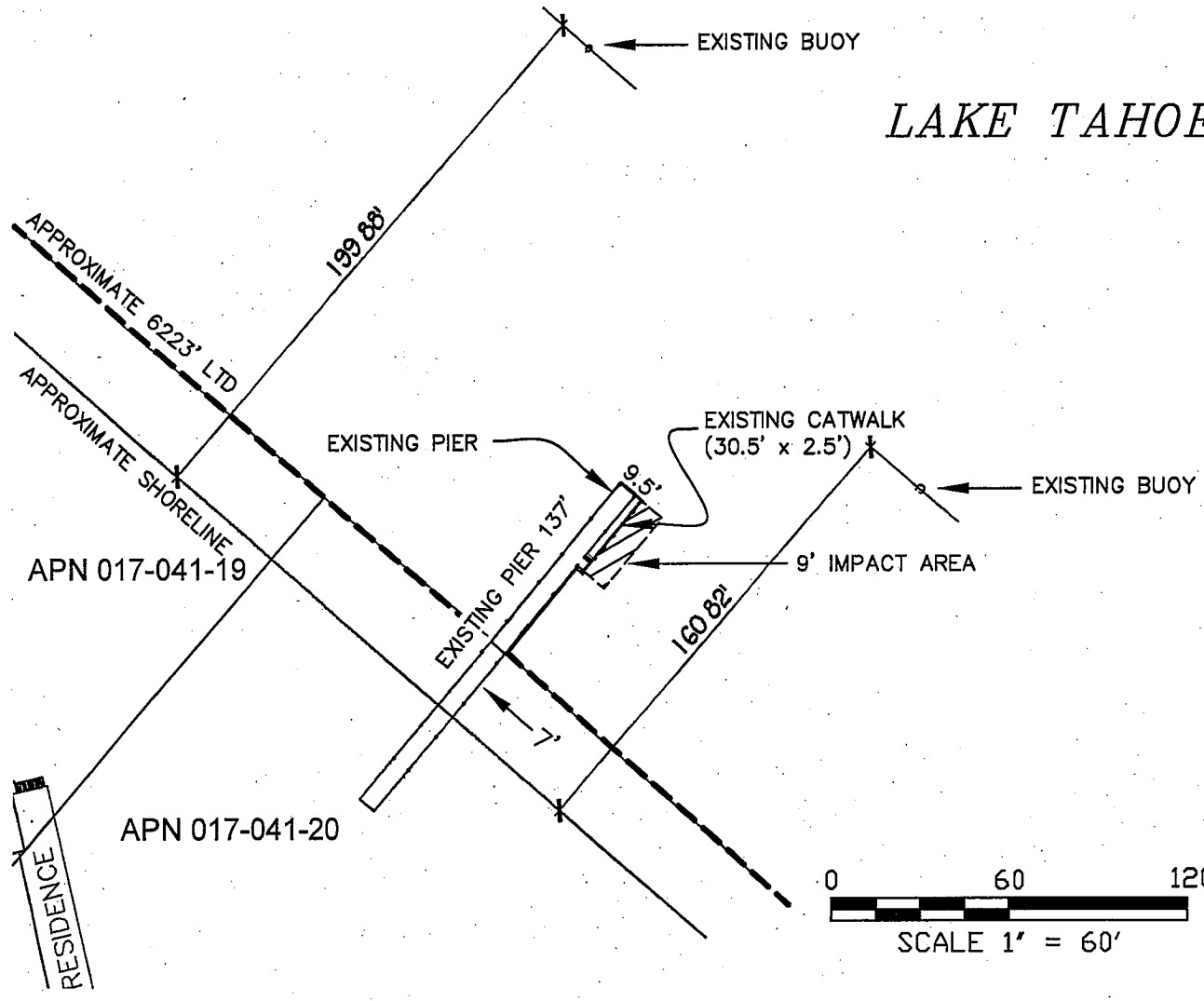


EXHIBIT A

LAND DESCRIPTION PLAT
 PRC 4120.1, DREAMY LLC
 EL DORADO COUNTY

CALIFORNIA STATE
 LANDS COMMISSION



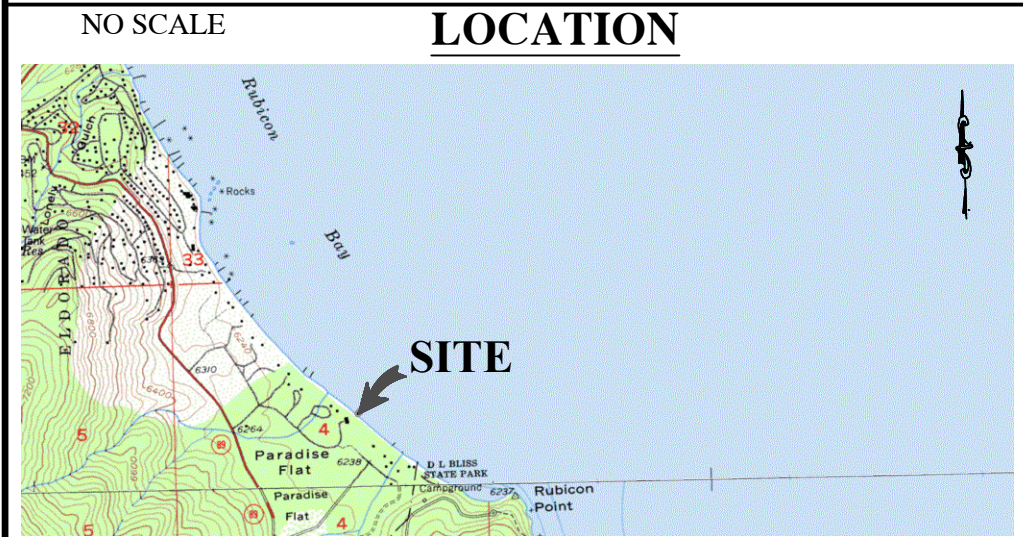
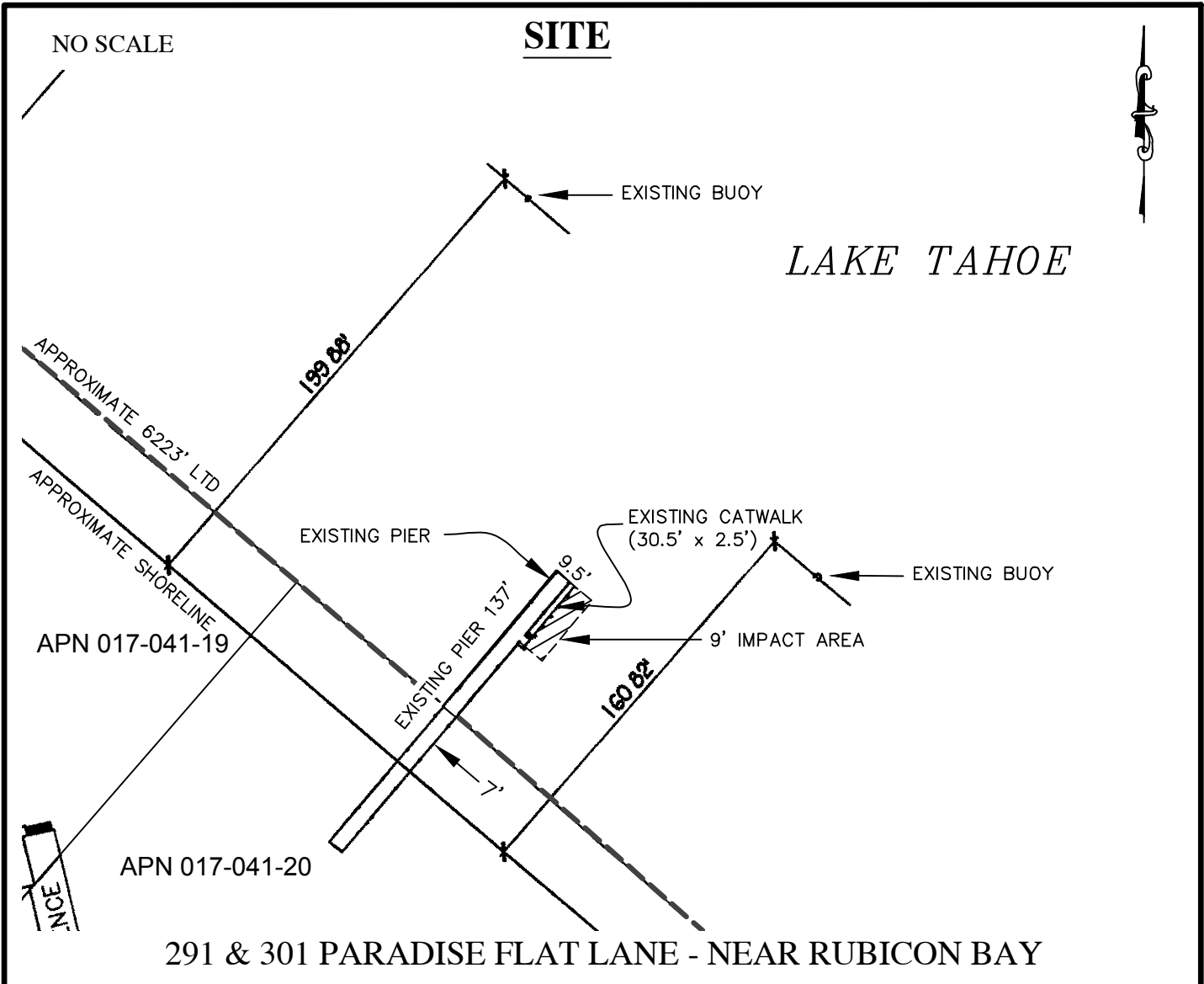
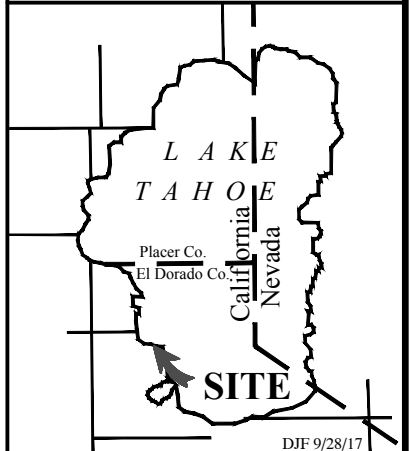


Exhibit B

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



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.