

**CALENDAR ITEM
C35**

A 4
S 1

08/11/09
WP 5856.1
B. Terry

APPROVAL OF SUBLEASE

LESSEE/SUBLESSOR:

Walsh Family LLC
c/o James R. Walsh, Sr.
P.O. Box 7169
Tahoe City, CA 96145

SUBLEESSEE:

North Tahoe Marina, Inc.
c/o James R. Walsh, Sr.
7360 North Lake Boulevard
P.O. Box 189
Tahoe Vista, CA 96148

AREA, LAND TYPE, AND LOCATION:

Sovereign lands in Lake Tahoe, adjacent to 7360 North Lake Boulevard, Tahoe Vista, Placer County.

AUTHORIZED USE:

LEASE: Continued use and maintenance of a commercial marina facility with fueling facility, pump out station, boat ramp, 30 boat slips, 48 mooring buoys, and two marker buoys as shown on the attached Exhibit A.

SUBLEASE: Operation and management of the marina

LEASE TERM:

LEASE: 25 years, beginning June 5, 2005.

SUBLEASE: 25 years, beginning June 5, 2005.

CALENDAR ITEM NO. **C35** (CONT'D)

CONSIDERATION:

Minimum annual rent in the amount of \$11,900 against the total of the following charges, whichever is greatest: Five percent of annual gross income from the rental of 30 boat slips, boat rentals, pump out station and 48 mooring buoys; \$.015 per gallon up to 100,000 gallons of fuel sales and \$.02 per gallon in excess of 100,000 gallons of fuel sales; and ten percent of all other gross income generated on the Lease Premises; with the State reserving the right to fix a different rent for all consideration due periodically during the lease term, as provided in the lease.

SPECIFIC LEASE PROVISIONS:

Insurance:

Liability insurance with coverage of no less than \$3,000,000

Bond:

\$25,000

OTHER PERTINENT INFORMATION:

1. The Lessee owns the uplands adjoining the Lease Premises which is improved with the North Tahoe Marina.
2. On December 14, 2006, the Commission authorized the issuance of a 25-year General Lease - Commercial Use (Lease) to the Walsh Family, LLC, dba North Tahoe Marina, for operation of the North Tahoe Marina. The Lease will expire on June 4, 2030. The Lessee has entered into a sublease with North Tahoe Marina, Inc., for the day-to-day operation of the marina. Pursuant to the terms of the Lease, any sublease requires authorization from the Commission and the Walsh Family has applied for approval to enter into the sublease.
3. Staff of the Commission has reviewed the sublease agreement entered into by the Walsh Family and North Tahoe Marina, Inc. The sublease has a term of 30 years beginning January 1, 2004 and ending December 31, 2033. While the sublease term extends beyond the term of the Lease, the sublease for operation of the improvements on State-owned land will terminate on June 4, 2030, which is the expiration date of the Lease. All other terms of the sublease agreement are consistent with the terms of the Lease.
4. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines [Title 14, California Code of Regulations, section 15060 (c)(3)], the staff has determined that this activity is not subject to the provisions of

CALENDAR ITEM NO. **C35** (CONT'D)

the CEQA because it is not a “project” as defined by the CEQA and the State CEQA Guidelines.

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

5. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370, et seq. Based upon the staff’s consultation with the persons nominating such lands and through the CEQA review process, it is the staff’s opinion that the project, as proposed, is consistent with its use classification.

EXHIBIT:

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

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

FIND THAT THE ACTIVITY IS NOT SUBJECT TO THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15060(c)(3) BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

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 SECTIONS 6370, ET SEQ.

AUTHORIZATION:

AUTHORIZE A SUBLEASE BETWEEN THE WALSH FAMILY LLC, AND NORTH TAHOE MARINA, INC., OF LEASE NO. PRC 5856.1, ON FILE WITH THE CALIFORNIA STATE LANDS COMMISSION, EFFECTIVE AUGUST 5, 2009, FOR A TERM OF 25 YEARS, BEGINNING JUNE 5, 2005, FOR THE CONTINUED USE, OPERATION AND MAINTENANCE OF A COMMERCIAL MARINA, AS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF.