

MINUTE ITEM

This Calendar Item No. C76 was approved as Minute Item No. 76 by the California State Lands Commission by a vote of 3 to 0 at its 2/27/98 meeting.

**CALENDAR ITEM
C76**

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02/27/98
PRC 5859 WP 5859.1
B. Young

**ACCEPTANCE OF A QUITCLAIM DEED
TERMINATION OF A GENERAL LEASE - COMMERCIAL USE
ISSUANCE OF A GENERAL LEASE - COMMERCIAL USE**

LESSEE:

Camp Richardson Resort, Inc.
P.O. Box 9028
South Lake Tahoe, CA 96158

AREA, LAND TYPE, AND LOCATION:

10.16 acres, more or less, of sovereign lands in Lake Tahoe at Camp Richardson near South Lake Tahoe, El Dorado County.

PROPOSED AUTHORIZATION - EXISTING LEASE :

Acceptance of Quitclaim deed and lease termination.

PROPOSED AUTHORIZATION - NEW LEASE:

A. Improvements completed or to be completed in three (3) phases as defined below and as shown on the attached Exhibit A (Sheets 1 thru 3):

Phase I (1997) - Exhibit A (Sheet 1 of 3)

Existing Improvements: An existing 235-foot fixed pier plus a 315-foot temporary floating extension; one hundred and ten (110) mooring buoys; four (4) marker buoys; twelve (12) boat slips; two (2) fuel pumps/dispensers; placement of a seasonal swim area.

Improvements Constructed: Establishment of the buoy field in a navigational grid, along with a 100-foot wide navigational corridor with buoy marking system.

Improvement Removed: Removal of a 315-foot temporary floating extension.

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Phase II (1998) - Exhibit A (Sheet 2 of 3)

Improvements to be Constructed: One (1) 475-foot floating permanent pier extension with five (5) boat slips at the end.

Improvements to be Removed or Relocated: Relocate six (6) of the one hundred and ten (110) mooring buoys from the east buoy field waterward and in line with the most shallow row of buoys on the west field, and relocate fueling dispensers to the west side of the pier deck at the end of the pier extension.

Phase III (1999) - Exhibit A (Sheet 3 of 3)

Improvement to be Constructed: One (1) 130-foot fork lift boat launching pier.

Improvements to be Removed: Remove twelve (12) boat slips and associated pilings.

All Phases: One hundred and four (104) of the one hundred and ten (110) mooring buoys shall be seasonally placed by May 1 and removed by October 15 of each year.

B. Existing activities, on the date of issuance of the lease, to be conducted by Lessee, Sublessees or other concessionaires:

1. Shuttle boat operations
2. One (1) tour boat operation
3. One (1) parasailing operation
4. One (1) fishing charter operation
5. One (1) water ski school operation
6. Rental of one hundred ten (110) mooring buoys
7. One (1) guided boat operation
8. One (1) personal water craft rental operation
9. Fuel sales

CALENDAR ITEM NO. C76 (CONT'D)

10. Placement of a seasonal swim area
11. One (1) boat rental

Any additional improvements and activities will be subject to review and environmental compliance under the California Environmental Quality Act, prior to commencement of operations, and will require the prior written approval of Lessor.

LEASE TERM:

Twenty (20) years, beginning January 1, 1998

CONSIDERATION:

1. The annual rent consists of a minimum of \$11,000.00 against a percentage of gross receipts, whichever is greater. The annual rent is to be paid in advance on the beginning date of this lease and on the lease anniversary date every year thereafter for the remainder of the term of this lease.
2. A percentage of gross income will be charged as follows:
 - a. 5% of the "operator's "gross income" derived annually from berthing, fishing charter, water ski school, guided boat tours, personal watercraft rental and boat rental.
 - b. 1% of the operator's "gross income" derived annually from the operation of the cruise, tour and shuttle boats.
 - c. 10% of the operator's "gross income" derived from all other activities conducted on or over the Lease Premises.

In addition, 1-1/2 cents per gallon of fuel sold annually on or over the Lease Premises to a maximum of 100,000 gallons and 2 cents per gallon thereafter.

The State reserves the right to fix a different rent periodically during the lease term, as provided in the lease

SPECIFIC LEASE PROVISIONS:

Insurance: \$1,000,000 combined single limit coverage per occurrence.

Bond: \$25,000

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OTHER PERTINENT INFORMATION:

1. The 70-year old Camp Richardson Marina, aka Anchorage Marina, is open to the public and is situated on the south shore of Lake Tahoe approximately three miles from the intersection of Highways 89 and 50. The Marina is surrounded by United States Forest Service (USFS) lands to the west and south (Camp Richardson Resort), and Jameson Beach Tract which consists of residential homes to the east. Access to the Marina and the Jameson Beach Tract is via Jameson Beach Road situated within Camp Richardson Resort.
2. Lessee is the owner of the upland adjoining the lease premises which is comprised of a marina building for equipment storage, a vacation rental unit, a paved parking area and an unimproved, cyclone fenced storage yard. Adjacent to the marina on the west, and within the Resort area, is a public beach which is next to a designated swim area where non-motorized watercraft may be rented and used, and a restaurant on the upland known as The Beacon. In addition to owning and operating the Marina, Lessee also leases the Resort from the USFS.
3. Lessee also has consent of the USFS for that portion of the buoy field and swim area which extends in front of the littoral parcel of the USFS. Marina facilities do not extend in front of littoral property of the Jameson Beach Tract.
4. On June 26, 1980, the Commission authorized a General Lease-Commercial Use for the operation of the marina and ancillary facilities for a term of forty years, effective on July 1, 1980. The marina was assigned to the current Lessee, Seven Summits Corporation, dba Camp Richardson Resort, Inc., on May 9, 1996.
5. Due to the proposed changes and the age of the lease, it was mutually agreed between Commission staff and Lessee that the existing lease be terminated, and that a new 20-year lease be considered by the Commission to address the proposed changes of the marina, and to reflect the current leasing policy of the Commission.
6. Lessee intends to improve and modernize the existing facilities over a three-year period, as shown in the attached Exhibit A (Sheets 1 thru 3, and as discussed under the above referenced "Proposed Authorization -

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Existing Lease" and "Proposed Authorization - New Lease").

7. The permitting agencies involved with improvements and uses at the Marina are the United States Forest Service, El Dorado County, Tahoe Regional Planning Agency (TRPA), California Environmental Protection Agency (Lahontan Region), the California State Lands Commission (Commission), the United States Army Corps of Engineers (Corps), and the United States Coast Guard.
8. The USFS is undertaking a Master Plan Program for the Resort which will describe additional improvements over the next 20 years. Individual projects will be analyzed and considered pursuant to the National Environmental Policy Act (NEPA). Components of the Program are anticipated to be identified by the end of 1998.
9. Lessee is awaiting a revision to an Existing Special Use Permit which is pending with El Dorado County for proposed "off-season" uses of the upland marina buildings, use of the residential structure, uses of the storage yard, and alteration of a non-conforming use of above-ground fuel storage tanks.
10. The Tahoe Regional Planning Agency (TRPA) issued Permit No.950645, on June 27, 1996, for the improvements described in the Commission's Proposed Negative Declaration. As a condition of permit approval, TRPA has required the applicant to submit \$20,000 as security to ensure compliance for the preparation and submittal of a Marina Master Plan which will describe any future plans for uses and improvements to the marina. The TRPA permit also requires the preparation of the Marina Master Plan to be performed in conjunction with the preparation of the Master Plan Program for the Resort.
11. Commission Staff has indicated to TRPA the desire to participate in the Marina Master Plan Process. When the Plan is available, staff will review it to determine the degree and extent of jurisdiction, and additional analysis required under the California Environmental Quality Act (CEQA).
12. The Corps of Engineers has jurisdiction over improvements involving navigable waters and wetlands of the United States. The Corps approved

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permit #199600194, for the marina project, in June 1997.

13. On May 2, 1997, the staff of the State Lands Commission circulated Proposed Mitigated Negative Declaration, ND 679, SCH#97052010 for a 30-day period. The comment period was extended to June 20, 1997, to allow additional time for Jameson Beach homeowners to review and respond to the environmental document.
14. Comments were received from Cal/EPA, the Painter/Nelson Family, T.M. Scruggs/Laura Graham, Milus Scruggs, and El Dorado County Planning Department.
15. As a result of discussion between the applicant and the Painter family concerning keeping public boats away from the beach in front of the Painter family residence, as well as the marina's own tourist accommodation duplex, the applicant has agreed to prohibit public use of the eastern side of the forklift boat launch structure for docking, boat loading, etc. This agreement has been included within the Commission's lease to the applicant.
16. A Mitigation Monitoring Program has been prepared in conformance with the provisions of the CEQA (Public Resources Code section 21081.6).

APPROVALS OBTAINED:

Tahoe Regional Planning Agency, U.S. Army Corps of Engineers

FURTHER APPROVALS REQUIRED:

California Department of Fish and Game, California Lahontan Region Water Quality Control Board, County of El Dorado, United States Coast Guard

EXHIBITS:

Exhibit A (Sheets 1 thru 3) - Site and Location Map
Exhibit B - Notice of Intent, Proposed Negative Declaration, Mitigation Monitoring Plan

PERMIT STREAMLINING ACT DEADLINE:

February 23, 1998

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RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

CERTIFY THAT A PROPOSED MITIGATED NEGATIVE DECLARATION, CALIFORNIA STATE LANDS COMMISSION ND. NO. 679, STATE CLEARINGHOUSE NO. 97052010 WAS PREPARED FOR THIS PROJECT PURSUANT TO THE PROVISIONS OF THE CEQA AND THAT THE COMMISSION HAS REVIEWED AND CONSIDERED THE INFORMATION CONTAINED THEREIN.

ADOPT THE PROPOSED MITIGATED NEGATIVE DECLARATION AND DETERMINE THAT THE PROJECT, AS APPROVED, WILL NOT HAVE A SIGNIFICANT EFFECT ON THE ENVIRONMENT.

ADOPT THE MITIGATION MONITORING PROGRAM, AS CONTAINED IN EXHIBIT B, ATTACHED HERETO.

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 SECTIONS 6370, ET SEQ.

AUTHORIZATION:

ACCEPT A QUITCLAIM DEED TRANSFERRING ALL RIGHT, TITLE AND INTEREST IN THE LEASEHOLD FROM SEVEN SUMMITS CORPORATION DBA CAMP RICHARDSON RESORT, INC. BACK TO THE STATE OF CALIFORNIA AND TERMINATE GENERAL LEASE-COMMERCIAL USE PRC 5859.1, ASSIGNED TO SEVEN SUMMITS CORPORATION DBA CAMP RICHARDSON RESORT, INC. AND APPROVED BY THE COMMISSION ON JUNE 26, 1980, MINUTE ITEM 19.

AUTHORIZE ISSUANCE TO CAMP RICHARDSON RESORT, INC. OF A GENERAL LEASE-COMMERCIAL USE, BEGINNING JANUARY 1, 1998, FOR A TERM OF TWENTY YEARS, FOR THE CONTINUED OPERATION AND MAINTENANCE OF A COMMERCIAL MARINA ON THE LAND SHOWN ON EXHIBIT A (SHEETS 1 THRU 3) ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF; THE ANNUAL RENTAL CONSISTS OF A MINIMUM ANNUAL RENT OF \$11,000.00 AGAINST A PERCENTAGE OF GROSS

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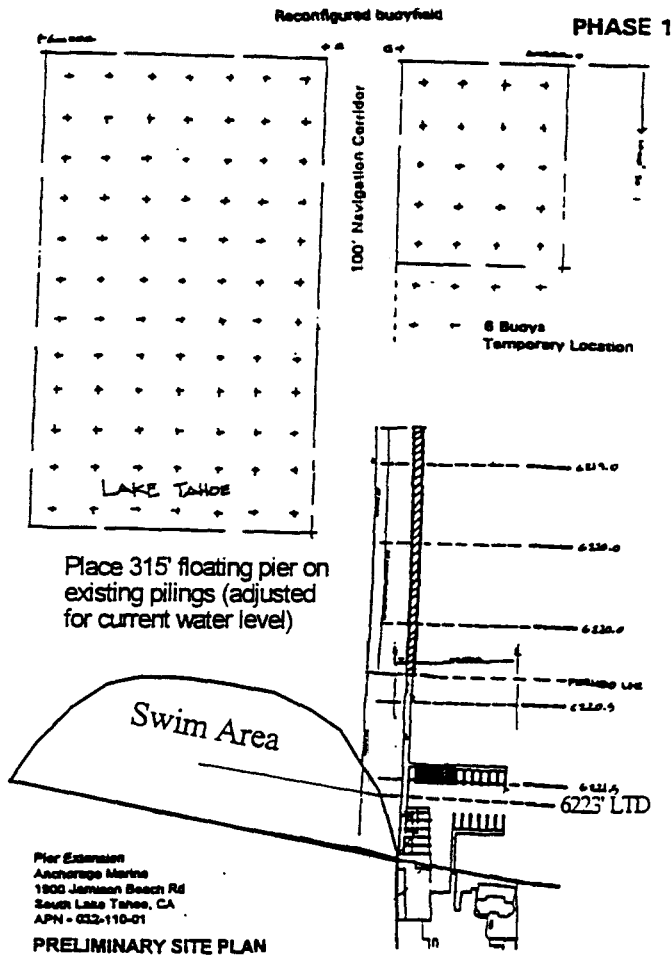
RECEIPTS, WHICHEVER IS GREATER. THE PERCENTAGE OF GROSS INCOME CHARGED WILL BE: (A) 5% OF THE "OPERATOR'S "GROSS INCOME" DERIVED ANNUALLY FROM BERTHING, FISHING CHARTER, WATER SKI SCHOOL, GUIDED BOAT TOURS, PERSONAL WATER CRAFT RENTAL AND BOAT RENTAL, (B) 1% OF THE "OPERATOR'S "GROSS INCOME" DERIVED ANNUALLY FROM THE OPERATION OF THE CRUISE, TOUR AND SHUTTLE BOATS, (C) 10% OF THE OPERATOR'S "GROSS INCOME" DERIVED FROM ALL OTHER ACTIVITIES CONDUCTED ON OR OVER THE LEASE PREMISES; IN ADDITION, 1-1/2 CENTS PER GALLON OF FUEL SOLD ANNUALLY ON OR OVER THE LEASE PREMISES TO A MAXIMUM OF 100,000 GALLONS AND 2 CENTS PER GALLON THEREAFTER. THE STATE RESERVES THE RIGHT TO FIX A DIFFERENT RENT PERIODICALLY DURING THE LEASE TERM, AS PROVIDED IN THE LEASE; LIABILITY INSURANCE WITH COMBINED SINGLE LIMIT COVERAGE NO LESS THAN \$1,000,000; AND SURETY BOND IN THE AMOUNT OF \$25,000.

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NO SCALE

SITE MAP



1900 Jameson Beach Road

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LOCATION MAP

Lake Tahoe

SITE

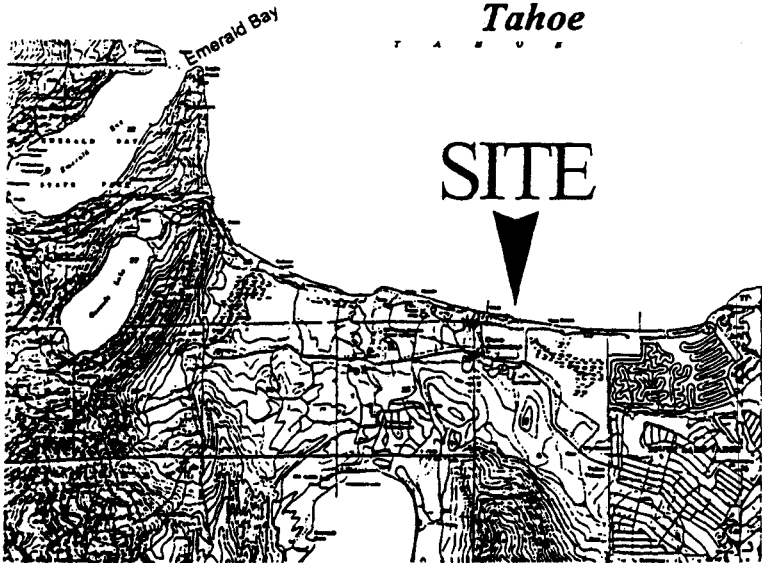
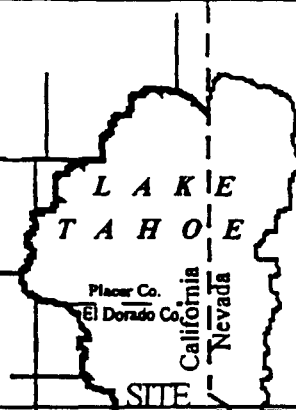


Exhibit A
 PRC5859.1
 APN 032-110-01
 Lake Tahoe
 EL DORADO COUNTY
 Sheet 1 of 3 sheets



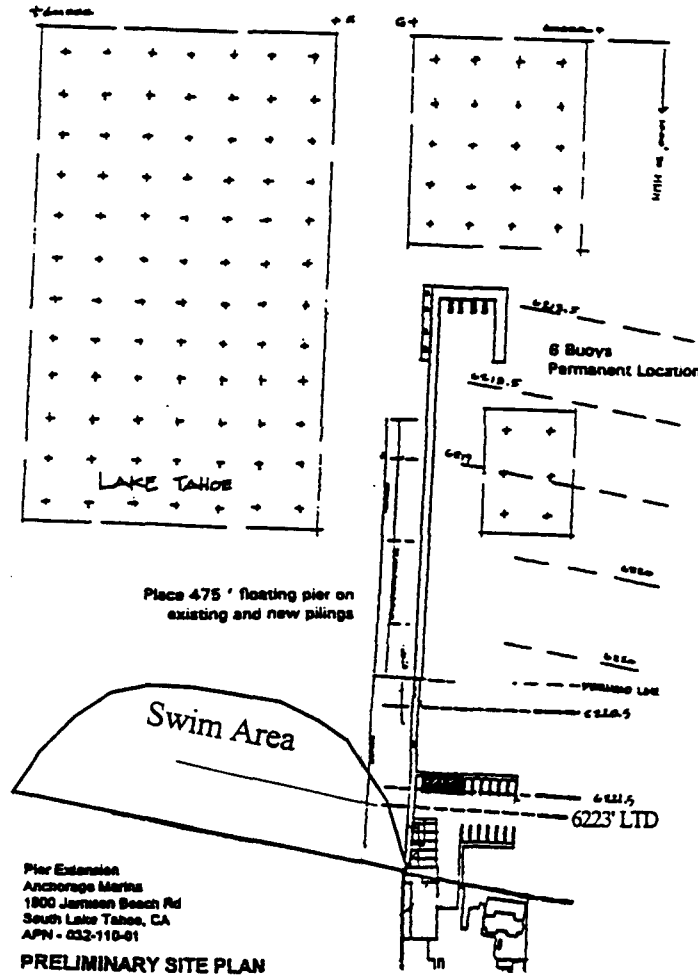
This Exhibit is solely for purposes of generally defining the lease premises, and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

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SITE MAP



PRELIMINARY SITE PLAN

1900 Jameson Beach Road

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LOCATION MAP

Lake
Tahoe

SITE

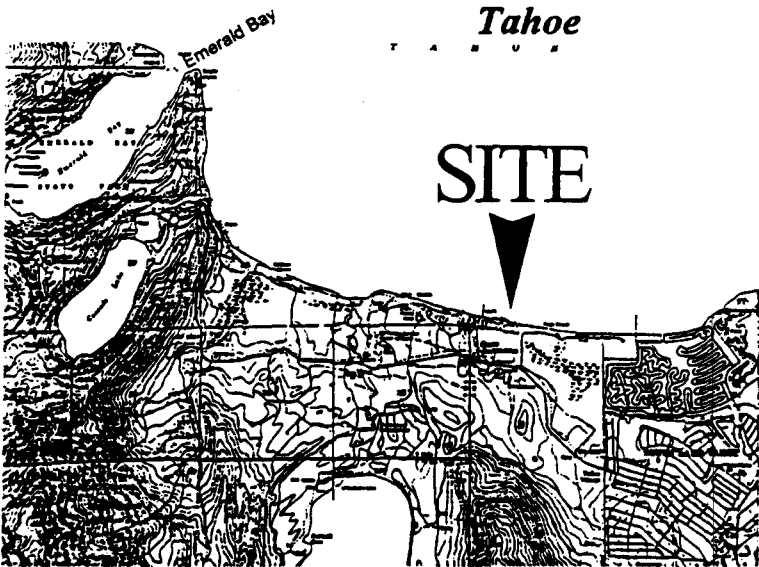
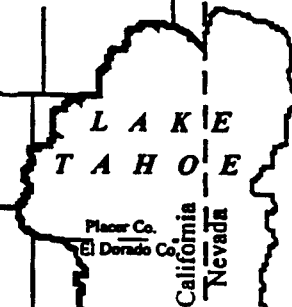


Exhibit A
 PRC5859.1
 APN 032-110-01
 Lake Tahoe
 EL DORADO COUNTY
 Sheet 2 of 3 sheets



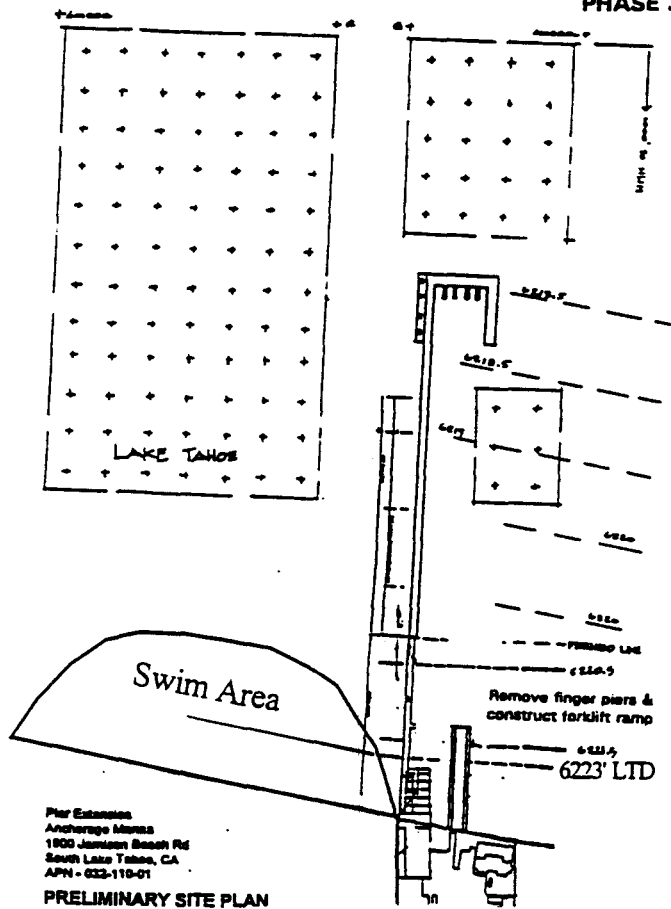
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NO SCALE

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PHASE 3



1900 Jameson Beach Road

NO SCALE

LOCATION MAP

Lake Tahoe

SITE

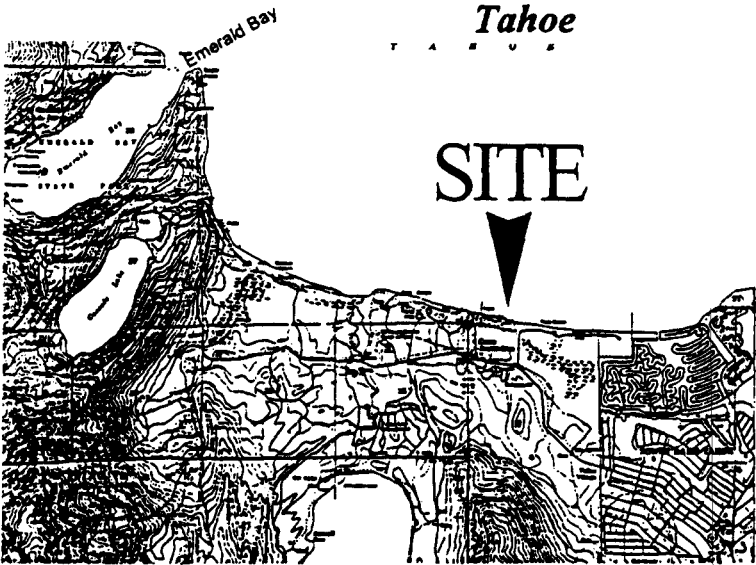
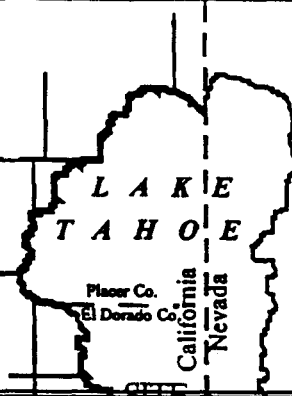


Exhibit A
 PRC5859.1
 APN 032-110-01
 Lake Tahoe
 EL DORADO COUNTY
 Sheet 3 of 3 sheets



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 the subject or any other property.

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11/10/97

**CALIFORNIA STATE
LANDS COMMISSION**

EXECUTIVE OFFICE
 100 Howe Avenue, Suite 100-South
 Sacramento, CA 95825-8202

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 (916) 574-1800 Fax (916) 574-1810
California Relay Service from TDD Phone 1-800-735-2922
from Voice Phone 1-800-735-2929
GRAY DAVIS, Lieutenant Governor
KATHLEEN CONNELL, Controller
CRAIG L. BROWN, Director of Finance

February 11, 1998

 File: WP 5859
 ND 679
 SCH No. 97052010

NOTICE OF INTENT TO ADOPT NEGATIVE DECLARATION
 (Section 21092 Public Resources Code)

An application for the following described project is currently being processed by the staff of the California State Lands Commission:

Project Title: Anchorage Marina Pier Extension/Buoy Field Reconfiguration

Project Proponent: Camp Richardson Resort, Inc.

Project Location: Lake Tahoe, APN 32-110-01, El Dorado County

Project Description: The project is proposed to be implemented in three phases and consists of the following:

Phase I. Temporary installation of a 315 foot floating pier extension to an existing 235 foot fixed pier; reconfiguration of the existing buoy field containing 110 mooring buoys into two groups; and, establishment of a 100 foot wide navigational corridor to provide navigational access to the pier. The lakeward limits of the buoy field and the navigational access channel will be delineated with United States Coast Guard aids to navigation buoys. Removal of the temporary 315 foot extension at the end of the 1997 boating season.

Phase II. Construction of a 475 foot permanent floating pier extension to an existing 235 foot pier. Fueling facilities will be relocated to the end of the permanent pier extension. An upland drainage system located in the marina parking lot will be improved per requirements of the Lahontan Regional Water Quality Control Board.

Phase III. Eighteen permanent slips will be removed from the nearshore. Five of the 18 slips will be relocated out into the lake near the end of the pier extension. Six permanent slips will be converted to moorings to be used for public day-use and concessionaire use. The pier in the nearshore previously used to access the 18 boat slips will be converted for the use of forklift boat launching.

Contact Person: Judy Brown Telephone: (916) 574-1868

A Negative Declaration identified as ND 679, State Clearinghouse No. 97052010, has been prepared pursuant to the requirements of the California Environmental Quality Act.

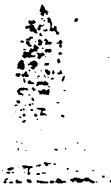
The above mentioned document will be considered for adoption at a meeting of the California State Lands Commission scheduled for Friday, February 27, 1998, at 10:30 a.m., at 1 World Way, Board of Airport Commissioners Meeting Room, Department of Airports, Administration Building, Los Angeles, California.

Persons wishing to appear at the meeting should call (916) 574-1868 in order to assure time allocation for such appearance. Responses to comments received on the Negative Declaration will be available prior to the February 27, 1998 meeting.

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ROBERT C. HIGHT
 Executive Officer

CALIFORNIA STATE LANDS COMMISSION



RAY DAVIS, Lieutenant Governor
KATHLEEN CONNELL, Controller
CRAIG L. BROWN, Director of Finance

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from Voice Phone 1-800-735-2929

PROPOSED MITIGATED NEGATIVE DECLARATION

File: WP5859
ND 679
SCH # 97052010

Project Title: Anchorage Marina Pier Extension/Buoy Field Reconfiguration

Proponent: Camp Richardson Resort, Inc.

Project Location: Lake Tahoe, APN: 32-110-01, El Dorado County

Project Description: The project is proposed to be implemented in three phases and consists of the following:

Phase I - Spring 1997. Temporary installation of a 315-foot floating pier extension to an existing 235-foot fixed pier; reconfiguration of the existing buoy field containing 110 mooring buoys into two groups; and, establishment of a 100-foot wide navigational corridor to provide navigational access to the pier. The lakeward limits of the buoy field and the navigational access channel will be delineated with United States Coast Guard aids to navigation buoys.

Fall 1997 - Removal of the temporary 315' extension at the end of the 1997 boating season.

Phase II - Spring 1998. Construction of a 475-foot permanent floating pier extension to an existing 235-foot pier. Fueling facilities will be relocated to the end of the permanent pier extension. An upland drainage system located in the marina parking lot will be improved per requirements of the Lahontan Regional Water Quality Control Board.

Phase III - Spring 1999. Eighteen permanent slips will be removed from the nearshore. Five of the 18 slips will be relocated out into the lake near the end of the pier extension. Six permanent slips will be converted to moorings to be used for public day-use and concessionaire use. The pier in the nearshore previously used to access the 18 boat slips will be converted for the use of forklift boat launching.

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The overall project has been approved by the Tahoe Regional Planning Agency; however, due to the proposed phasing aspect of the project, the components of each phase have not yet been approved by the Tahoe Regional Planning Agency.

Contact Person: Judy Brown Telephone: (916) 574-1868

This document is prepared pursuant to the requirements of the California Environmental Quality Act (Section 21000 et seq., Public Resources Code), the State CEQA Guidelines (Section 15000 et seq., Title 14, California Code Regulations), and the State Lands Commission regulations (Section 2901 et seq., Title 2, California Code Regulations).

Based upon the attached Initial Study, it has been found that:

- this project will not have a significant effect on the environment.
- mitigation measures included in the project will avoid potentially significant effects.

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MITIGATION MONITORING PLAN

| Impact | Project Modification | Agency Responsible for Overseeing Implementation | Implementation Phase |
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| Earth - Erosion from grading to construct drainage system | * Special grading procedures for activities in Lake Tahoe Basin | TRPA, Lahontan RWQCB | Phase 2 - with system construction |
| Water - Inadequately treated parking lot run-off - Potential spill from fueling facilities or operations - Potential impacts from project demolition and construction in or near Lake Tahoe | * Parking lot improvements and sediment basin construction * Implementation of Spill Contingency Plan * Special construction procedures for activities in or near Lake Tahoe (e.g., caissons for pile driving) | USFS, Lahontan RWQCB Lahontan RWQCB Lahontan RWQCB, TRPA, CA F&G | Phase 2 - with pier extension Phase 1 Phase 2 - with pier construction |
| Plant Life - Potential impacts to TYC | * Preconstruction inspection and protection, if required | USFS, TRPA | Phases 2 & 3 - with construction activities |
| Light and Glare - Light from navigation lights | * Directed lakeward, away from shore | US Coast Guard | Phase 2 - with pier extension |
| Risk of Upset & Human Health - Potential fuel or pump-out spill | * Use approved equipment and procedures * Implementation of Spill Contingency Plan | Lahontan RWQCB Lahontan RWQCB | Phase 2 - with pier extension Phase 1 |
| Transportation/Circulation - Potential navigation hazard | * Lighted navigation buoys at the lakeward corners of the mooring buoyfield and navigation channel entrance * Navigation light at the end of the extended pier | US Army Corps of Engineers & US Coast Guard US Coast Guard | Phase 1 - with buoyfield reconfiguration Phase 2 - with pier extension |

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MITIGATION MONITORING PLAN

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| <p>Aesthetics</p> <ul style="list-style-type: none"> - Potential degradation of scenic quality | <ul style="list-style-type: none"> * Removal of concession structures from the existing pier * Relocation of fueling and pump-out facilities * Selection of colors for pier and structures to blend with setting * Removal of super structure and repainting of building trim to blend with background * Landscape screening of parking lot * Convert majority of buoyfield to seasonal use | <p>TRPA for all scenic mitigation</p> | <p>Phase 1</p> <p>Phase 2 - with pier extension</p> <p>Phase 1</p> <p>Phase 1</p> <p>Phase 3 - with forklift launch ramp</p> <p>Phase 1 - with buoyfield reconfiguration</p> |
| <p>Recreation</p> <ul style="list-style-type: none"> - Potential conflicts with adjacent public beach - Potential conflict with adjacent residential lake access | <ul style="list-style-type: none"> * Relocation of human powered activities to USFS beach area with roped-off swimming area * Operational changes and 5 mph markers to reduce speed, noise and nuisance from boat traffic to Jameson Beach residential area | <p>USFS</p> <p>El Dorado County</p> | <p>Phase 1</p> <p>Phase 1</p> |

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