

Staff Report 15

Revision of Rent

LESSEE:

WSC Investors, LLC

SUBLESSEE:

Homewood Village Resorts, LLC

PROPOSED ACTION:

AREA, LAND TYPE, AND LOCATION

Sovereign land in Lake Tahoe, adjacent to 5160 West Lake Boulevard, near Homewood, Placer County.

AUTHORIZED USE:

Lease: Continued use and maintenance of an existing restaurant accommodation pier.

Sublease: Operation and maintenance of a restaurant accommodation pier.

TERM:

Lease: 15 years, beginning August 13, 2010.

Sublease: 15 years, beginning August 13, 2010.

CONSIDERATION:

This lease provides that the Commission may modify the rent periodically during the lease term. Pursuant to this provision, staff conducted a review of the rent under this lease and recommends that minimum rent be revised from \$2,509 per year to \$3,124 per year, against a percentage of gross income as set forth in the lease, effective August 13, 2020.

OTHER PERTINENT INFORMATION:

1. Approval or denial of the revision of rent is a discretionary action by the Commission. Each time the Commission approves or rejects a revision of rent, it exercises legislatively delegated authority and responsibility as trustee of the State's sovereign land as authorized by law. Upon expiration or prior termination of the lease, the Lessee has no right to a new lease or to renewal of any previous lease.
2. On February 8, 2011, the Commission authorized a General Lease – Commercial Use and approval of a sublease to WSC Investors, LLC beginning August 13, 2010, for the continued use and maintenance of an existing restaurant accommodation pier ([Item 16, February 8, 2011](#)). The sublease was between WSC Investors, LLC and Homewood Village Resorts, LLC for the operation and maintenance of a restaurant accommodation pier for the same term as the lease. The lease will expire on August 12, 2025. Rent associated with this lease was last revised in 2015 ([Item 31, August 19, 2015](#)).
3. The action is consistent with Strategy 2.2 of the Commission's Strategic Plan to ensure timely receipt of revenues and royalties from the use and development of State lands and minerals.
4. Approving the revision of rent is not a project as defined by the California Environmental Quality Act because it is an administrative action that will not result in direct or indirect physical changes in the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, title 14, section 15378, subdivision (b)(5).

EXHIBIT:

A. Site and Location Map

RECOMMENDED ACTION:

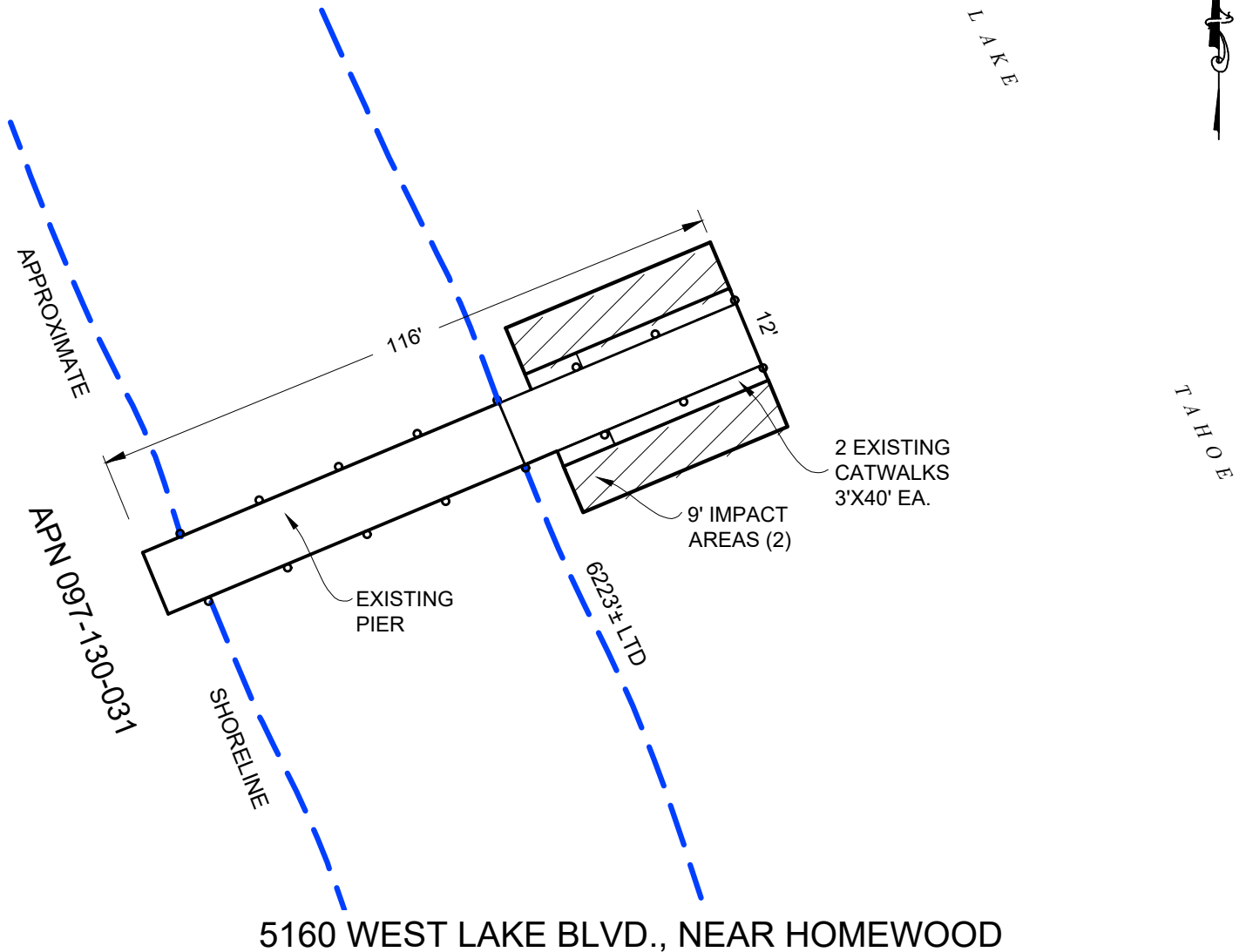
It is recommended that the Commission:

AUTHORIZATION:

1. Approve the revision of minimum rent, against a percentage of gross as specified in the lease, from \$2,509 per year to \$3,124 per year, effective August 13, 2020.

NO SCALE

SITE



5160 WEST LAKE BLVD., NEAR HOMEWOOD

NO SCALE

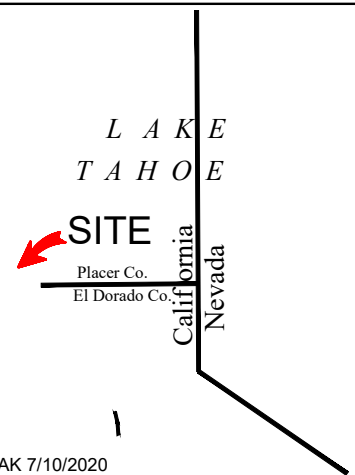
LOCATION



MAP SOURCE: USGS QUAD

Exhibit A

PRC 8052
 WSC INVESTORS, LLC
 APN 097-130-031
 GENERAL LEASE -
 COMMERCIAL USE
 PLACER 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.