

Staff Report 16

APPLICANT:

Dollar Point Association, Incorporated

PROPOSED ACTION:

Issuance of a General Lease – Recreational Use

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Lake Tahoe, adjacent to 3000 Edgewater Drive, near Dollar Point, Placer County.

AUTHORIZED USE:

Use and maintenance of an existing pier, 63 mooring buoys, 2 marker buoys, and swim line.

TERM:

10 years, beginning March 1, 2023.

CONSIDERATION:

\$20,424 per year, with an annual Consumer Price Index adjustment

SPECIFIC LEASE PROVISIONS:

- Liability insurance in an amount no less than \$2,000,000 per occurrence.
- Lessee expressly acknowledges that a permit from the Tahoe Regional Planning Agency (TRPA) is required for the Authorized Improvements and failure to obtain a permit from TRPA and maintain compliance with that permit may result in TRPA imposing civil penalties and will constitute a breach of the lease.
- Lessee shall not store any personal items or construct any improvements in the Public Trust easement which may impair the public uses of access, navigation, fishing, and lake-related recreation.

- Lessee agrees and acknowledges that the hazards associated with climate change may require additional maintenance or protection strategies regarding the improvements on the lease premises.

STAFF ANALYSIS AND RECOMMENDATION:

AUTHORITY:

Public Resources Code sections 6005, 6216, 6301, 6501.1, 6503, 6503.5, and 6505.5; California Code of Regulations, title 2, sections 2000 and 2003.

PUBLIC TRUST AND STATE'S BEST INTERESTS:

On January 26, 2012, the Commission authorized a 10-year General Lease – Recreational Use to Dollar Point Association, Incorporated, for an existing pier, 63 mooring buoys, 2 marker buoys, and swim line, beginning September 1, 2011 ([Item 28, January 26, 2012](#)). On August 17, 2017, the Commission conducted a rent review, revising the rent from \$1,879 to \$1,957 per year, effective September 1, 2017 ([Item 15, August 17, 2017](#)). The lease expired on August 31, 2021.

The Applicant is now applying for a General Lease – Recreational Use for the use and maintenance of an existing pier, 63 mooring buoys, 2 marker buoys, and swim line. The Commission's accounting records show that the Applicant continued to submit payments while in holdover. Pursuant to the terms of the prior lease, this holdover was on a month-to-month basis. Staff recommend the holdover tenancy be terminated as of February 28, 2023, with the lease to begin on March 1, 2023. Prorating the payments submitted by Applicant leaves a balance of \$970 which staff recommend be applied to the first year's rent. The increase in rent for the proposed lease is attributable to rent being assessed to all of the mooring buoys. Previously, a number of mooring buoys were considered rent free under an earlier version of Public Resources Code section 6503.5

The proposed lease will require the Applicant to indemnify the State for the entire period of occupation prior to March 1, 2023, ensuring the State is protected.

The subject pier, mooring buoys, marker buoys, and swim line are privately owned and maintained and facilitate recreational boating. 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.)

The subject pier is built on pilings with the area immediately upland of the pier being gently sloped and sandy. The immediate upland topography is relatively

easy to traverse, with public access for pedestrians and lake-related activities available at varying water levels underneath the pier and along the shoreline within the Public Trust easement. The buoys are located directly lakeward of the upland property, and each occupies a relatively small area of the lake. The swim line is approximately 214 feet away from and running parallel to the shoreline, is seasonal and occupies state lands during the summer months and removed at the end of the season for the rest of the year.

The subject pier, mooring buoys, marker buoys, and swim line have existed for many years at this location, and the Tahoe Regional Planning Agency (TRPA) registered the mooring buoys on June 28, 2019 (Registration No. 10078).

The proposed lease does not alienate the State's fee simple interest or permanently impair public rights. The lease is limited to a 10-year term, does not grant the lessee exclusive rights to the lease premises, and reserves an easement to the public for Public Trust-consistent uses. Upon termination of the proposed lease, the lessee may be required to remove all improvements from State land and restore the lease premises to their original condition.

The proposed lease requires the lessee to 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.

CLIMATE CHANGE:

Climate change significantly affects inland non-tidal lakes such as Lake Tahoe. The frequency and severity of natural disasters like flooding, wildfire, drought, extreme heat, and storms is increasing throughout the state of California, including the Sierra Nevada mountains, and will continue to accelerate through the end of the century. Structures along the shores of inland lakes are particularly vulnerable to the more frequent and extreme weather events and shifts in seasonal characteristics.

According to California's Fourth Climate Change Assessment, released in 2018, the most significant impacts of climate change in the Sierra Nevada Region are more intense heat, precipitation extremes, declining snowpacks, and changes in streamflow timing. The long-term warming trend will lead to warmer and shorter winters, and longer and dryer summers. Successive dry and warm winters are resulting in minimal snowpack, increased winter stream flows and floods, and decreased spring and summer runoff. Prolonged low lake levels will become normal. Low lake level conditions can create more expansive beaches and increased shoreline access in dry months. However, these conditions interfere with

boat launching and mooring facilities. This impact is most noticeable where the facilities are sited on shallow, low gradient lake bottom locations.

Dry winters will be punctuated with exceedingly wet years where prolonged and excessive precipitation can produce flash floods. High precipitation in these years will result in higher lake levels, causing beaches to narrow and reducing public access. Extra saturation of the soil can increase erosion, especially following intense wildfire seasons. Surface runoff water may carry more sediment into the lake, adversely impacting water quality and clarity.

Climate change may also lead to more intense and unpredictable winds and storm events. These storms may deviate from prevailing wind patterns for the region. These winds can accelerate shoreline erosion in some areas or cause erosion in areas not typically subject to erosion. Additionally, these winds can increase wave damage on structures and boats along the lake.

Improvements authorized under this lease may require more frequent inspection and maintenance to ensure they are not displaced during storm events. Watercraft moored to buoys, piers, or docks are also vulnerable to damage from high wind events and excessive waves.

CONCLUSION:

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

OTHER PERTINENT INFORMATION:

1. Approval or denial of the application is a discretionary action by the Commission. Each time the Commission approves or rejects a use of sovereign land, it exercises legislatively delegated authority and responsibility as trustee of the State's Public Trust lands as authorized by law. If the Commission denies the application, the Applicant may be required to remove the existing pier, 63 mooring buoys, 2 marker buoys, and swim line and restore the premises to their original condition. The lessee has no right to a new lease or to renewal of any previous lease.
2. This action is consistent with the "Leading Climate Activism" and "Meeting Evolving Public Trust Needs" Strategic Focus Area of the Commission's 2021-2025 Strategic Plan.

3. 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 2, section 2905, subdivision (a)(1).

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

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)(1).

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that issuance of 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, at this time, and for the foreseeable term of the lease; is consistent with the Public Trust Doctrine; and is in the best interests of the State.

AUTHORIZATION:

1. Authorize issuance of a General Lease – Recreational Use to the Applicant beginning March 1, 2023, for a term of 10 years, for the use and maintenance of an existing pier, 63 mooring buoys, 2 marker buoys, and swim line, 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 \$20,474, with an annual Consumer Price Index adjustment; and liability insurance in an amount no less than \$2,000,000 per occurrence.
2. Apply \$970 credit to the first year's rent.

EXHIBIT A

LEASE 3391

LAND DESCRIPTION

A parcel of submerged land lying in the bed of Lake Tahoe, adjacent to fractional Section 33, Township 16 North, Range 17 East, M.D.B.&M., as shown on Official Government Township Plat approved November 10, 1865, County of Placer, State of California, more particularly described as follows:

BEGINNING at a point on the line of the historic Low Water Mark, as depicted on sheet 13 of those maps entitled "Survey of the Low Water Mark on the Shore of Lake Tahoe", filed in Book 2 of Surveys at Page 71, Placer County Records, said point lying distant S 79°17'13" W 46.30 feet from Station 278 as shown on said map; thence along said line of Low Water Mark S 79°17'13" W 104.33 feet to Station 277; thence S 87°41'27" W 248.20 feet to Station 276; thence S 79°33'45" W 77.28 feet to Station 275; thence S 86°27'31" W 36.37 feet; thence leaving said line of Low Water Mark S 04°44'30" E 650.57 feet; thence N 85°15'30" E 465 feet; thence N 04°44'30" W 657.80 feet to the POINT OF BEGINNING.

END OF DESCRIPTION

Prepared 11/04/2021 by the California State Lands Commission Boundary Unit.



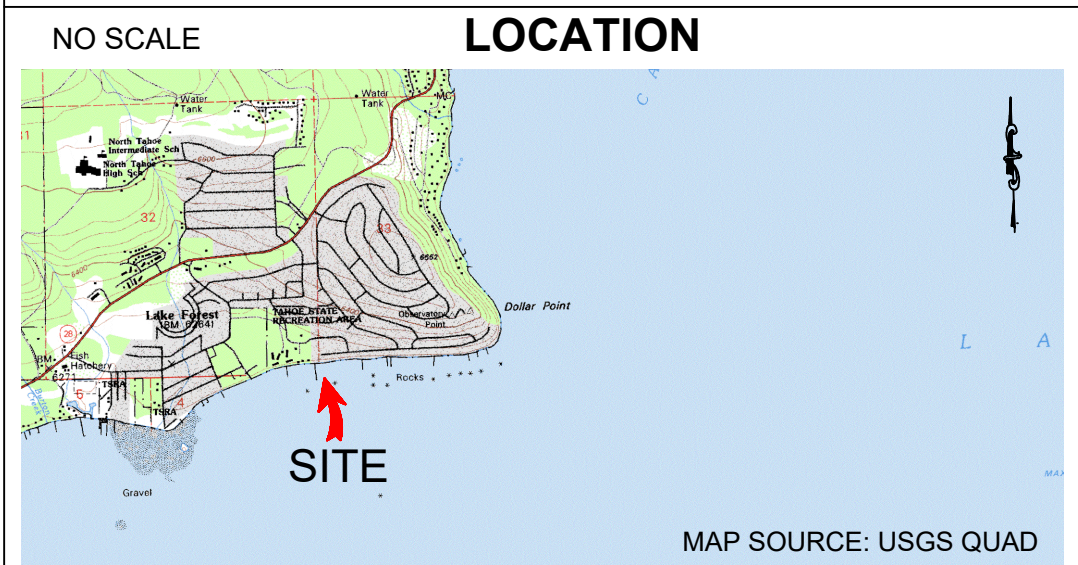
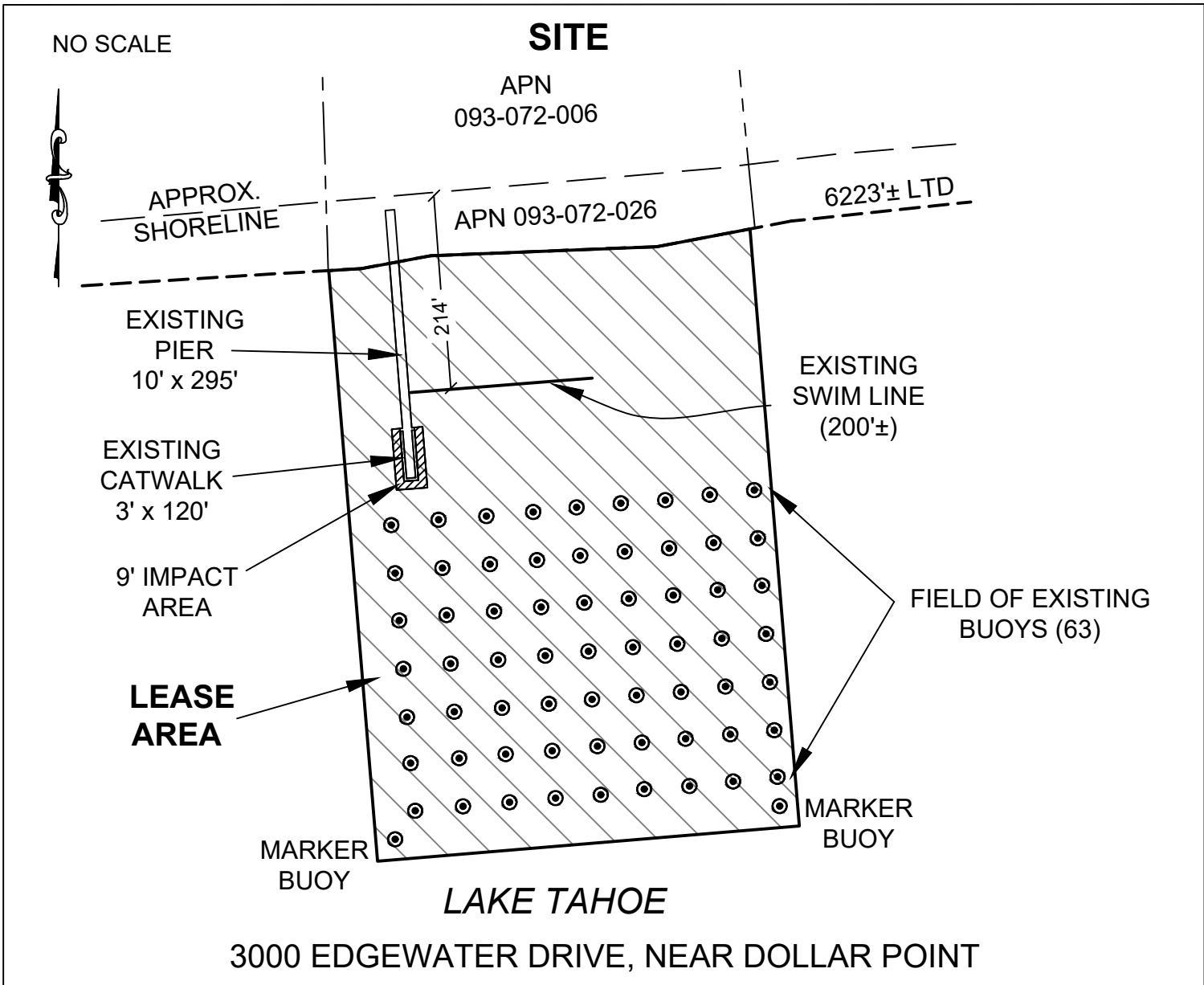
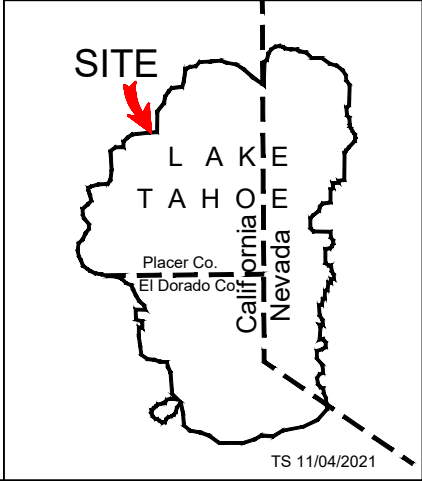


Exhibit B

LEASE 3391
 DOLLAR POINT
 ASSOCIATION, INC.
 APNs: 093-072-006 & -026
 GENERAL LEASE -
 RECREATIONAL 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.