

**CALENDAR ITEM
C44**

A 4
S 1

03/29/12
WP 5423.1
N. Lee

GENERAL LEASE - RECREATIONAL USE

APPLICANT:

Chinquapin Homeowners Association
P.O. Box 6001
Tahoe City, CA 96145

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Lake Tahoe, adjacent to 3600 North Lake Boulevard, near Dollar Point, Placer County.

AUTHORIZED USE:

Continued use and maintenance of two existing piers and 132 mooring buoys previously authorized by the Commission and the use and maintenance of two existing marker buoys not previously authorized by the Commission.

LEASE TERM:

10 years, beginning July 1, 2011.

CONSIDERATION:

Piers and Mooring Buoys: \$2,544 per year; prorated pursuant to Public Resources Code section 6503.5; and

Marker Buoys: \$50 per year.

Total Rent: \$2,594 per year, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

SPECIFIC LEASE PROVISIONS:

Insurance:

Liability insurance in the amount of no less than \$2,000,000.

Other:

Buoy Allotment Program: The use of the buoy field will be made available to all members of Chinquapin Homeowners Association (Association) in a fair and equitable manner. A buoy allotment program must be maintained

CALENDAR ITEM NO. **C44** (CONT'D)

during the lease term that will identify how the buoys will be managed, maintained, and distributed for use by the Association's members.

OTHER PERTINENT INFORMATION:

1. Applicant owns the upland adjoining the lease premises.
2. On December 16, 1998, the Commission authorized a General Lease – Recreational Use with Chinquapin Homeowners Association (Association) for two piers and 132 mooring buoys. That lease expired on June 30, 2007. The Applicant, a homeowners association consisting of 190 member units, is now applying for a new General Lease – Recreational Use.
3. On October 8, 2011, Chapter 585, Statutes of 2011 became law. The law is effective January 1, 2012. This new law repeals section 6503.5 of the Public Resources Code, which had allowed rent-free use of State-owned land by certain private parties for their recreational piers. It replaced the former section with a new section 6503.5 which provides that the State Lands Commission “shall charge rent for a private recreational pier constructed on state lands.” The law provides for two exceptions to the imposition of rent. Those exceptions are for:
 - A. A lease in effect on July 1, 2011 through the remaining term of that lease. If a lease in effect on July 1, 2011 expires or is otherwise terminated, any new lease will be subject to rent; and
 - B. A lease for which the lease application and application fees were submitted to the Commission prior to March 31, 2011.

Because the application and fees were submitted to the Commission prior to March 31, 2011, the lease meets the statutory requirements for an exception to recently-enacted changes to Section 6503.5 of the Public Resources Code for the term of this lease. Therefore, based on the Association's 190 member units, 180 (95%) qualify for rent-free status and the annual rent for the pier and mooring buoys has been prorated according to the qualifying members.

4. The Association's two marker buoys have been in Lake Tahoe for many years but have not been previously authorized by the Commission. Staff recommends bringing the existing marker buoys under lease, subject to the Association obtaining TRPA permit authorization.

CALENDAR ITEM NO. C44 (CONT'D)

5. After the prior lease expired, the Applicant continued to pay the annual rent in effect during the term of that lease. Pursuant to the expired lease, the annual rent in effect during any holding-over shall be increased by 25 percent. Staff is recommending that the Commission accept the additional 25 percent of holdover rent in the amount of \$1,117 for the period beginning July 1, 2007 through June 30, 2011.
6. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Cal. Code Regs., tit. 14, § 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 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

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

7. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 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. Land Description
- B. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15061 as categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, Title 2, section 2905, subdivision (a)(2).

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 section 6370 et seq.

CALENDAR ITEM NO. **C44** (CONT'D)

AUTHORIZATION:

1. Authorize acceptance of additional holdover rent in the amount of \$1,117 for the period of July 1, 2007 through June 30, 2011.

2. Authorize issuance of a General Lease – Recreational Use to Chinquapin Homeowners Association, beginning July 1, 2011, for a term of 10 years, for the continued use and maintenance of two existing piers and 132 mooring buoys previously authorized by the Commission and use and maintenance of two existing marker buoys not previously authorized by the Commission as described in Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; annual rent in the amount of \$2,594, with the State reserving the right to fix a different rent periodically during the lease term; as provided in the lease; and liability insurance with coverage of no less than \$2,000,000.

EXHIBIT A

PRC 5423.1

LAND DESCRIPTION

One hundred thirty six parcels of submerged lands situated in the bed of Lake Tahoe, lying adjacent to fractional Section 33, Township 16 North, Range 17 East, M.D.B.&M., as shown on Official Government Township Plat approved November 10, 1865, County of Placer, State of California, more particularly described as follows:

PARCEL 1 – PIER

All those lands underlying an existing pier lying adjacent to that parcel described in Grand Deed recorded September 28, 1977 as Document Number 37552 in Official Records of said County.

TOGETHER WITH a ten foot use area.

EXCEPTING THEREFROM any portion lying landward of elevation 6223 feet LTD on the shoreline of said Lake Tahoe.

PARCEL 2 – PIER

All those lands underlying an existing pier lying adjacent to that parcel described in Grand Deed recorded September 28, 1977 as Document Number 37552 in Official Records of said County.

TOGETHER WITH a ten foot use area.

EXCEPTING THEREFROM any portion lying landward of elevation 6223 feet LTD on the shoreline of said Lake Tahoe.

PARCELS 3 through 136– BUOYS

One hundred thirty two circular parcels of land, each being 50 feet in diameter, underlying one hundred thirty two existing buoys lying adjacent to that parcel described

in Grand Deed recorded September 28, 1977 as Document Number 37552 in Official Records of said County.

TOGETHER WITH two U.S. COAST GUARD MARKER BUOYS.

Accompanying plat is hereby made part of this description.

END OF DESCRIPTION

Prepared 01/25/2012 by the California State Lands Commission Boundary Unit.



CHINQUAPIN HOA
APN 093-450-009

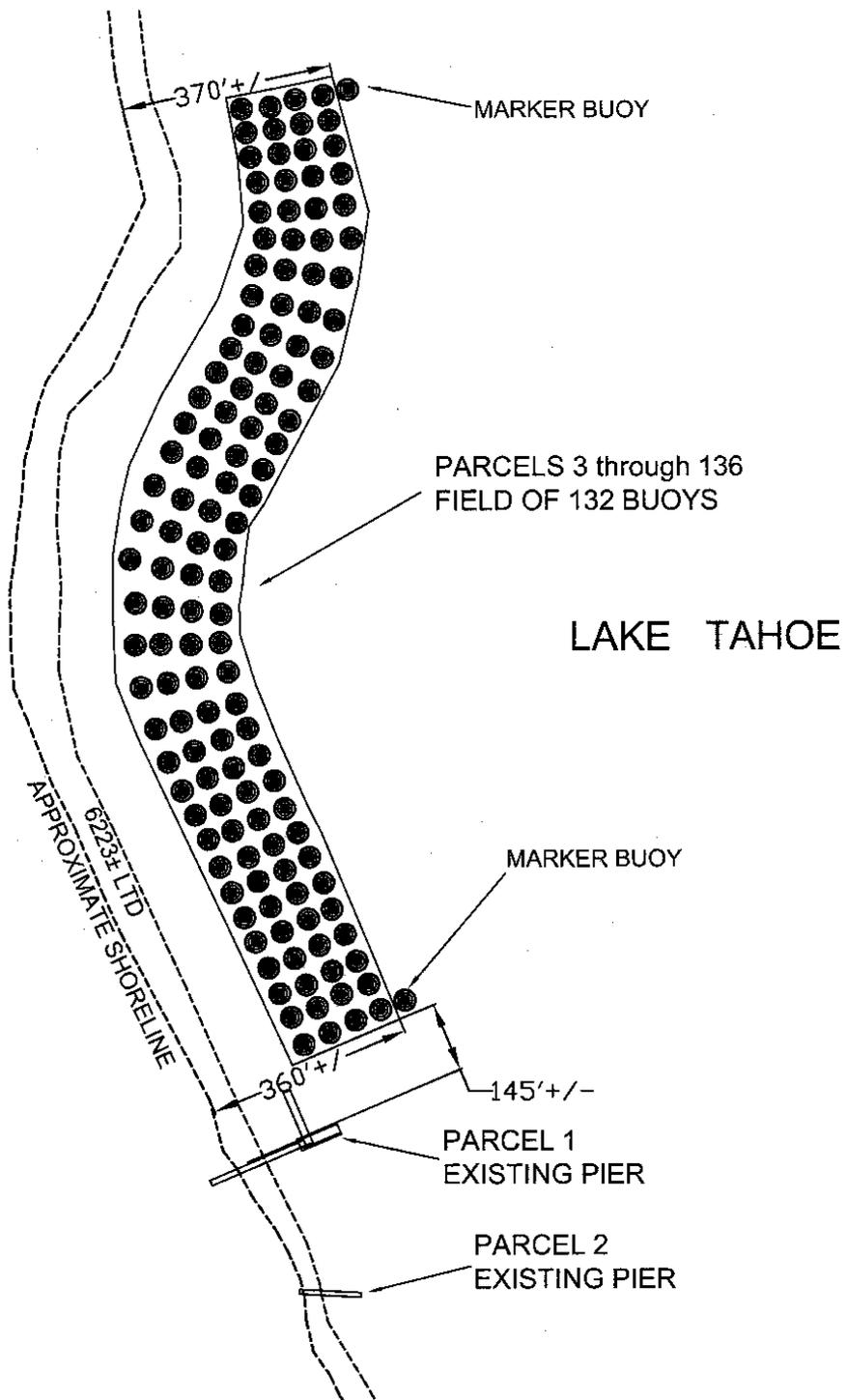


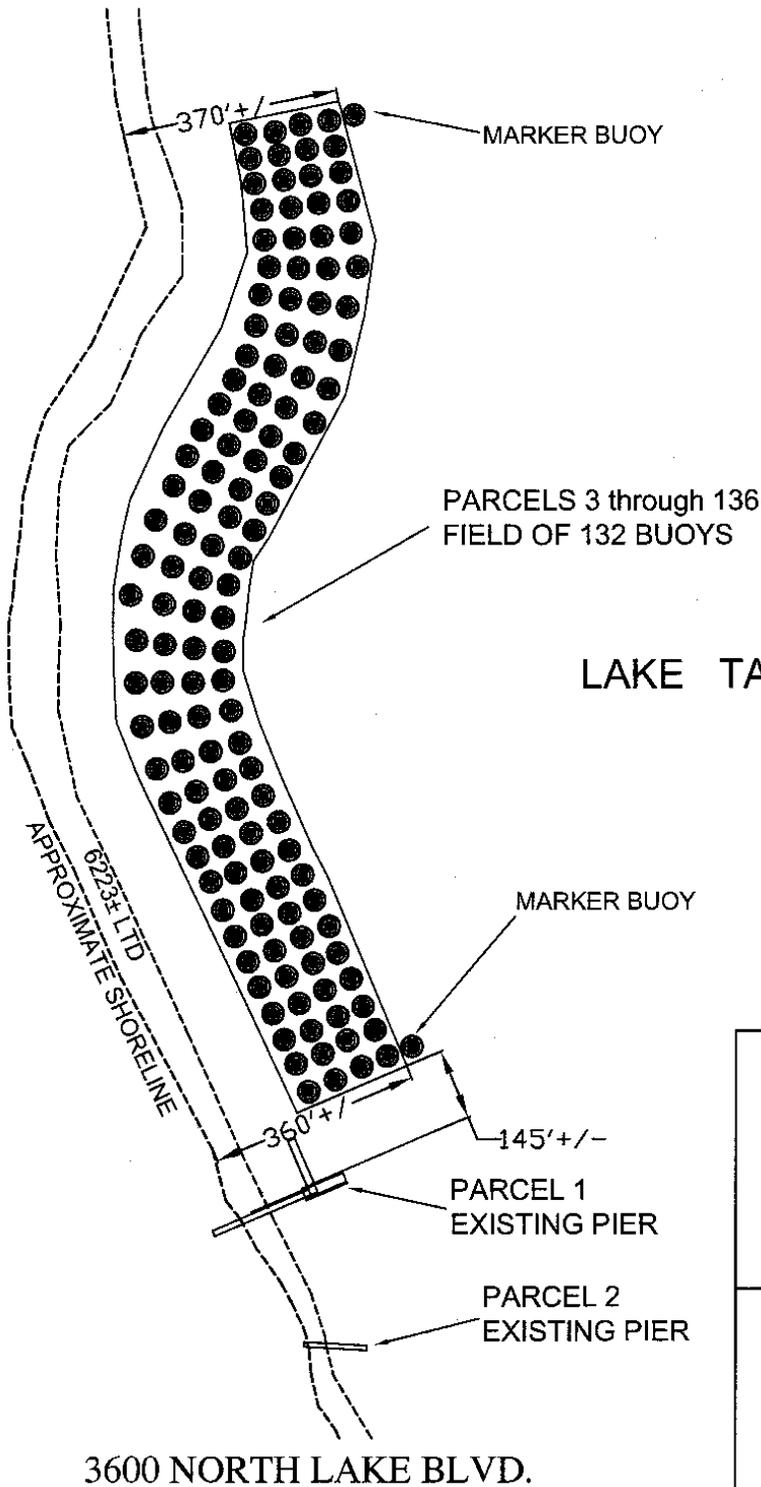
EXHIBIT A



NO SCALE

SITE

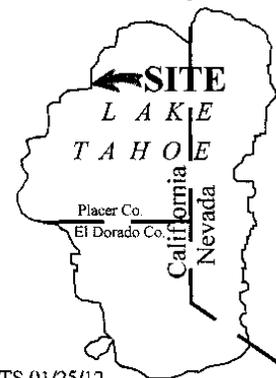
CHINQUAPIN HOA
APN 093-450-009



LAKE TAHOE

Exhibit B-1

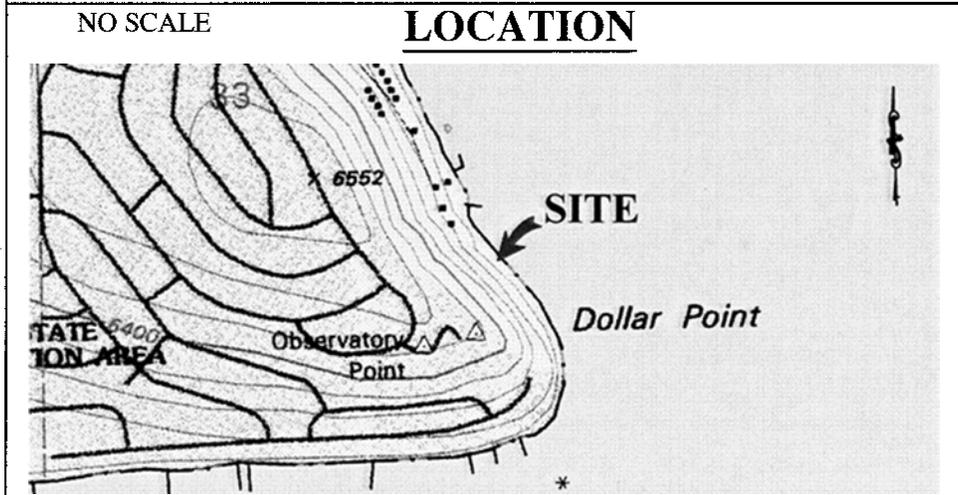
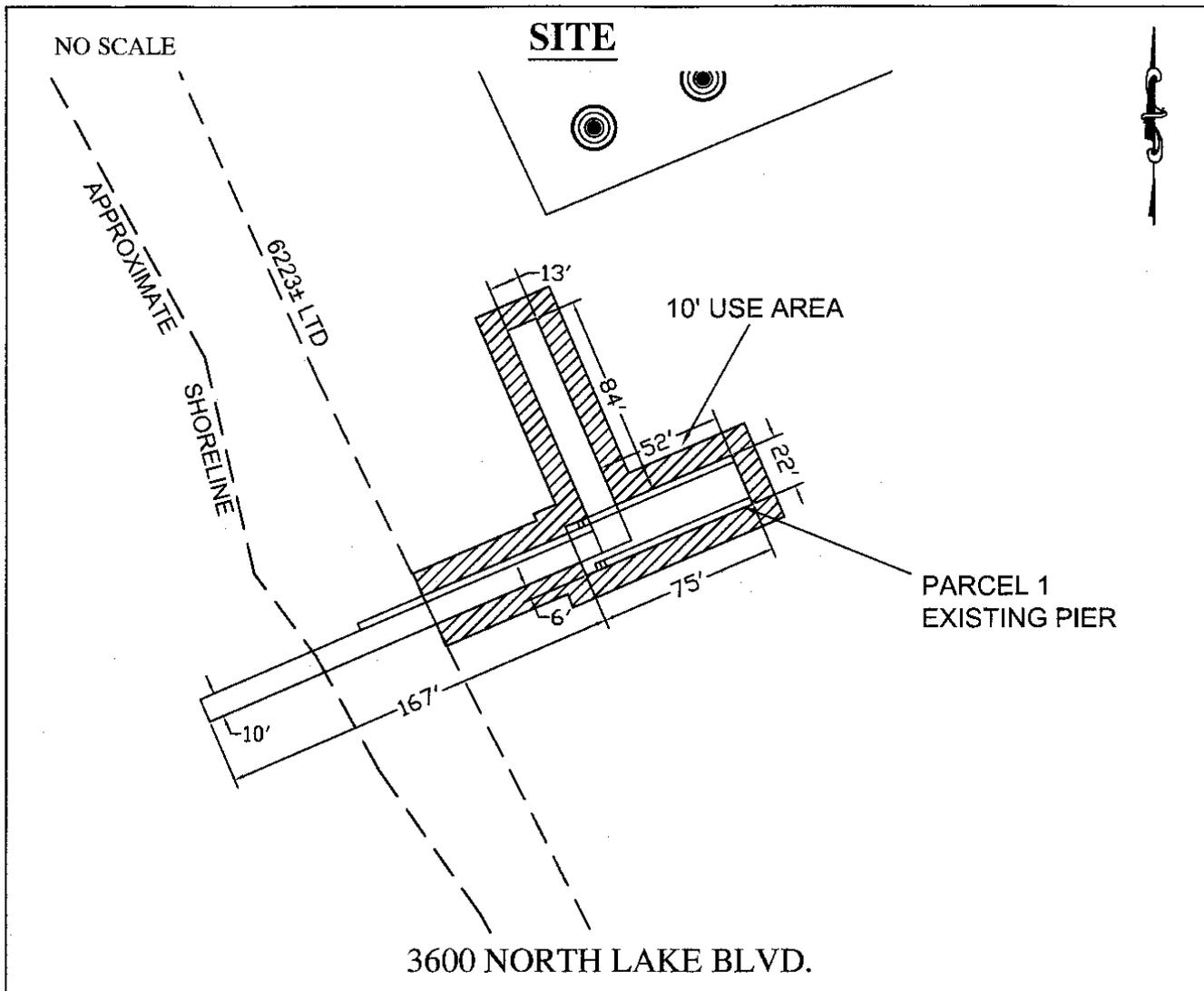
PRC 5423.1
CHINQUAPIN HOA
APN 093-450-009
GENERAL LEASE-
RECREATIONAL USE
PLACER COUNTY



MAP SOURCE: USGS QUAD

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.

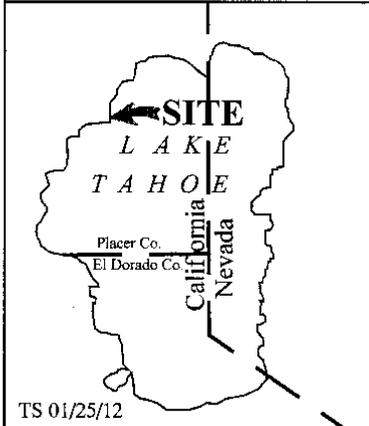
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MAP SOURCE: USGS QUAD

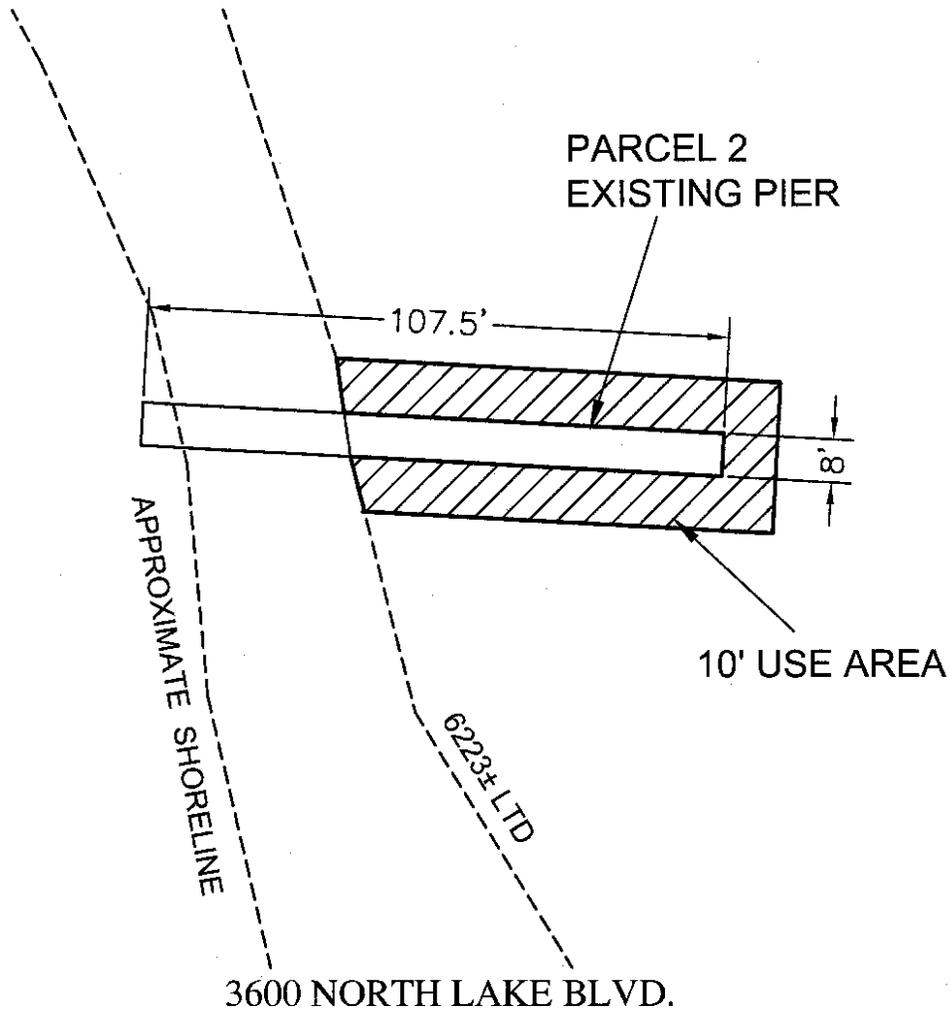
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Exhibit B-2
 PRC 5423.1
 CHINQUAPIN HOA
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 GENERAL LEASE-
 RECREATIONAL USE
 PLACER COUNTY



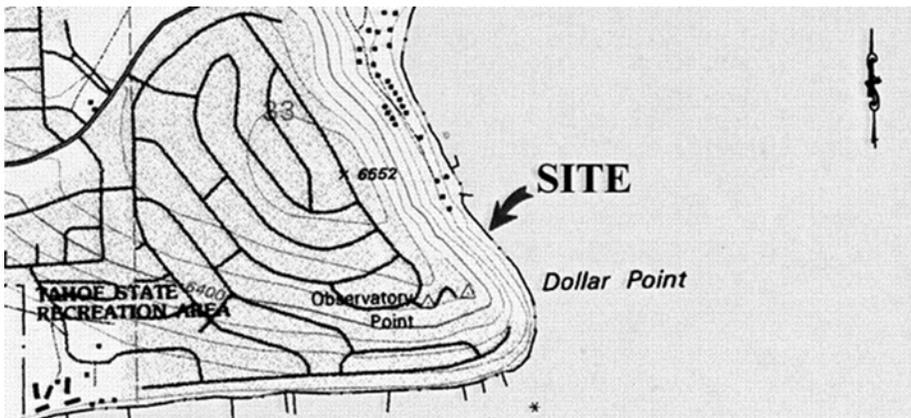
NO SCALE

SITE



NO SCALE

LOCATION

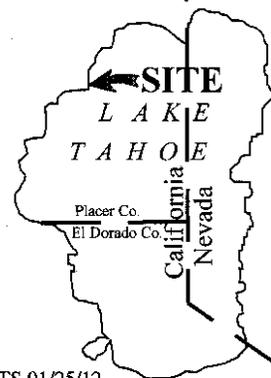


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Exhibit B-3

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