

**CALENDAR ITEM  
C07**

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02/09/16  
PRC 8601.1  
M. Schroeder

**ACCEPTANCE OF A QUITCLAIM DEED AND ISSUANCE  
OF A GENERAL LEASE – COMMERCIAL USE**

**LESSEE:**

Martin A. Cohen, Trustee of the Martin A. Cohen Revocable Living Trust, dba  
The Shore House at Lake Tahoe

**APPLICANT:**

KW-Northstar Ventures, LLC, a Delaware Limited Liability Company

**PROPOSED LEASE:**

*AREA, LAND TYPE, AND LOCATION:*

Sovereign land in Lake Tahoe, adjacent to 7170 North Lake Boulevard, Tahoe  
Vista, Placer County.

*AUTHORIZED USE:*

Continued use and maintenance of an existing pier, boat lift, six mooring buoys,  
and one marker buoy.

*LEASE TERM:*

10 years, beginning March 23, 2015.

*CONSIDERATION:*

\$2,728 per year, with an annual Consumer Price Index (CPI) adjustment.

*SPECIFIC LEASE PROVISIONS:*

Liability insurance in an amount no less than \$1,000,000 per occurrence.

If Lessee does not have valid Tahoe Regional Planning Agency (TRPA) buoy permits, Lessee is required to obtain such authorization 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. If Lessee is unable to obtain such authorization within the time limit, they must remove the buoys.

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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.

**STAFF ANALYSIS AND RECOMMENDATION:**

**Statutory Authority:**

Public Resources Code sections 6005, 6216, and 6301; California Code of Regulations, title 2, section 2000, subdivision (b).

**Public Trust and State's Best Interests Analysis:**

The privately owned upland is developed as a "Bed and Breakfast" inn. The subject facilities are used by the inn's visitors for the docking and mooring of boats. Recreational boating is a water-dependent use that is generally consistent with the common law public trust doctrine. The California Legislature has identified private recreational boating facilities as an authorized use of public trust land. (Public Resources Code 6503.5). The subject structures are privately owned and maintained.

The lease includes certain provisions protecting the public use of the proposed lease area, including a lease term limited to 10 years, a non-exclusive use provision, and a reservation to the people of the State of an easement for access to and across the lease area. The pier is built on pilings, meaning the public may navigate next to, and at certain water levels, under the pier. This construction also permits lateral access across the beach area. The proposed lease will allow the public to walk or otherwise use the beach and shore area below high water for uses consistent with the public trust easement.

The subject facilities have existed for many years at this location. The subject facilities do not significantly alter the land, the lease does not alienate the State's fee simple interest, and neither permanently impairs public rights. Upon termination of the lease, the Lessee may be required to remove all improvements and restore the lease premises to their original conditions. Based on the foregoing, Commission staff believes that the pier will not substantially interfere with public trust needs at this location, at this time, and for the foreseeable term of the proposed lease. The mooring buoys occupy a relatively small area of the lake. Commission staff believe the mooring buoys do not substantially interfere with public trust needs at this time and at this location.

The proposed lease requires the lessee to insure the lease premises and indemnify the state for any liability incurred as a result of the lessee's

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activities thereon. The lease also requires the payment of annual rent to compensate the people of the State for the occupation of the public land involved. For all the reasons above, Commission staff believes the issuance of this lease is consistent with the common law public trust doctrine and in the best interests of the State.

**OTHER PERTINENT INFORMATION:**

1. Applicant owns the upland adjoining the lease premises.
2. On December 17, 2014, the Commission authorized a General Lease – Commercial Use to Martin A. Cohen, Trustee of the Martin A. Cohen Revocable Living Trust, dba The Shore House at Lake Tahoe for an existing pier, boat lift, six mooring buoys, and one marker buoy. That lease will expire on November 30, 2024. On March 23, 2015, the upland was deeded to KW-Northstar Ventures, LLC, a Delaware Limited Liability Company. The Applicant is now applying for a General Lease – Commercial Use.
3. The Lessee executed a quitclaim deed releasing its interest in the Lease to the State. Staff recommends acceptance of the quitclaim deed and issuance of a new lease.
4. This recommended action is consistent with Strategy 1.1 of the Commission’s Strategic Plan to deliver the highest levels of public health and safety in the protection, preservation, and responsible economic use of the lands and resources under the Commission’s jurisdiction; and Strategy 1.3 to promote, expand, and enhance appropriate public use and access to and along the State’s inland and coastal waterways.
5. Acceptance of the quitclaim deed is not a project as defined by the California Environmental Quality Act (CEQA) because it is an administrative action that will not result in direct or indirect physical changes in the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378, subdivision (b)(5).

6. The staff recommends that the Commission find that issuance of the 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.

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 issuance of the 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).

**PUBLIC TRUST AND STATE'S BEST INTERESTS:**

Find that the proposed lease will not substantially impair the public rights to navigation and fishing or substantially interfere with the public's public trust needs and values at this location, is consistent with the common law public trust doctrine, and is in the best interests of the State.

**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 a quitclaim deed, effective March 22, 2015, of Lease No. PRC 8601.1, a General Lease – Commercial Use, issued to Martin A. Cohen, Trustee of the Martin A. Cohen Revocable Living Trust, dba The Shore House at Lake Tahoe.
2. Authorize issuance of a General Lease – Commercial Use to KW-Northstar Ventures, LLC, a Delaware Limited Liability Company,

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beginning March 23, 2015, for a term of 10 years, for the continued use and maintenance of an existing pier, boat lift, six mooring buoys, and one marker buoy 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 \$2,728, with an annual Consumer Price Index adjustment; and liability insurance with coverage in an amount no less than \$1,000,000 per occurrence.

**EXHIBIT A**

**PRC 8601.1**

**LAND DESCRIPTION**

Seven parcels of submerged lands situate in the bed of Lake Tahoe, lying adjacent to Lot 4 of fractional Section 13, 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, boat lift and catwalk lying adjacent to those parcels described in Grant Deed recorded March 23, 2015 as Document Number 2015-0020995-00 in Official Records of said County.

TOGETHER WITH any applicable Impact Area(s).

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

**PARCELS 2 through 7 – BUOYS**

Six circular parcels of land, being 50 feet in diameter, underlying six existing buoys lying adjacent to those parcels described in Grant Deed recorded March 23, 2015 as Document Number 2015-0020995-00 in Official Records of said County.

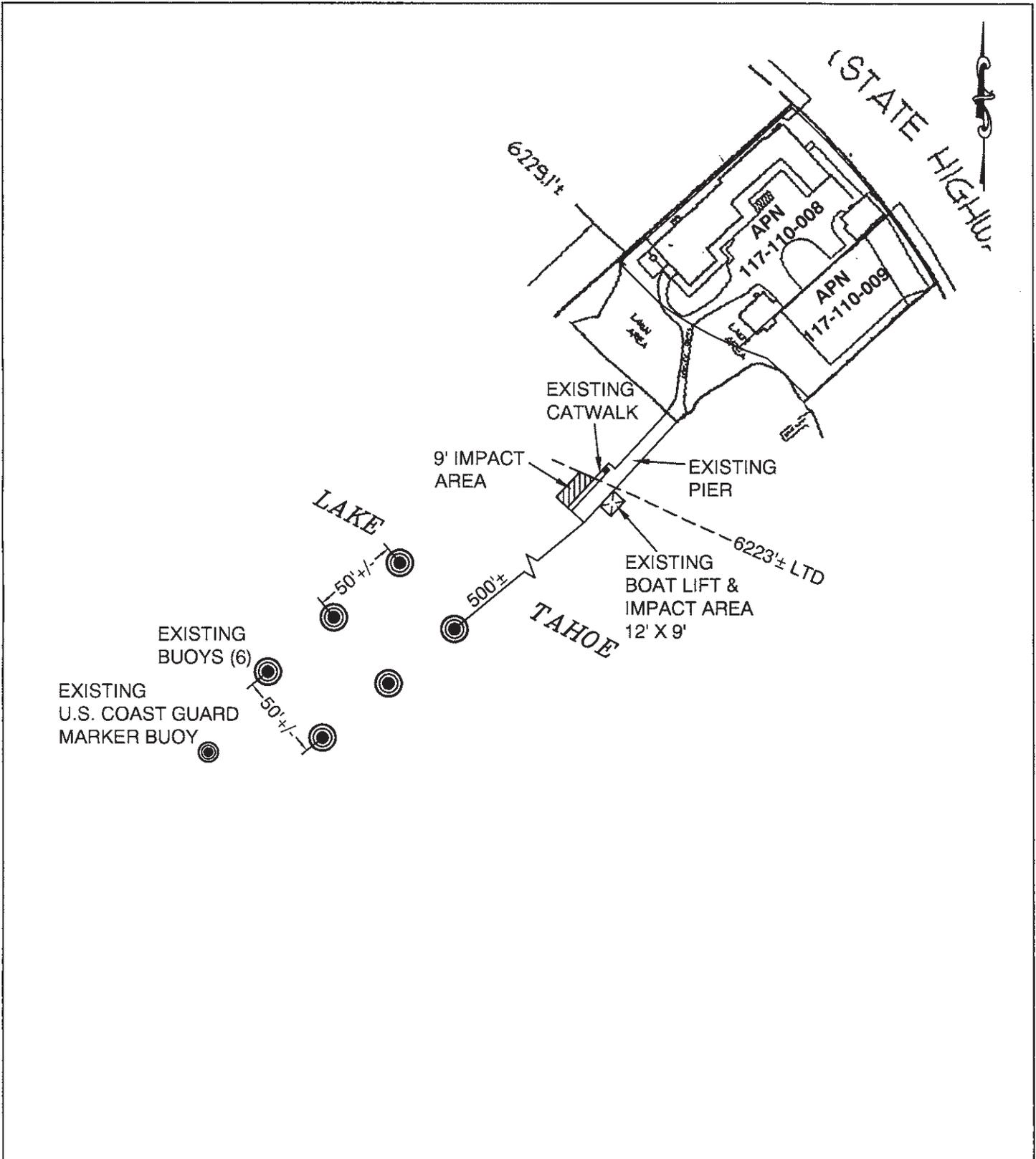
TOGETHER WITH a U.S. COAST GUARD MARKER BUOY.

Accompanying plat is hereby made part of this description.

**END OF DESCRIPTION**

Prepared 06/24/2015 by the California State Lands Commission Boundary Unit.

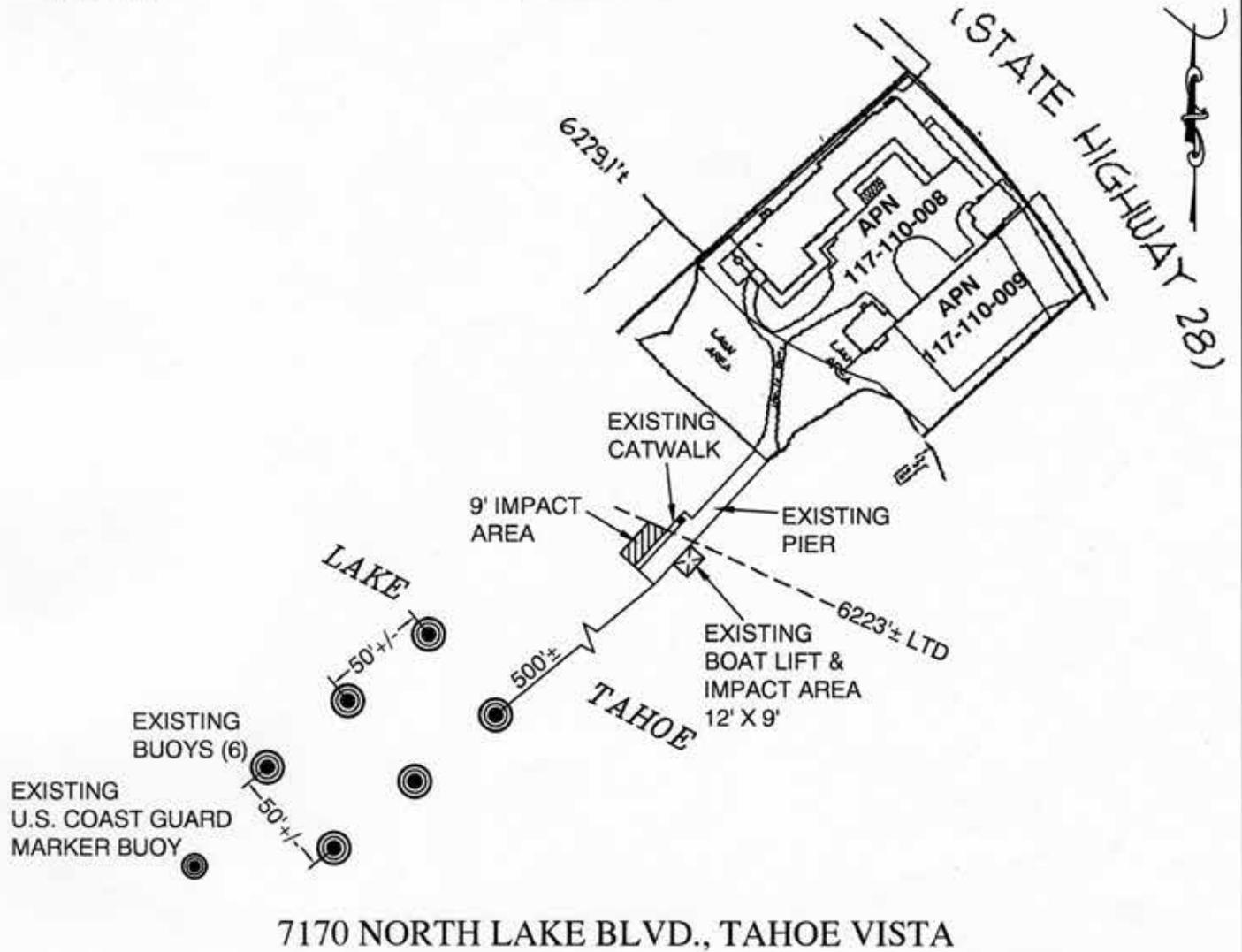




# EXHIBIT A

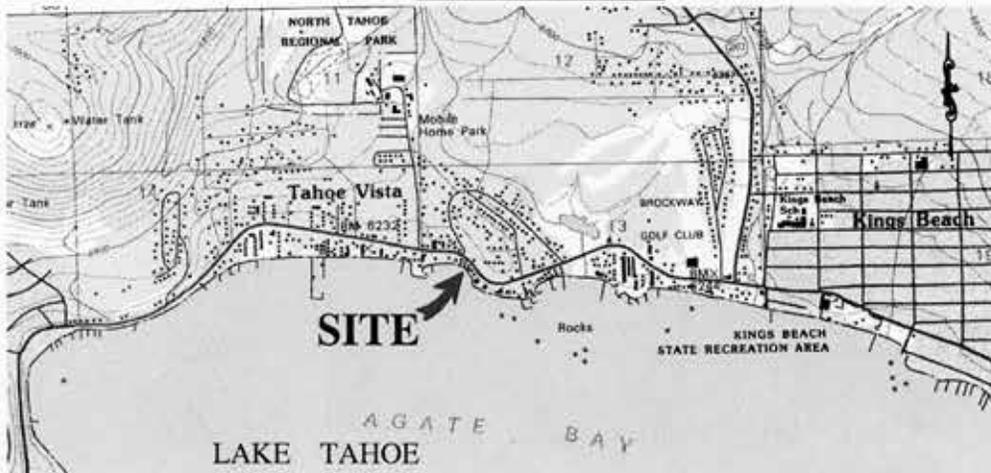
NO SCALE

### SITE



NO SCALE

### LOCATION



MAP SOURCE: USGS QUAD

### Exhibit B

PRC 8601.1  
 KW-NORTHSTAR VENTURES, LLC  
 APNs 117-110-008 & 009  
 GENERAL LEASE - COMMERCIAL USE  
 PLACER COUNTY

### SITE

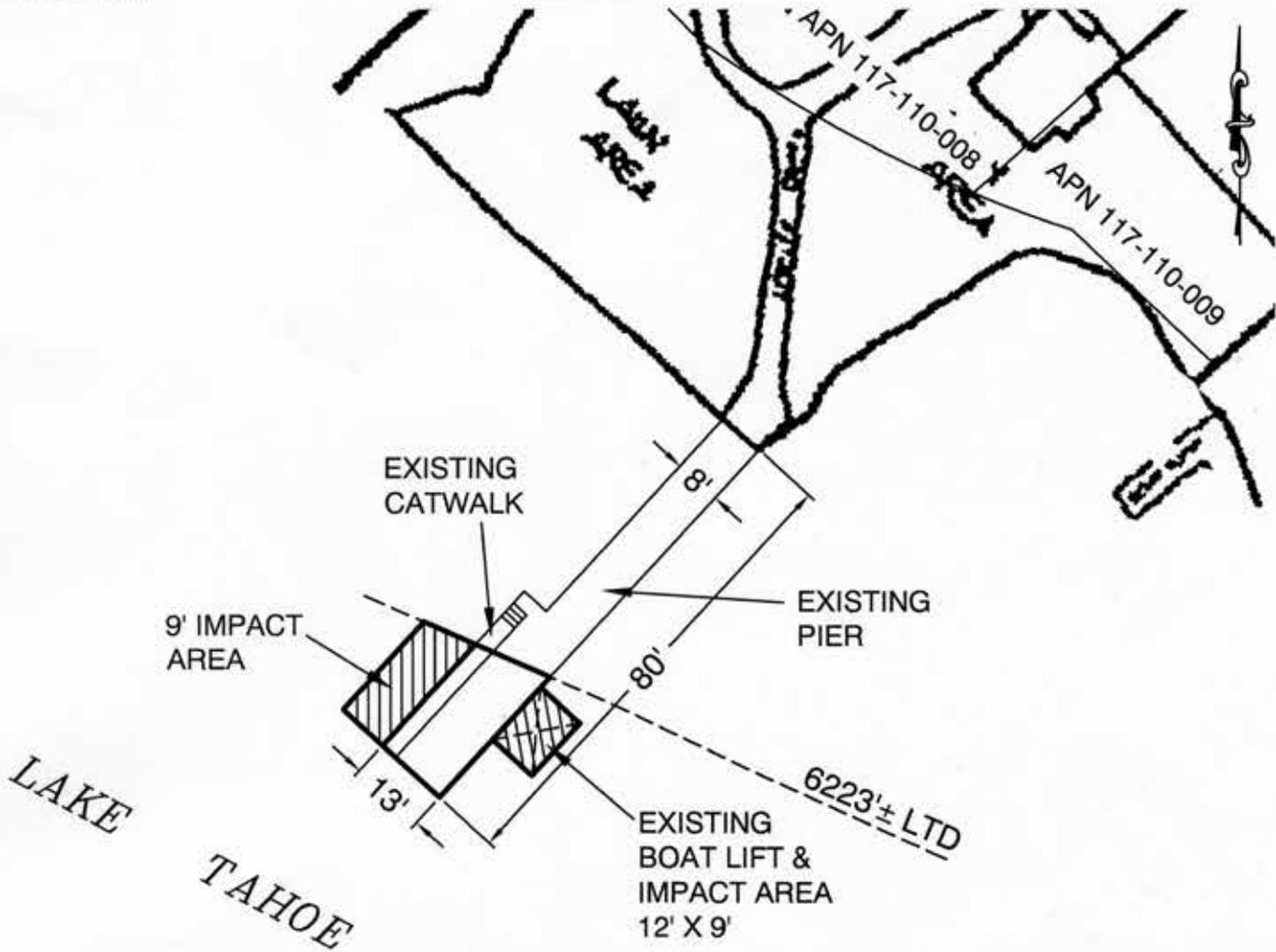


TS 06/24/15

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.

NO SCALE

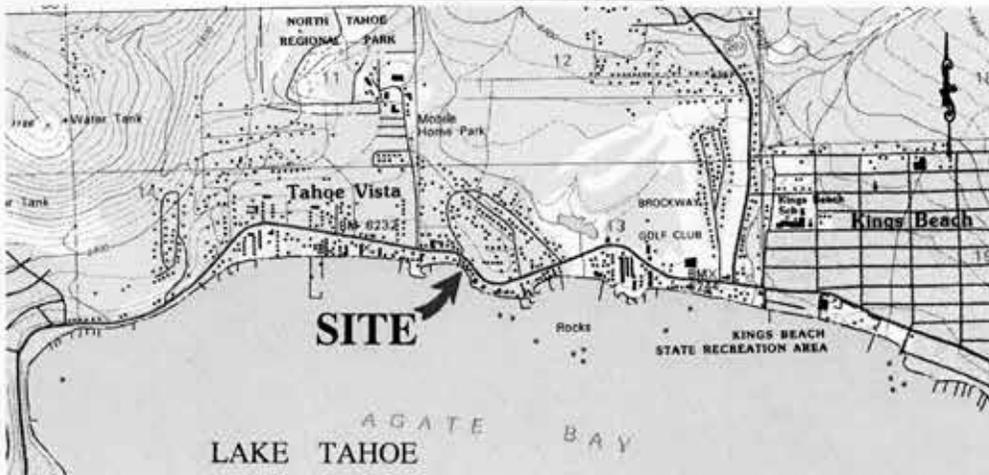
### SITE



7170 NORTH LAKE BLVD., TAHOE VISTA

NO SCALE

### LOCATION

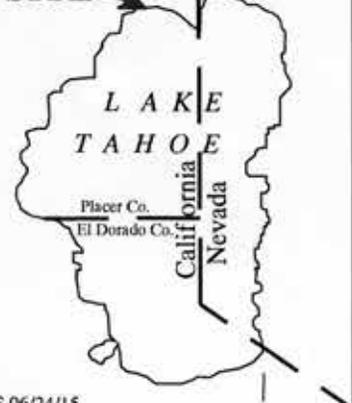


MAP SOURCE: USGS QUAD

### Exhibit B-1

PRC 8601.1  
 KW-NORTHSTAR  
 VENTURES, LLC  
 APNs 117-110-008 & 009  
 GENERAL LEASE -  
 COMMERCIAL USE  
 PLACER COUNTY

### SITE



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