

MINUTE ITEM

8/26/70
EWC

19. CONSIDERATION OF FIVE-YEAR COMMERCIAL LEASE FOR MAINTENANCE OF FOURTEEN BUOY SITES IN LAKE TAHOE AT AGATE SHORES, PLACER COUNTY; AGATE PROPERTIES, INC. - W-8620.

During consideration of Calendar Item 5 attached, the Executive Officer read into the record two letters of objection to issuance of the proposed lease from the following who own property on Agate Bay: (1) Mr. and Mrs. Werner G. Auer of Carnelian Bay, dated August 21, 1970, and (2) Reynold M. Mettler of Bakersfield, dated August 17, 1970.

Appearances were made by Mr. Lawrence M. Hill and by Mrs. Gertrude T. Thatcher, property owners at Agate Bay Shores, both objecting to the commercial aspects of the proposed lease.

Upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION DIRECTS THE STAFF TO REFER THE MATTER OF THE PROPOSED COMMERCIAL LEASE FOR AGATE BAY PROPERTIES, INC., TO THE BI-STATE AGENCY FOR REVIEW, AND TO BRING IT BACK TO THE COMMISSION FOR FURTHER CONSIDERATION AT THE CONCLUSION OF THE BI-STATE AGENCY'S STUDY, WHICH IT IS ANTICIPATED WILL BE MID-1971, OR LATER.

In the interim the staff is to submit an informal report on the status of the Bi-State Agency's study.

Attachment:

Calendar Item 5 (3 pages)

CALENDAR ITEM

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5.

COMMERCIAL LEASE

APPLICANT: Agate Bay Properties, Inc.

LOCATION: Fourteen buoy sites (circles of 10' radius) in Lake Tahoe at Agate Bay Shores, Placer County.

LAND USE: The maintenance of fourteen mooring buoys.

TERMS: 5 years, from October 1, 1969.
Surety bond: \$1,000 to be effective from date the lease is executed on behalf of State Lands Commission.
Public liability insurance: \$100,000/\$300,000 for personal injury and \$100,000 for property damage.

CONSIDERATION: \$700 per annum.

BASIS FOR CONSIDERATION:
\$50.00 each buoy minimum rental for this type of permit.

PREREQUISITE ITEMS:
U.S. Army Corps of Engineers Permit issued.
Applicant is owner of upland.

STATUTORY AND OTHER REFERENCES:
a. Public Resources Code: Div. 6, Pt. 2, Ch. 1, Secs. 6501-09.
b. Administrative Code: Title 2, Div. 3, Arts. 1 & 2 as amended effective May 10, 1969.

OTHER PERTINENT INFORMATION:
The Lessee is a residential development corporation, renting buoys only to members. The proposal, originally for 28 buoys, would have qualified for a percentage lease under Administrative Code Section 2014. However, after the third county-level hearing, county approval was granted for only 14 buoys. In the staff's opinion, based partially upon data supplied by the Lessee, this is an uneconomic size of operation and a percentage lease is not warranted. After the initial five years, an examination of the Lessee's records will be made to determine if conditions should be changed for any future lease or permit.

Some public opposition to the granting of this permit has been noted by the staff; however, the staff feels such leases to be in the long-run interest of the State and of the Lake Tahoe residents to bring existing buoys under some sort of control.

EXHIBITS: A. Land description. B. Location map.

CALENDAR ITEM 5. (CONTD.)

IT IS RECOMMENDED THAT THE COMMISSION AUTHORIZE THE ISSUANCE TO AGATE BAY PROPERTIES, INC., OF A FIVE-YEAR COMMERCIAL LEASE FROM OCTOBER 1, 1969, IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF \$700; PROVISION OF A \$1000 SURETY BOND AND PUBLIC LIABILITY INSURANCE IN THE AMOUNT OF \$100,000/\$300,000 FOR PERSONAL INJURY AND \$10,000 FOR PROPERTY DAMAGE; FOR THE MAINTENANCE OF FOURTEEN MOORING BUOYS ON THE LAND DESCRIBED ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

Attachment: Exhibit "A"

EXHIBIT "A"

Those certain fourteen parcels of submerged land in the bed of Lake Tahoe, Placer County, immediately below proposed buoys and lying offshore and adjacent to Lots 11 and 13 of Agate Bay Shore Subdivision recorded May 6, 1947, in Book E of Maps, page 16, Placer County records, the relative locations of which are shown on the plat labeled as Exhibit "B" in file under the above subject work order.