

**CALENDAR ITEM
C38**

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06/19/14
PRC 7862.1
M. Schroeder

**TERMINATION OF A RECREATIONAL PIER LEASE AND ISSUANCE OF A
GENERAL LEASE – RECREATIONAL USE**

LESSEES:

James S. Vaudagna and Josephine Vaudagna, Co-Trustees, FBO the James S. Vaudagna and Josephine Vaudagna Trust UTD 12/11/97

APPLICANT:

DMB/Highlands Group, LLC, an Arizona Limited Liability Company

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Lake Tahoe, adjacent to 6920 North Lake Boulevard, near Tahoe Vista, Placer County.

AUTHORIZED USE:

Continued use and maintenance of two existing mooring buoys.

LEASE TERM:

10 years, beginning December 30, 2013.

CONSIDERATION:

\$754 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 an amount no less than \$1,000,000 per occurrence.

Other:

1. The proposed lease contains a provision requiring the Applicant to obtain authorization from the Tahoe Regional Planning Agency (TRPA) for the mooring buoys within two years after the adoption of a Final Environmental Impact Statement (FEIS) for the Lake Tahoe Shorezone Ordinance Amendments and approval of the amended ordinances. This is a continuation of the process the Commission used from approximately 1995 to October 2008 when TRPA

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adopted an FEIS and Ordinance Amendments supported by the FEIS. In September 2010, the U.S. District Court invalidated the FEIS and nullified the Amendments. When additional information is available, Commission staff will advise the Commission on any suggested modifications to the process used by the Commission pending resolution of the TRPA FEIS and amended ordinance issues.

2. Lessee expressly acknowledges and agrees that issuance of a lease does not substitute for, or provide preference in, obtaining authorizations from TRPA or any other regulatory agency for the improvements authorized by the Commission.

OTHER PERTINENT INFORMATION:

1. Applicant owns the upland parcel adjoining the lease premises.
2. On December 8, 2005, the Commission authorized a 10-year Recreational Pier Lease to James S. Vaudagna and Josephine Vaudagna, Co-Trustees, FBO the James S. Vaudagna and Josephine Vaudagna Trust UTD 12/11/97 for two existing mooring buoys. That lease will expire on January 1, 2016. On December 30, 2013, the upland was deeded to DMB/Highlands Group, LLC, an Arizona Limited Liability Company. Applicant is now applying for a General Lease – Recreational Use. Because staff has been unable to locate the Lessees to execute a quitclaim deed, staff recommends termination of the existing lease and issuance of a new lease to the Applicant.
3. **Lease Termination:** The staff recommends that the Commission find that the subject lease termination does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with the California Environmental Quality Act (CEQA).

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

4. **Issuance of Lease:** The staff recommends that the Commission find that the subject issuance of lease 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).

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

5. 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:

Lease Termination:

Find that the subject lease termination is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.

Issuance of Lease: Find that the subject issuance of lease 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 termination, effective December 29, 2013, of Lease No. PRC 7862.9, a Recreational Pier Lease, issued to James S.

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Vaudagna and Josephine Vaudagna, Co-Trustees, FBO the James S. Vaudagna and Josephine Vaudagna Trust UTD 12/11/97.

2. Authorize issuance of a General Lease – Recreational Use to DMB/Highlands Group, LLC, an Arizona Limited Liability Company beginning December 30, 2013, for a term of 10 years, for the continued use and maintenance of two existing mooring 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 \$754, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease; and liability insurance in an amount no less than \$1,000,000 per occurrence.

EXHIBIT A

PRC 7862.1

LAND DESCRIPTION

Two (2) parcels of submerged land situate in the bed of Lake Tahoe, lying adjacent to Lot 1 fractional Section 14, Township 16 North, Range 17 East, MDM., as shown on Official Government Township Plat approved November 10, 1865 County of Placer, State of California, and more particularly described as follows:

PARCELS 1 & 2 – BUOYS

Two (2) circular parcels of land, being 50 feet in diameter, underlying two (2) existing mooring buoys lying adjacent to that parcel described in Exhibit "A" in that Grant Deed recorded December 30, 2013 as Document Number 2013-0117973 of Official Records of said County.

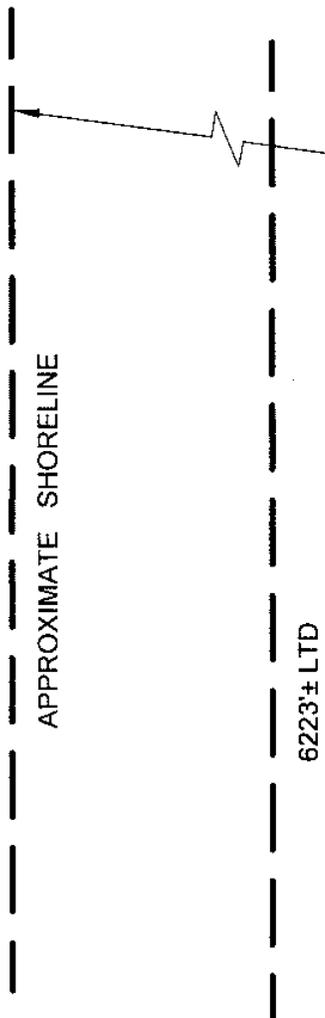
Accompanying plat is hereby made part of this description.

END OF DESCRIPTION

Prepared April 16, 2014 by The California State Lands Commission Boundary Unit.



APN 117-080-066



771'

T A H O E

2 EXISTING
BUOYS

99'

L A K E

EXHIBIT A

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MJJ 04/16/2014

LAND DESCRIPTION PLAT
PRC 7862.1, DMB/HIGHLANDS GROUP, LLC
PLACER COUNTY

CALIFORNIA STATE
LANDS COMMISSION



NO SCALE

SITE

APN 117-080-066

APPROXIMATE SHORELINE

6223'± LTD

771'

2 EXISTING BUOYS

99'

TAHOE

L A K E



6920 NORTH LAKE BLVD., NEAR TAHOE VISTA

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit B

PRC 7862.1
 DMB/HIGHLANDS GROUP, LLC
 APN 117-080-066
 GENERAL LEASE -
 RECREATIONAL USE
 PLACER COUNTY



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.