STAFF REPORT C23

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04/19/18 PRC 3678.1 L. Pino

REVISION OF RENT

LESSEE:

Simone Hotaling Hoag, as Trustee of the Nonexempt Trust B Under the Carl L. Hoag, Jr. and Simone Hotaling Hoag Revocable Trust dated November 7, 1990; Simone Hotaling Hoag, as Trustee of Trust C Under the Carl L. Hoag, Jr. and Simone Hotaling Hoag Revocable Trust dated November 7, 1990; Simone Hotaling Hoag, as Trustee of the Simone Hotaling Hoag Revocable Trust dated June 1, 1992; Simone H. Hoag, as Trustee of the Simone H. Hoag Tahoe Residence Trust A dated September 3, 2010; Simone H. Hoag, as Trustee of the Simone H. Hoag Tahoe Residence Trust B dated September 3, 2010; Simone H. Hoag, as Trustee of the Simone H. Hoag Tahoe Residence Trust C dated September 3, 2010; and Spirit of Tahoe, LLC, a Delaware Limited Liability Company

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Lake Tahoe, adjacent to 1324 and 1330 West Lake Boulevard, near Tahoe City, Placer County.

AUTHORIZED USE:

Use and maintenance of an existing joint-use pier with two boathouses, three boat lifts, sundeck with stairs, and four mooring buoys.

LEASE TERM:

10 years, beginning May 28, 2013.

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 that rent be revised from \$2,449 per year to \$2,967 per year, effective May 28, 2018.

OTHER PERTINENT INFORMATION:

1. On June 19, 2014, the commission authorized the issuance of a 10-year General Lease – Recreational Use to the Lessee, beginning May 28, 2013 and ending May 27, 2023 (Item C37, June 19, 2014).

STAFF REPORT NO. C23 (CONT'D)

- 2. Staff conducted the rent review called for in the lease and recommends the rent be increased to \$2,967 per year, effective May 28, 2018.
- 3. 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.
- 4. Approving the revision of rent is not a project as defined by the California Environmental Quality Act because it is an administrative action 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).

EXHIBIT:

A. Site Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

AUTHORIZATION:

Approve the revision of rent for Lease No. PRC 3678.1 from \$2,449 per year to \$2,967 per year, effective May 28, 2018.

