## STAFF REPORT C06

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06/21/18 PRC 5859.1 M. Schroeder

### **GENERAL LEASE – COMMERCIAL USE**

### **APPLICANT:**

Camp Richardson Resort, Inc.

### PROPOSED LEASE:

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Lake Tahoe, adjacent to 3001 Jameson Beach Road, South Lake Tahoe, El Dorado County.

### AUTHORIZED USE:

Continued use, maintenance, and operation of an existing commercial marina facility known as "Camp Richardson Marina" consisting of an commercial fixed pier, floating pier extension, 110 mooring buoys, four marker buoys, boat ramp, two fuel dispensers, 12 boat slips, placement of a seasonal swim area, shuttle and tour boat operations, parasailing, fishing charter, water ski school operations, rental of 110 mooring buoys, guided boat operation, personal watercraft rental operation, fuel sales, and boat rental operation previously authorized by the Commission and existing pumpout facilities and a fire hose not previously authorized by the Commission.

### LEASE TERM:

20 years, beginning January 1, 2018.

### CONSIDERATION:

\$47,539 per year, with an annual Consumer Price Index adjustment; and the State reserving the right to fix a different rent on the 10<sup>th</sup> anniversary of the lease term, as provided in the lease.

### SPECIFIC LEASE PROVISIONS:

- 1. Liability insurance in an amount no less than \$5,000,000 per occurrence.
- 2. Surety bond or other security in the amount of \$100,000.

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- 3. Lessee shall not store any personal items or construct any improvements in the Public Trust easement or on state land that may impair the public uses of access, navigation, fishing, and lake-related recreational uses.
- 4. The lease contains provisions requiring implementation of the Commission's "Best Management Practices for Marina Owners/Operators" and encourage implementation of the Commission's "Best Management Practices for Guest Dock Users and Boaters," including additional Best Management Practices (BMPs) the Commission subsequently deems appropriate for either of the above categories.

### STAFF ANALYSIS AND RECOMMENDATION:

### Authority:

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

### Public Trust and State's Best Interests Analysis:

On February 27, 1998, the Commission authorized a 20-year General Lease – Commercial Use to Camp Richardson Resort, Inc., for the proposed reconstruction, use, maintenance, and operation of a commercial marina known as Camp Richardson Marina (<u>Item C76, February 27, 1998</u>). The lease expired on December 31, 2017. The Applicant is applying for a new lease.

The lease premises are adjacent to an upland parcel owned by the Applicant and an upland parcel owned by the U.S. Forest Service (USFS) where Camp Richardson Resort (Resort) is located. The Resort is to the west and south of Camp Richardson Marina (Marina), with a continuation of publicly accessible shoreline and beaches for the remaining westward extent of Lake Tahoe's south shore under USFS ownership. To the east of the marina are private residential homes located along Jameson Beach Road, with Pope Beach (USFS land) located adjacent to the eastern boundary of the residential area. The Resort is operated by the Applicant under a Special Use Permit with the USFS. The Resort provides lodging, camping, dining (including the Beacon restaurant), guest services and goods, recreational equipment rentals and other facilities, such as the public beach.

As explained above, the Resort and Marina are surrounded by an abundance of public land that provides substantially connected lateral shoreline access for the western half of the south shore of Lake Tahoe.

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The Public Trust easement along the shoreline of the Jameson Road residential area provides an important connection for lateral public access from Pope Beach to Camp Richardson Resort and Marina, and continued shoreline access to the west. Maintaining unobstructed lateral navigation for non-motorized watercraft (for kayaking, paddle boarding, etc.) under the fixed portion of the Marina pier elevated by pilings is essential for public access and safety, to avoid conflicts with motorized watercraft at the end of the pier.

The proposed improvements authorized under the prior lease were to occur over three successive years through three phases as identified below:

Phase One (1997) Existing Improvements:

- A fixed pier plus a temporary floating extension
- 110 mooring buoys and four marker buoys
- 12 boat slips
- Two fuel pumps/dispensers
- Placement of a seasonal swim area

Improvements to be constructed during Phase One included establishing the buoy field in a navigational grid with a 100-foot-wide navigational corridor and buoy marking system. Phase One also included removal of the temporary floating extension.

Phase Two (1998) Proposed Improvements:

- Construction of a permanent floating pier extending from the fixed portion of the pier, including five boat slips at the end of the floating pier
- Relocation of six of the 110 mooring buoys
- Relocation of the two fuel dispensers from the fixed pier to the end of the floating pier extension.

Construction of the five boat slips at the end of the floating pier extension and relocation of the two fuel dispensers never occurred under Phase Two.

Phase Three (1999) Proposed Improvements:

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Construction included a 130-foot-long forklift boat launching pier and removal of the 12 boat slips with the associated pilings. Phase Three improvements never took place.

The prior lease was issued for a term of 20-years. The overall intent of the project was to improve and modernize the marina facilities. The pumpout facilities and fire hose have existed for many years but were not previously authorized.

The marina operates a shuttle, tour boat, and guided boat. In addition, marina activities include parasailing, fishing charter, water ski school operations, rental of 110 mooring buoys, personal watercraft rentals, fuel sales, and boat rental.

The Commission's previous 1998 lease approval included adoption of a Mitigated Negative Declaration (SCH#1997052010) and Mitigation Monitoring Program (MMP), which analyzed the proposed Phase One through Phase Three improvements to occur over the identified 3-year period following Commission authorization of the lease. The Proposed Authorization of the previous lease also authorized the improvements to occur over the identified 3-year period (Item C76, February 27, 1998). As explained above, some of the improvements with Phase Two and Phase Three did not occur. Lease records indicate additional correspondence in 2000 between the lessee and staff regarding the lessee's intent to complete the remaining Phase Two and Phase Three improvements, but again, the improvements did not occur. Consequently, the MMP was not implemented for the Phase Two and Phase Three improvements that were not constructed. Commission staff has found the existing improvements to be in conformance with MMP measures applicable to Phase One existing and proposed improvements. Therefore, the new lease will be limited to existing authorized facilities and uses. In recent vears, the lessee has communicated to staff an interest for a new redevelopment plan for the marina. Any additional improvements to the authorized existing facilities and uses would be subject to additional Commission authorization and CEQA review.

The subject commercial marina facilities accommodate, promote, and support recreational boating and provide access to the adjacent State waterways. Recreational boating is a water-dependent use that is generally consistent with the common law Public Trust Doctrine. The California Legislature has identified private recreational boating facilities as an authorized use of Public Trust land (Pub. Resources Code, § 6503.5).

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The adjacent upland is privately owned and developed as a commercial marina. The marina is available for use by the general public, including the seasonal swim area that is available to the public free of charge.

The proposed lease includes certain provisions protecting the public use of the proposed lease area, including a limited lease term of 20 years, and a non-exclusive use provision. The marina and appurtenant facilities have existed for many years at this location; they do not significantly alter the land, they do not permanently alienate the State's fee simple interest in the underlying land, and they do not permanently impair public rights. Upon termination of the lease, the lessee may be required to remove any improvements and restore the lease premises to their original condition.

The proposed lease requires the lessee insure the lease premises and indemnify the State for any liability incurred as a result of the Lessee's activities thereon. The lease also requires the payment of annual rent to compensate the people of the State for the occupation of the public land involved.

For all the reasons above, staff believes the issuance of this lease is consistent with the common law Public Trust Doctrine; will not substantially interfere with Public Trust needs at this location, at this time, and for the foreseeable term of the proposed lease; and is in the best interests of the State.

### **OTHER PERTINENT INFORMATION:**

- 1. This action is consistent with Strategy 1.1 of the Commission's Strategic Plan to deliver the highest levels of public health and safety in the protection, preservation, and responsible economic use of the lands and resources under the Commission's jurisdiction, and Strategy 1.3 to protect, expand, and enhance appropriate public use and access to and along the State's inland and coastal waterways.
- Staff recommends 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 2, section 2905, subdivision (a)(2).

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

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### EXHIBITS:

- A. Land Description
- B. 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 2, section 2905, subdivision (a)(2).

### PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed lease will not substantially impair the public rights to navigation and fishing or substantially interfere with the Public Trust needs and values at this location; is consistent with the common law Public Trust Doctrine; and is in the best interests of the State.

### **AUTHORIZATION:**

Authorize issuance of a General Lease – Commercial Use to Camp Richardson Resort, Inc., beginning January 1, 2018, for a term of 20 years, for the continued use, maintenance, and operation of an existing commercial marina, known as Camp Richardson Marina, consisting of an existing fixed pier, floating pier extension, 110 mooring buoys, four marker buoys, boat ramp, two fuel dispensers, 12 boat slips, placement of a seasonal swim area, shuttle and tour boat operations, parasailing, fishing charter, water ski school operations, rental of 110 mooring buoys, guided boat operation, personal watercraft rental operation, fuel sales, and boat rental operation previously authorized by the Commission and existing pumpout facilities and a fire hose not previously authorized by the Commission, as described in Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; annual rent in the amount of \$47,539, with an annual Consumer Price Index adjustment and the State reserving the right to fix a different rent on the 10<sup>th</sup> anniversary of the lease term, as provided in the lease; liability insurance in an amount no less than \$5,000,000 per occurrence; and a surety bond in the amount of \$100,000.

#### EXHIBIT A

#### PRC 5859.1

#### LAND DESCRIPTION

A parcel of submerged lands situated in the bed of Lake Tahoe, lying adjacent to irregular Section 6, Township 12 North, Range 18 East, M.D.B.&M., as shown on Official Government Township Plat approved November 9, 1866, County of El Dorado, State of California, more particularly described as follows:

COMMENCING at GLO brass cap marking the southeast corner of Section 25 and the northeast corner of Section 36, T13N, R17E, M.D.B.&M., and the west line of the Section 6, T12N, R18E, M.D.B.&M., as said GLO brass cap is shown upon Sheet 7 of 17 of that certain map entitled "Survey of the Low Water Mark on the Shore of Lake Tahoe" filed in Record of Surveys, Book No. 2 page 12, as Document No 7367, El Dorado County Recorder's Office; thence N 00° 27' E 409.77 feet to the TRUE POINT OF BEGINNING; thence S 77° 48' E 927.12 feet; thence N 00° 30' E 1587.73 feet; thence N 89° 30' W 1068.74 feet; thence S 00° 30' W 1129.25 feet; thence N 89° 33' W 88.00 feet; thence S 00° 27' W 218.89 feet; thence S 77° 48' 01" E 253.97 feet to the POINT OF BEGINING.

TOGETHER WITH any applicable Impact Area(s).

EXCEPTING THREFROM any portion lying landward of the elevation 6223 feet LTD on the shoreline of Lake Tahoe.

#### **END OF DESCRIPTION**

Prepared 04/30/2018 by the California State Lands Commission Boundary Unit.



