CALENDAR ITEM

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- S 1

03/29/12 WP 3775.1 B. Terry

GENERAL LEASE – RECREATIONAL USE

APPLICANT:

TRI Association P.O. Box 88 Tahoma, CA 96142

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Lake Tahoe, adjacent to 7001 West Lake Boulevard, near Tahoma, El Dorado County.

AUTHORIZED USE:

Continued use and maintenance of an existing pier, 38 mooring buoys, a swim line, and two marker buoys.

LEASE TERM:

10 years, beginning March 5, 2012.

CONSIDERATION:

Pier and Mooring Buoys: \$234 per year; prorated pursuant to Public Resources Code section 6503.5; and

Marker Buoys and Swim Line: \$653 per year.

Total Rent: \$887 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 TRI Association (Association) in a fair and equitable manner. A buoy allotment program must be maintained during the lease

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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 or has permission to use the upland adjoining the lease premises.
- 2. On September 3, 1999, the Commission authorized a General Lease Recreational Use with the Association for a pier, swim line, swim area, 38 mooring buoys, and two marker buoys. That Lease expired on March 4, 2009. The Applicant consists of three separate homeowners associations, which operates as the TRI Association, and consists of 411 members. The Association is now applying for a new General Lease – Recreational Use.
- 3. Starting with the 2012 summer season, the Association will no longer continue the use of a fully-enclosed swim area in order to reduce the annual rent. Instead, the Association will continue to install only one swim line parallel to the shore, thereby removing the swim line that extended from the shore to the parallel line and blocked public access. The Association has 38 mooring buoys; however, at this time, the anchor blocks of three mooring buoys are located landward of the swim line and are not in use due to low water conditions. In the future, the Association plans to relocate the three anchor blocks to a deeper elevation within the buoy field and will apply to amend the lease to add these buoys to the lease premises.
- 4. 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.

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Because the application was 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, the annual rent for the pier and mooring buoys has been prorated according to the number of members that qualify for rent-free status.

- 5. Of the 411 members, 404 qualify for rent-free status. Therefore, annual rent for the pier/use and the mooring buoy areas is prorated based on the qualifying members. The rent for the swim line and marker buoys is subject to full rent because they are not used for the docking and mooring of boats.
- 6. 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 \$283.50 for the period beginning March 5, 2009, through March 4, 2012.
- 7. 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.

8. 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

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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 California Code of Regulations, Title 14, section 15061 as a 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.

AUTHORIZATION:

- 1. Authorize acceptance of additional holdover rent in the amount of \$283.50 for the period of March 5, 2009 through March 4, 2012.
- 2. Authorize issuance of a General Lease Recreational Use to TRI Association beginning March 5, 2012, for a term of 10 years, for the continued use and maintenance of an existing pier, 38 mooring buoys, a swim line, and two marker buoys 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 \$887, with the State reserving the right to fix a different rent periodically during the least term; as provided in the lease; and liability insurance with coverage of no less than \$2,000,000.

EXHIBIT A

LAND DESCRIPTION

Three parcels of submerged lands situate in the bed of Lake Tahoe, adjacent to Lots 1 and 2 of fractional Section 17, Township 14 North, Range 17 East, M.D.B.&M., as shown on official government township plat approved July 29, 1880, County of El Dorado, State of California, more particularly described as follows:

PARCEL 1 – PIER AND BUOY FIELD

BEGINNING at a point having CCS83, Zone 2 (2007.00) coordinates of North (Y) = 2,156,060.20 feet and East (X) = 7,093,732.20 feet, said point lying distant S 73°38'41" E 8,513.62 feet from a Survey Disk designated HPGN D CA 03 GQ (PID AE9844); thence N 29°10'40" E 380.00 feet; thence S 60°49'20" E 296.11 feet; thence S 29°10'40" W 380.00 feet; thence N 60°49'20" W 296.11 feet to the POINT OF BEGINNING.

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

PARCEL 2 & 3

Two circular parcels of land, each being 50 feet in diameter, underlying two USCG Marker buoys lying northeasterly of the herein above described Parcel 1.

END OF DESCRIPTION

Prepared 12/28/2011 by the California State Lands Commission Boundary Unit.



