

**STAFF REPORT
C05**

A 5
S 1

08/23/18
PRC 9079.1
S. Evans

**AMENDMENT OF LEASE AND
REVISION OF RENT**

LESSEE:

Chateaux Du Lac Association, Inc.

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Lake Tahoe, adjacent to 709 Lakeview Avenue, near South Lake Tahoe, El Dorado County.

AUTHORIZED USE:

Continued use and maintenance of an existing pier.

LEASE TERM:

10 years, beginning August 23, 2013.

CONSIDERATION:

This lease provides that the Commission may modify the rent periodically during the lease term. Pursuant to this provision, staff reviewed the rent under this lease and recommends that rent be revised from \$639 per year to \$317 per year, effective August 23, 2018.

PROPOSED AMENDMENT:

Amend the lease to replace the existing Exhibit A, Land Description, and Exhibit B, Site and Location Map, with the attached Exhibit A, Land Description, and Exhibit B, Site and Location Map (for reference purposes only). All other terms and conditions of the lease shall remain in effect without amendment.

STAFF ANALYSIS AND RECOMMENDATION:

Authority:

Public Resources Code sections 6005, 6216, 6301, 6501.1, 6503, and 6503.5; California Code of Regulations, title 2, sections 2000 and 2003.

Public Trust and the State's Best Interests Analysis:

On September 20, 2013, the Commission authorized a 10-year General Lease – Recreational Use to Chateaux Du Lac Association, Inc., for an

STAFF REPORT NO. **C05** (CONT'D)

existing pier ([Item C1, September 20, 2013](#)). That lease will expire on August 22, 2023.

Staff conducted the rent review called for in the lease and recommends the rent be revised from \$639 per year to \$317 per year based on changes to the lease (impact) area for the pier and application of the current Lake Tahoe Benchmarks. Staff also recommends the lease be amended to reflect the new reduced lease area.

The lease does not alienate the State's fee simple interest or permanently impair public rights. The recommended action will not substantially interfere with the Public Trust needs at this location, at this time, and for the foreseeable term of the lease. For these reasons, staff recommends finding the proposed action is in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. This action is consistent with Strategy 2.2 of the Commission's Strategic Plan to ensure timely receipt of revenues and royalties from the use and development of State lands and minerals.
2. Amendment of the lease to make an adjustment in the lease area and approving the revision of the rent are not projects as defined by the California Environmental Quality Act because they are administrative actions 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).

EXHIBITS:

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

RECOMMENDED ACTION:

It is recommended that the Commission:

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed amendment will not substantially interfere with the Public Trust needs and values at this location, at this time, and for the foreseeable term of the lease, is consistent with the common law Public Trust Doctrine, and is in the best interests of the State.

STAFF REPORT NO. **C05** (CONT'D)

AUTHORIZATION:

1. Authorize the amendment of Lease No. PRC 9079.1, a General Lease – Recreational Use, effective August 23, 2018, to replace the existing Exhibit A, Land Description, and Exhibit B, Site and Location Map, with the attached Exhibit A, Land Description, and Exhibit B, Site and Location Map (for reference purposes only).
2. Approve the revision of rent for Lease No. PRC 9079.1 from \$639 per year to \$317 per year, effective August 23, 2018.

EXHIBIT A

PRC 9079.1

LAND DESCRIPTION

A parcel of submerged lands situated in the bed of Lake Tahoe, lying adjacent to Lot 4 of fractional Section 32, Township 13 North, Range 18 East, M.D.B.&M., as shown on Official Government Township Plat approved July 8, 1875, County of El Dorado, State of California, more particularly described as follows:

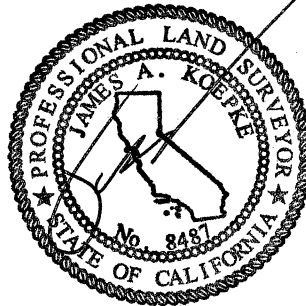
All those lands underlying an existing pier and catwalk lying adjacent to that parcel described in Grant Deed recorded October 29, 1969 as Document Number 21837 in Book 956 at Page 257 in Official Records of said County.

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.

END OF DESCRIPTION

Prepared 05/15/2018 by the California State Lands Commission Boundary Unit.



NO SCALE

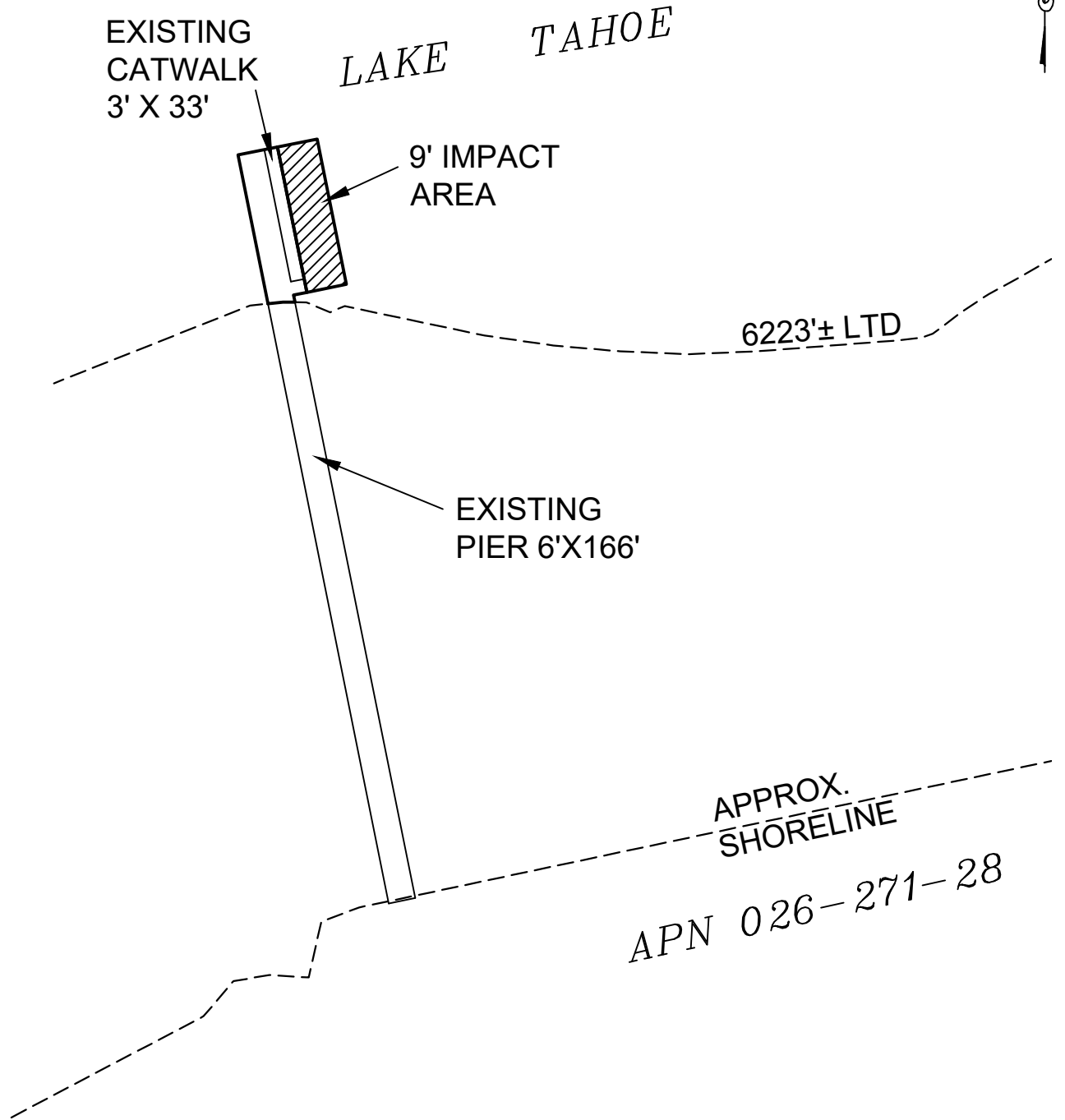


EXHIBIT A

Page 2 of 2

TS 05/15/18

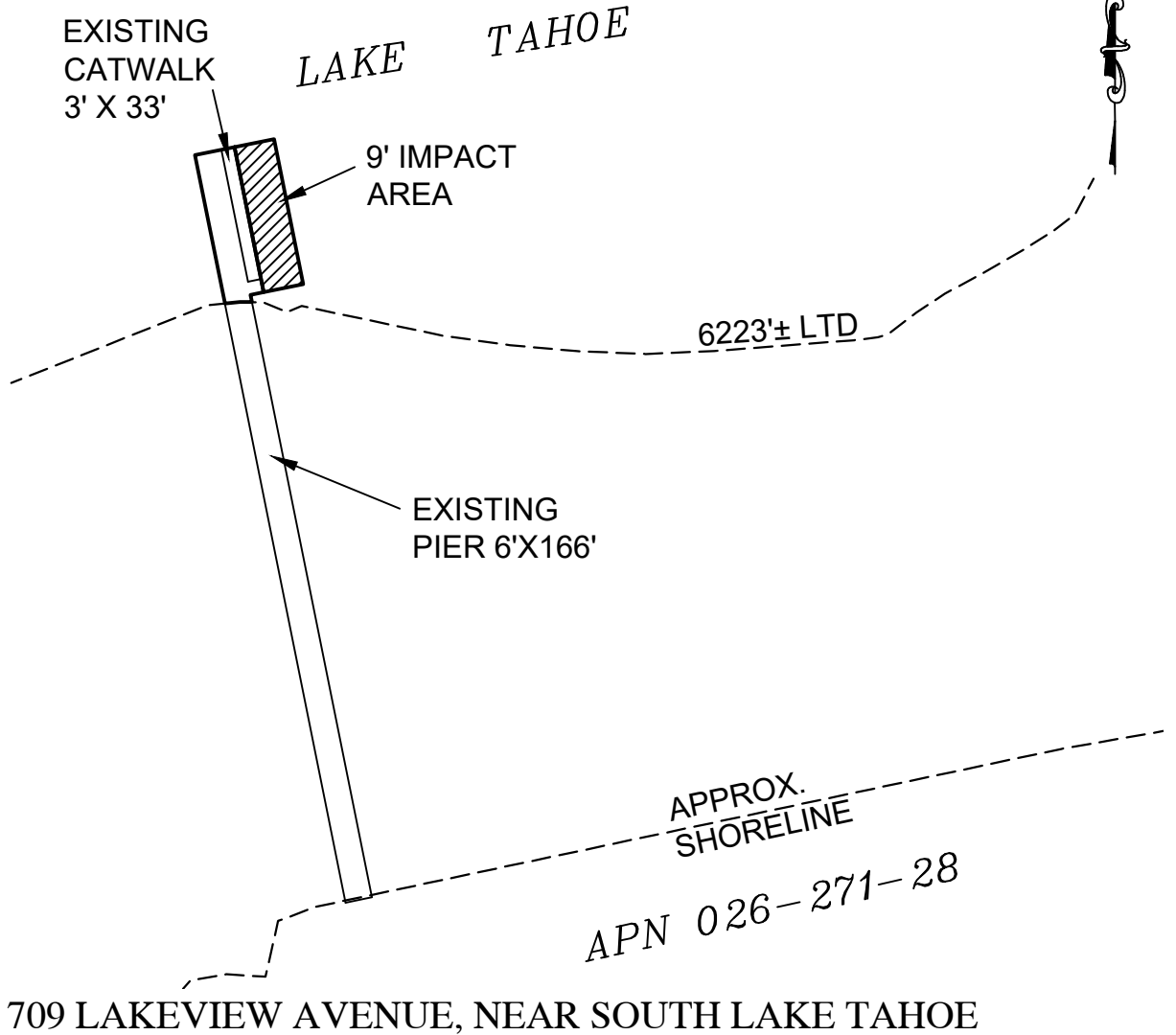
LAND DESCRIPTION PLAT
PRC 9079.1, CHATEAUX DU LAC
ASSOCIATION, INC.
EL DORADO COUNTY

CALIFORNIA STATE
LANDS COMMISSION



NO SCALE

SITE



NO SCALE

LOCATION

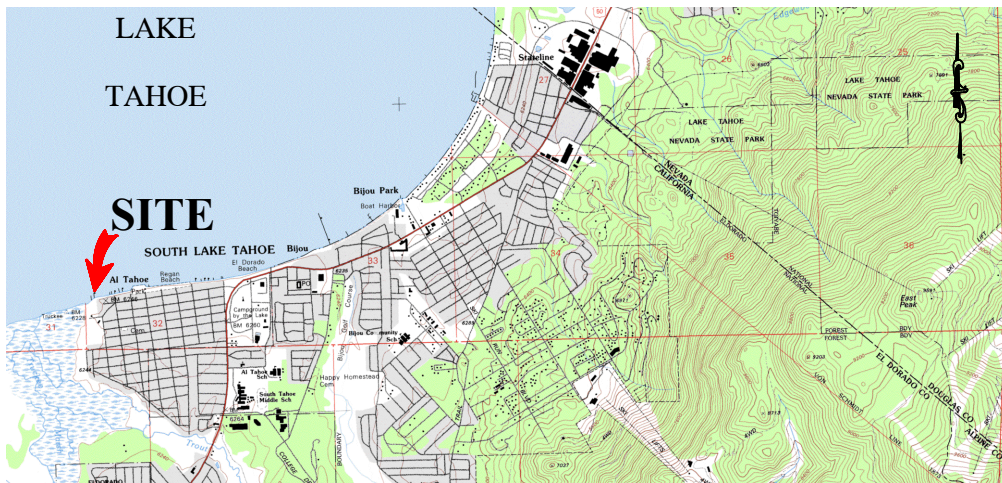
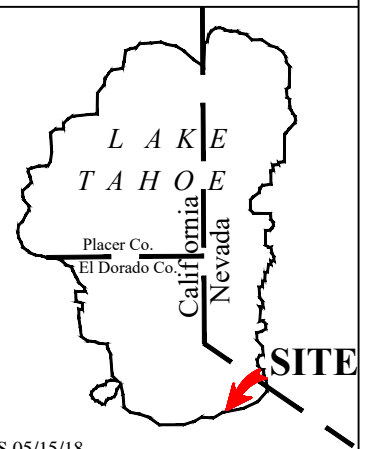


Exhibit B

PRC 9079.1
 CHATEAUX DU LAC
 ASSOCIATION, INC.
 APN 026-271-28
 GENERAL LEASE -
 RECREATIONAL USE
 EL DORADO 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.