

**CALENDAR ITEM
C24**

A 1, 5
S 1

PRC 8705.1
10/16/15
B. Terry

GENERAL LEASE – COMMERCIAL USE

APPLICANT:

Lake Tahoe Cruises, LLC
900 Ski Run Boulevard, Suite 201
South Lake Tahoe, CA 96150

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Lake Tahoe, adjacent to 900 Ski Run Boulevard, city of South Lake Tahoe, El Dorado County and various locations around Lake Tahoe, El Dorado and Placer Counties.

AUTHORIZED USE:

Commercial operation, maintenance, and overnight berthing of two passenger vessels, known as the Tahoe Queen and the Tahoe Paradise at Ski Run Marina, and docking at various locations around Lake Tahoe for the loading and off-loading of passengers.

LEASE TERM:

20 years, beginning December 8, 2015.

CONSIDERATION:

\$43,120 per year, with an annual Consumer Price Index adjustment.

SPECIFIC LEASE PROVISIONS:

Insurance:

Liability insurance in an amount no less than \$5,000,000 per occurrence.

Surety:

Surety bond or other security in the amount of \$25,000.

Other:

1. Applicant is required to maintain an agreement with Ski Run Marina throughout the term of the lease authorizing the use of its pier.

CALENDAR ITEM NO. **C24** (CONT'D)

2. Applicant agrees to the implementation of the Commission's "Best Management Practices (BMP) for Dock Users and Boaters," including additional BMPs the Commission subsequently deems appropriate for the above category. Lessee shall post the BMPs in prominent places within the lease premises. The Lessee shall provide the Commission, on the first anniversary of the lease and on every third anniversary thereafter, a report on compliance with all BMPs.

OTHER PERTINENT INFORMATION:

1. Applicant has the right to use the upland adjoining the lease premises and the pier facilities owned by Ski Run Marina, LLC.
2. On August 24, 2006, the Commission authorized the issuance of a 10-year General Lease – Commercial Use with Lake Tahoe Cruises, Inc., (LTC) for the operation of three commercial passenger vessels: the Tahoe Queen, Tahoe Paradise, and Tahoe Princess. That lease will expire on December 7, 2015. On April 12, 2007, LTC became a limited liability company. The Applicant is now applying for a new General Lease – Commercial Use.
3. In 2013, LTC sold the Tahoe Princess. Therefore, only two commercial passenger vessels are now in operation - the Tahoe Queen and the Tahoe Paradise. The Tahoe Queen is a paddlewheel vessel that provides regularly scheduled sightseeing evening dinner and sunset cruises. The Tahoe Paradise is used for private tours and special events that may include dinner and dancing. Both vessels are moored overnight at Ski Run Marina, and the commercial operations are conducted year round.
4. The Applicant has authorization from the Tahoe Regional Planning Agency to dock at various locations around the lake for the loading and offloading of passengers. Those locations are The Gar Wood Building, Tahoe City Campground, Tahoe City Marina, Sunnyside Marina, Sugar Pine Point (Ehrman Mansion), Camp Richardson, and Ski Run Marina.
5. The staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, Title 14, section 15301.

Authority: Public Resources Code section 21084 and California Code of Regulations, Title 14, section 15300 and California Code of Regulations, Title 2, section 2905.

CALENDAR ITEM NO. **C24** (CONT'D)

6. 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.

APPROVALS OBTAINED:

Tahoe Regional Planning Agency

EXHIBITS:

- A. Land Description
B and B-1. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the activity 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 14, section 15301.

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:

Authorize issuance of a General Lease – Commercial Use to Lake Tahoe Cruises, LLC, beginning December 8, 2015, for a term of 20 years, for the commercial operation, maintenance, and overnight berthing of two passenger vessels, known as the Tahoe Queen and the Tahoe Paradise, at Ski Run Marina and docking at various locations around Lake Tahoe for the loading and off-loading of passengers as described in Exhibit A and shown on Exhibits B and B-1 (for reference purposes only) attached and by this reference made a part hereof; annual rent in the amount of \$43,120 with an annual Consumer Price Index adjustment; liability insurance in an amount no less than \$5,000,000 per occurrence; and surety in the amount of \$25,000.

EXHIBIT A

PRC 8705.1

LAND DESCRIPTION

TAHOE QUEEN MOORING LEASE

A parcel of submerged land lying in the bed of Lake Tahoe, adjacent to the fractional Section 33, Township 13 North, Range 18 East, M.D.M., El Dorado County, California and being more particularly described as follows:

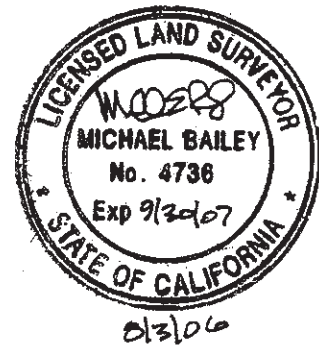
BEGINNING at the Northwesterly corner of the existing pier, said point bears North 49°15'43" West, 265.84 feet from the Northwest corner of the Southeast one-quarter of the Northeast one-quarter of said Section 33, and being a 2 inch iron pipe as shown on the Bijou Park Subdivision Map recorded in book A at page 10, of the El Dorado County Recorder's Office; thence South 16°42'43" East, 61.91 feet; thence South 73°21'51" West 50.08 feet; thence North 16°38'09" West 211.22 feet; thence North 72°33'18" East, 73.19 feet; thence South 17°26'42" East, 29.42 feet; thence, North 72°50'54" East 25.92 feet; thence, South 17°09'06" East 150.00 feet; thence, South 72°50'54" West 43.01 feet; thence, North 17°09'06" West 29.33 feet; thence, South 72°33'18" West 7.61 feet to the POINT OF BEGINNING.

EXCEPTING THEREFROM any portion lying landward of elevation 6223.0, Lake Tahoe Datum.

Containing 18,571 square feet (0.426 acres) more or less.

The Basis of Bearings for this description is California State Plane Coordinate System Zone 2, NAD 83.

END OF DESCRIPTION



L A K E T A H O E

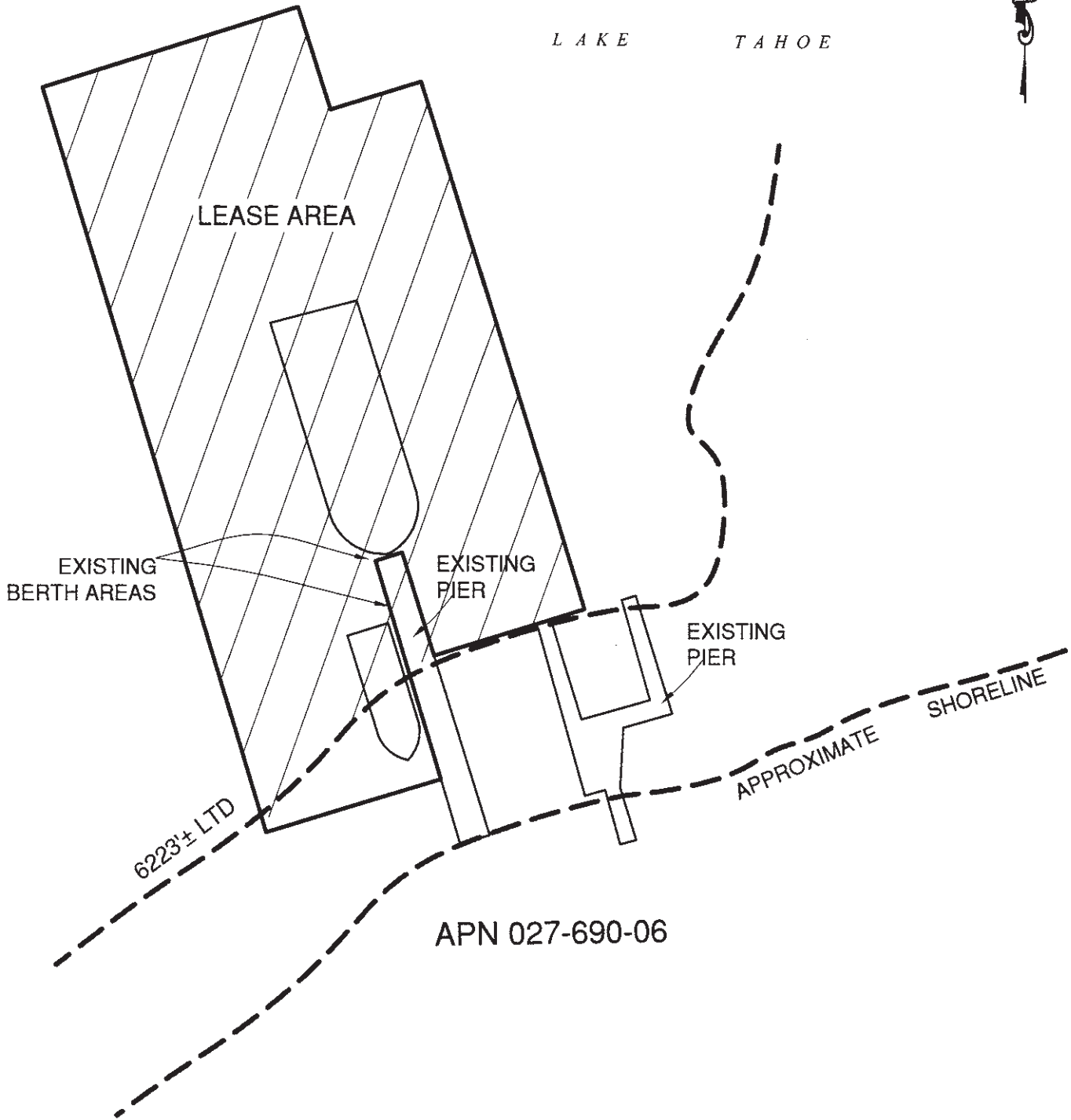


EXHIBIT A

Page 2 of 2

MJJ 07/29/2015

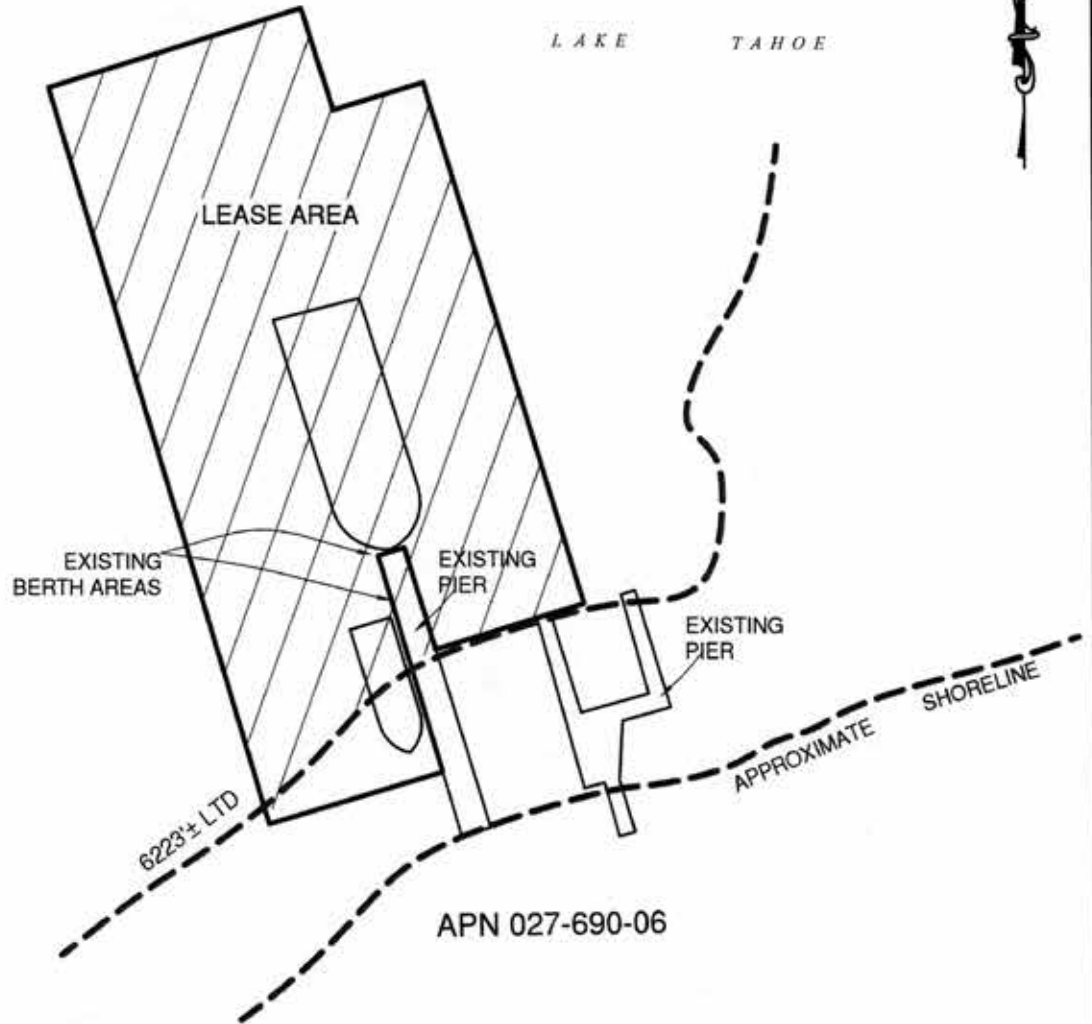
LAND DESCRIPTION PLAT
 PRC 8705.1, LAKE TAHOE CRUISES, LLC
 EL DORADO COUNTY

CALIFORNIA STATE
 LANDS COMMISSION



NO SCALE

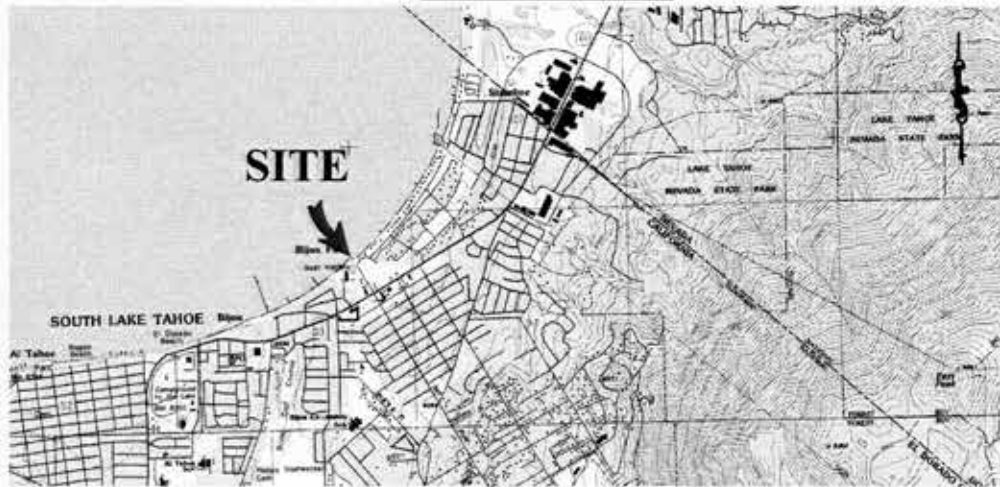
SITE



900 SKI RUN BLVD., NEAR SOUTH LAKE TAHOE

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit B

PRC 8705.1
 LAKE TAHOE CRUISES, LLC
 APN 027-690-06
 GENERAL LEASE -
 COMMERCIAL 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.

MJJ 8/03/2015

DOCKING LOCATION MAP

NO SCALE

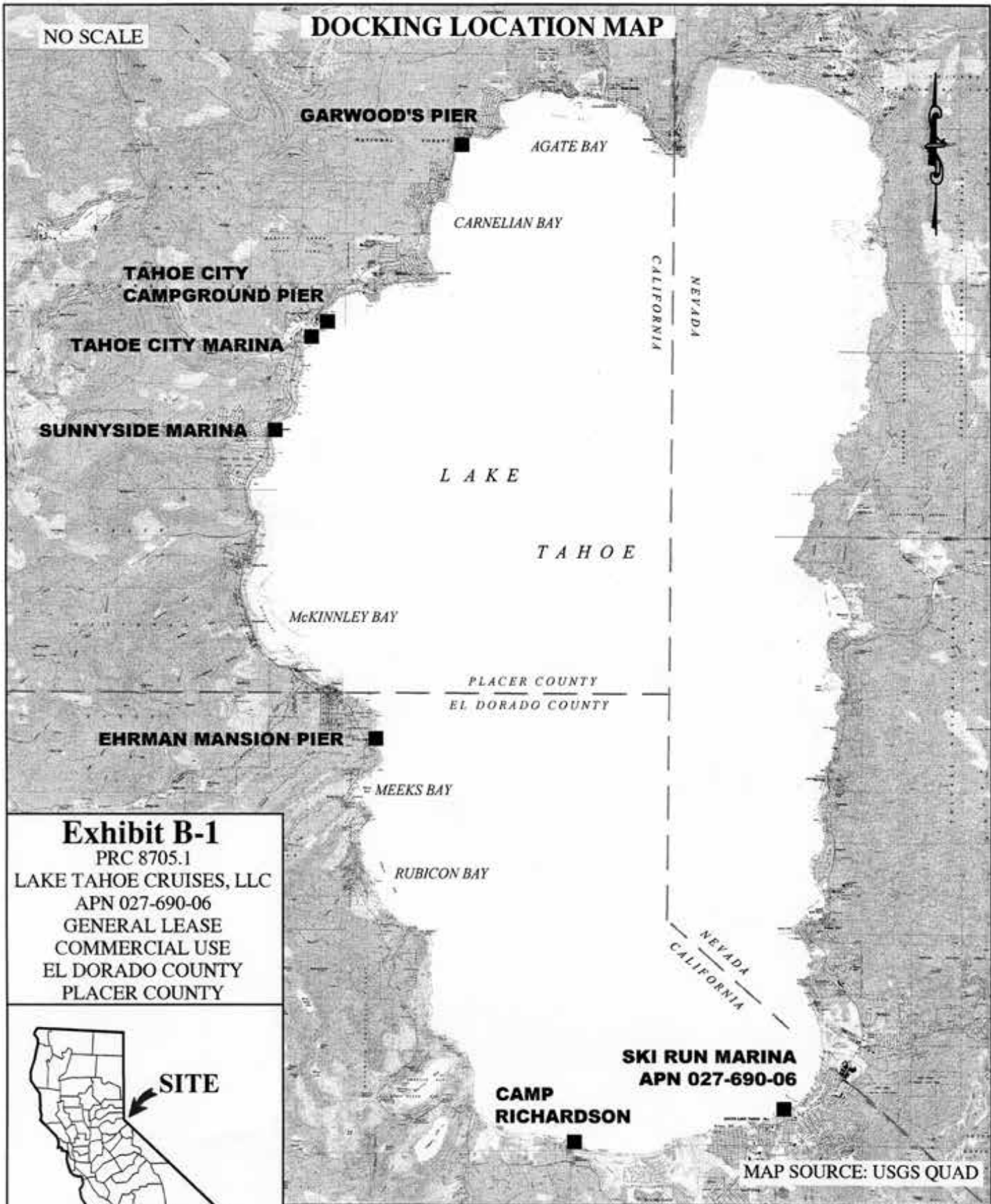


Exhibit B-1
PRC 8705.1
LAKE TAHOE CRUISES, LLC
APN 027-690-06
GENERAL LEASE
COMMERCIAL USE
EL DORADO COUNTY
PLACER COUNTY



MJJ 08/11/2015

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