

CALENDAR ITEM

C34

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02/08/11

WP 5499.1

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B. Terry

GENERAL LEASE - COMMERCIAL USE AND APPROVAL OF A SUBLEASE

APPLICANT/LESSEE/SUBLESSOR:

Chambers Landing Partnership, a California General Partnership
6400 West Lake Boulevard
Homewood, CA 96141

SUBLESSEE:

RB Waterfronts, a California Limited Liability Company

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Lake Tahoe, adjacent to 6500 West Lake Boulevard,
near Homewood, Placer County.

AUTHORIZED USE:

LEASE: Continued use and maintenance of an existing commercial pier and
bar/clubhouse.

SUBLEASE: Operation and maintenance of a commercial pier and
bar/clubhouse.

LEASE TERM:

LEASE: 15 years, beginning December 30, 2010.

SUBLEASE: Nine years and 10 months, beginning January 1, 2011.

CONSIDERATION:

\$8,475 per year against three percent of the gross income derived from the
bar/clubhouse and all activities associated with the bar/clubhouse operations;
and 10 percent of gross income derived from all other unauthorized activities
conducted on or over the Lease Premises.

SPECIFIC LEASE PROVISIONS:

Insurance:

Liability insurance with coverage of no less than \$5,000,000.

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Bond:

Surety Bond \$40,000.

Other:

The lease requires that the Lessee implement the Commission's "Best Management Practices for Guest Dock Users and Boaters," including additional Best Management Practices (BMPs) the Commission subsequently deems appropriate for the above. Lessee shall post the "BMPs for Guest Dock Users and Boaters" in prominent places within the lease premises. The Lessee shall provide the Commission, on the first anniversary of the lease and tri-annually thereafter, a report on compliance with all BMPs.

OTHER PERTINENT INFORMATION:

1. Applicant owns the uplands adjoining the lease premises.
2. On October 17, 1995, the Commission authorized the issuance of a 20-year General Lease – Commercial Use with Chambers Landing Partnership (Partnership), with an effective date of December 30, 1993, for the continued use and maintenance of an existing commercial pier and bar/clubhouse. That lease will expire on December 29, 2013.
3. On June 28, 2010, the Commission authorized a two-year sublease between the Partnership and RB Waterfronts, a California Limited Liability Company, for the operation of the pier and bar/clubhouse. That sublease expired on October 31, 2010.
4. The Partnership is now applying for approval of a new sublease with RB Waterfronts for a term of nine years and 10 months, beginning January 1, 2011 and ending October 31, 2020. As a result of the term of the new sublease and because the existing lease will terminate in 2013, the Partnership is requesting to terminate the existing lease early and begin the new lease concurrently with the sublease agreement. All terms of the sublease agreement are consistent with the terms of the new lease.
5. The pier and bar/clubhouse are open to the general public during the summer season. Access to the pier is from the upland beach area and the waterside by boat. The pier has side tie and slip areas for the public's use to access the pier facilities and a restaurant that is located on the upland Chambers Landing property.
6. **Termination of Existing Lease:** 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 this

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activity is not subject to the provisions of CEQA because it is not a “project” as defined by 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.

7. **Issuance of New Lease:** 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 this activity is exempt from the requirements of CEQA as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; Title 2, California Code of Regulations, section 2905 (a)(2).

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

8. **Sublease:** 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 this activity is not subject to the provisions of CEQA because it is not a “project” as defined by 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.

9. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code sections 6370, et seq., but such activity will not affect those significant lands. 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.

EXHIBITS:

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

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Termination of Existing Lease: Find that the activity is not subject to the requirements of CEQA pursuant to Title 14, California Code of

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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.

Issuance of New Lease: 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 1, Existing Facilities; Title 2, California Code of Regulations, section 2905 (a)(2).

Sublease: Find that the activity is not subject to the requirements of 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:

1. Authorize termination, effective December 29, 2010, of Lease No. PRC 5499.1, a General Lease – Commercial Use, issued to Chambers Landing Partnership, that was authorized by the Commission on October 17, 1995.
2. Authorize issuance of a General Lease – Commercial Use to Chambers Landing Partnership, beginning December 30, 2010, for a term of 15 years, for the continued use and maintenance of an existing commercial pier and bar/clubhouse as shown on Exhibit A (for reference purposes only) and described in Exhibit B attached and by this reference made a part hereof; minimum annual rent in the amount of \$8,475 against three percent of the gross income derived from the bar/clubhouse and all activities associated with the bar/clubhouse operations; and 10 percent of gross income derived from all other unauthorized activities conducted on or over the Lease Premises, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease; surety bond in the amount of \$40,000; and liability insurance with coverage of no less than \$5,000,000.

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3. Authorize a sublease between Chambers Landing Partnership, a California General Partnership and RB Waterfronts, a California Limited Liability Company, of Lease No. PRC 5499.1, for a term of nine years and 10 months, beginning January 1, 2011 and ending October 31, 2020.