

**CALENDAR ITEM
C44**

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06/28/10
WP 5883.1
N. Lee

AMENDMENT OF LEASE

APPLICANT/LESSEE:

Lakeside Park Association, Inc.
4077 Pine Boulevard
South Lake Tahoe, CA 96150

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Lake Tahoe, adjacent to 4041 Lakeshore Boulevard, city of South Lake Tahoe, El Dorado County.

AUTHORIZED USE:

Continued use and maintenance of an existing sheetpile-constructed commercial marina facility, ten mooring buoys, four marker buoys, swim area, two swim lines, two swim platforms, beach, fill, and freestanding sheetpile breakwater.

LEASE TERM:

20 years, beginning June 7, 2004.

CONSIDERATION:

Lakeside Marina (commercial marina facility, ten mooring buoys, and four marker buoys): Five percent of gross income from berthing and mooring of boats; five percent of gross income from the rental of personal watercraft, motorboats, kayaks, paddleboats, a parasail operation, and a fishing boat operation; one percent of gross income from a water taxi operation; ten percent of all other gross income generated on the lease premises; with a minimum annual rent of \$19,500.

Lakeside Park Association Beach and Swim Area (swim area, two swim lines, two swim platforms, beach, fill, and freestanding sheetpile breakwater): \$15,000 per year.

The State reserves the right to fix a different rent for all consideration due periodically during the lease term, as provided in the lease.

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PROPOSED AMENDMENT:

Amend authorized activities to include one-time maintenance dredging in the amount of 1,850 cubic yards of material for the 2010 boating season and include special provisions related to the dredging on the lease premises. The dredge material may not be sold and shall be disposed of at an approved disposal site. All other terms and conditions of the lease shall remain in effect without amendment.

OTHER PERTINENT INFORMATION:

1. Lessee owns the uplands adjoining the lease premises.
2. On June 7, 2004, the Commission authorized Lease No. PRC 5883.1, a 20-year General Lease – Commercial and Recreational Use, to Lakeside Park Association, Inc. (Association) for Lakeside Marina and the Association's beach and swim area. Due to low water levels, the Association is now applying to amend the lease to provide for one-time maintenance dredging and disposal at an approved disposal site.
3. The current low lake level and low precipitation levels received in the Lake Tahoe Basin over the past several years have resulted in sediment accumulation within the marina. The Association is proposing a onetime removal of approximately 1,850 cubic yards of accumulated sediment material from within the marina facility. Without dredging at Lakeside Marina, the facility will become inoperable and impact the 2010 boating season. The last dredging activity occurred in 1990.
4. Due to permit limitations, which do not allow dredging after May 31, the Association submitted a request to Commission staff to proceed with the dredging project prior to formal consideration by the Commission. On May 10, 2010 the application was deemed complete and on May 13, 2010, Commission staff provided the Association with a letter of non-objection to proceed with the dredging subject to formal approval by the Commission and in compliance with all other applicable permits from other governmental agencies having jurisdiction over the project. The Association accepted the conditions contained in the letter of non-objection.
5. The dredging was accomplished by using a suction dredge and final disposal of dewatered material taken by truck to Tahoe Asphalt in the city of South Lake Tahoe. Equipment staging for all other aspects of the project occurred on the upland parcel. Due to the presence of aquatic invasive species (AIS) of Eurasian Water Milfoil and Curlyleaf pondweed, in the marina, the Association prepared a management plan that was

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implemented during dredging, which included complete removal of all AIS in the area dredged as well as the entry channel and fairways. AIS removal was completed in partnership with the Tahoe Resource Conservation District. Due to the existing depth, the entry channel and fairways did not require dredging and were only treated for AIS removal. The management plan also provides for inspection and removal of AIS, if found, in the future.

6. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 15061), the staff has determined that this activity is exempt from the requirements of CEQA as a categorically exempt project. The project is exempt under Class 4, Minor Alterations to Land; Title 2, California Code of Regulations, section 2905 (d)(4).

Authority: Public Resources Code section 21084 and Title 14, California Code of Regulations, section 15300 and Title 2, California Code of Regulations, section 2905.

7. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 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.

APPROVALS OBTAINED:

Lahontan Regional Water Quality Control Board
California Department of Fish and Game

FURTHER APPROVAL REQUIRED:

United States Army Corps of Engineers

EXHIBIT:

- A. Site and Location Map

PERMIT STREAMLINING ACT DEADLINE:

August 27, 2010

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RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the activity is exempt from the requirements of CEQA pursuant to Title 14, California Code of Regulations, section 15061 as a categorically exempt project, Class 4, Minor Alterations to Land; Title 2, California Code of Regulations, section 2905 (d)(4).

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 the amendment of Lease No. PRC 5883.1, a General Lease – Commercial and Recreational Use, of lands shown on Exhibit A attached and by this reference made a part hereof, effective May 13, 2010, to provide for one-time maintenance dredging in the amount of 1,850 cubic yards of material for the 2010 boating season and to include special lease provisions related to maintenance dredging on the lease premises; all other terms and conditions of the lease will remain in effect without amendment.