

MINUTE ITEM

8/26/70  
EWC

11. 8-YEAR COMMERCIAL LEASE AND COMPROMISE AGREEMENT; SUBMERGED LAND IN BED OF LAKE TAHOE AT STATELINE, EL DORADO COUNTY; LAKESIDE YACHT AND HARBOR CLUB, INC. - W-2311, P.R.C. 4498.1.

After consideration of Calendar Item 8 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION AUTHORIZES THE ISSUANCE TO LAKESIDE YACHT AND HARBOR CLUB, INC., OF AN 8-YEAR COMMERCIAL LEASE AND COMPROMISE AGREEMENT, FROM JULY 1, 1970, IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF \$1,980; OF \$10,000 AS FULL PAYMENT OF BACK RENTS; OF INITIAL PART PAYMENT OF BACK RENTS IN THE AMOUNT OF \$2,500; AND ANNUAL REPAYMENT OF THE BALANCE OF BACK RENTS IN INSTALLMENTS OF \$1,071.43, WITH THE ENTIRE BALANCE OF BACK RENTS TO BE PAID IN FULL BY THE TERMINATION THEREOF; PROVISION OF A \$10,000 SURETY BOND, PUBLIC LIABILITY INSURANCE IN AMOUNTS OF \$250,000/\$500,000 FOR PERSONAL INJURY AND \$50,000 FOR PROPERTY DAMAGE; FOR THE OPERATION AND MAINTENANCE OF A YACHT HARBOR ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF. A COPY OF THE LEASE AND COMPROMISE AGREEMENT IS ON FILE IN THE OFFICE OF THE COMMISSION AND BY REFERENCE MADE A PART HEREOF (EXHIBIT "C").

Attachment:

Calendar Item 8 (3 pages)

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8.

COMMERCIAL LEASE AND COMPROMISE AGREEMENT

APPLICANT: Lakeside Yacht and Harbor Club, Inc.  
LOCATION: An (approximately) 0.69-acre parcel of submerged land in the bed of Lake Tahoe at Stateline, El Dorado County.  
LAND USE: The operation and maintenance of a yacht harbor.  
TERMS OF LEASE: 8 years, from July 1, 1970.

Renewal option: One additional period of 7 years at such reasonable terms and conditions as the State may impose.

Surety bond: \$10,000; Public liability insurance: \$250,000/\$500,000 for personal injury and \$50,000 for property damage.

TERMS OF COMPROMISE AGREEMENT:

Lessee acknowledges that back rents have been accruing and agrees to pay (and State agrees to accept as full payment) \$10,000; \$2,500 is paid initially and the balance to be paid off completely in seven annual installments of \$1,071.43 in addition to future rents. In the event of early termination of the lease, the entire balance of back rents will become due and payable. The lease is not assignable.

CONSIDERATION OF LEASE:

\$1,980 per annum.

BASIS FOR CONSIDERATION:

6% of appraised value of land.

PREREQUISITE ITEMS:

U.S. Army Corps of Engineers permit issued.  
Applicant is lessee of upland.

STATUTORY AND OTHER REFERENCES:

- a. Public Resources Code: Div. 6, Pts. 1 and 2.
- b. Administrative Code: Title 2, Div. 3. Arts. 1 & 2 as amended effective May 10, 1969.

OTHER PERTINENT INFORMATION:

The berths in this facility are largely occupied by members of the Lakeside Park Association, the littoral owner. The Association leases the upland and improvements to the Club (a different corporation having some of the same Directors) by a lease expiring eight years from now. In the past, since 1955, negotiations with the Club had been unsuccessful.

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Recent negotiations have been fruitful, and resulted in a lease and compromise agreement designated as Exhibit "C" on file in the office of the State Lands Commission and by reference made a part hereof. The agreement provides for an initial part payment and annual installments on the balance of back rents due, with full repayment of the back rent by the expiration of the agreement. The future rental is supported by a Division appraisal.

After consideration of probable engineering and litigation costs to force a solution possibly more favorable to the State, the Division recommends approval of this compromise settlement as being in the best interests of the State.

EXHIBITS:           A. Land description.  
                      B. Location map.  
                      C. Proposed lease.

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE ISSUANCE TO LAKESIDE YACHT AND HARBOR CLUB, INC., OF AN 8-YEAR COMMERCIAL LEASE AND COMPROMISE AGREEMENT, FROM JULY 1, 1970, IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF \$1,980; OF \$10,000 AS FULL PAYMENT OF BACK RENTS; OF INITIAL PART PAYMENT OF BACK RENTS IN THE AMOUNT OF \$2,500; AND ANNUAL REPAYMENT OF THE BALANCE OF BACK RENTS IN INSTALLMENTS OF \$1,071.43, WITH THE ENTIRE BALANCE OF BACK RENTS TO BE PAID IN FULL BY THE TERMINATION THEREOF; PROVISION OF A \$10,000 SURETY BOND, PUBLIC LIABILITY INSURANCE IN AMOUNTS OF \$250,000/\$500,000 FOR PERSONAL INJURY AND \$50,000 FOR PROPERTY DAMAGE; FOR THE OPERATION AND MAINTENANCE OF A YACHT HARBOR ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF. A COPY OF THE LEASE AND COMPROMISE AGREEMENT IS ON FILE IN THE OFFICE OF THE COMMISSION AND BY REFERENCE MADE A PART HEREOF (EXHIBIT "C").

Attachment: Exhibit "A"

EXHIBIT "A"

All that certain submerged land in the bed of Lake Tahoe, El Dorado County, California, described as follows:

COMMENCING at the southwesterly corner of Lot Three (3), Lakeside Lodge Subdivision as shown on that certain map of said subdivision, recorded in Book "A" of Maps, page 31, Official Records of El Dorado County; thence along the direct extension northwesterly of the southwesterly line of said Lot Three (3), N 57° 32' 30" W to the intersection with the low water mark of Lake Tahoe as said low water mark is shown on that certain map entitled "Survey of the Low Water Mark on the shore of Lake Tahoe vicinity of Stateline" recorded in Book 2 at page 12, Official Records of El Dorado County, said intersection being the TRUE POINT OF BEGINNING; thence continuing along the extension of said southwesterly line N 57° 32' 30" W to a point 225.00 feet from said southwesterly corner; thence N 25° 46' 40" E 184.00 feet; thence S 64° 13' 20" E to said low water mark; thence along said low water mark southwesterly to the true point of beginning.