Meeting Date: 04/07/23 Lease Number: 8504 Staff: J. Plovnick

Staff Report 16

APPLICANT:

James M. McClenahan and Margaret Ann McClenahan, Trustees, or their successors in interest, of the James and Margaret McClenahan Family Trust dated February 22, 2001, and any amendments thereto

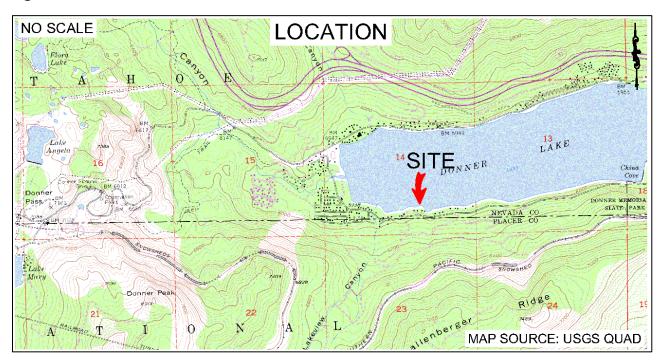
PROPOSED ACTION:

Issuance of a General Lease – Recreational Use

AREA, LAND TYPE, AND LOCATION:

Sovereign land located in Donner Lake, adjacent to 15102 Point Drive, near Truckee, Nevada County (as shown in Figure 1).

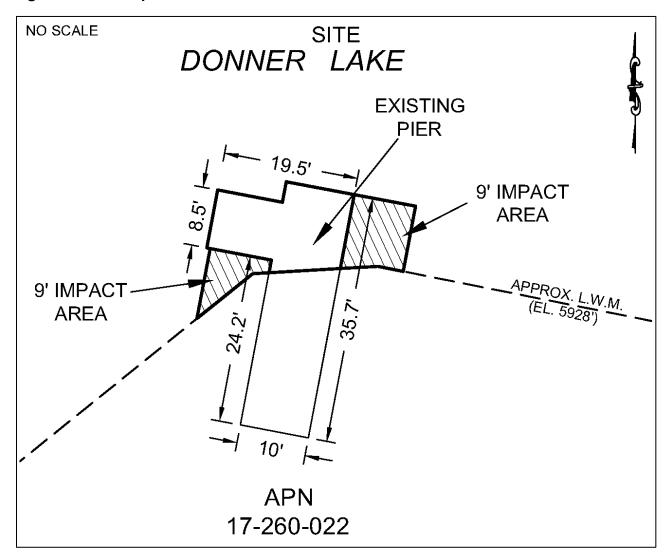
Figure 1. Location



AUTHORIZED USE:

Use and maintenance of an existing pier (as shown in Figure 2).

Figure 2. Site Map



Note: This depiction of the lease premises is based on unverified information provided by the Applicant or other parties and is not a waiver or limitation of any State interest int eh subject or any other property.

TERM:

10 years, beginning December 1, 2023.

CONSIDERATION:

\$245 per year, with an annual Consumer Price Index adjustment.

SPECIFIC LEASE PROVISIONS:

• Liability insurance in an amount no less than \$1,000,000 per occurrence.

- Lessee shall not store any personal items or construct any improvements in the Public Trust easement which may impair the public's right of access for navigation, fishing, and Public Trust consistent recreational uses.
- 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 September 20, 2013, the Commission authorized a General Lease - Recreational Use to James M. McClenahan and Margaret Ann McClenahan, as Trustees of the McClenahan Family Trust dated February 22, 2001, for the use and maintenance of an existing pier adjacent to 15102 Point Drive, near Truckee, Nevada County (Item C19, September 20, 2013).

On October 18, 2018, the Commission authorized an amendment of this lease to replace the existing Exhibit A, Land Description, and Exhibit B, Site and Location Map, with a new Exhibit A, Land Description, and Exhibit B, Site and Location Map; the new exhibits replaced the previous 10-foot impact area with a new nine-foot impact area pursuant to Commission direction. Concurrently, staff performed a rent review on this lease as directed by lease terms and conditions (Item C10, October 18, 2018). This resulted in the modification of annual rent from \$739 to \$414.

On October 24, 2019, the Commission authorized a Boundary Line and Easement Agreement (BLA) that set the ordinary low-water mark for Donner Lake at elevation 5928 feet National Geodetic Vertical Datum 1929 (NGVD29) (Item 69, October 24, 2019). A portion of the Applicant's pier extends past this ordinary low-water mark and onto sovereign land within the Commission's leasing jurisdiction.

The Commission's acceptance of the BLA included authorizing the Executive Officer to modify qualifying leases located on Donner Lake to better correspond with the newly acknowledged ordinary low-water mark. Pursuant to this authorization, Exhibit A, Land Description, and Exhibit B, Site and Location Map, for this lease were replaced with a new Exhibit A, Land Description, and Exhibit B, Site and Location Map, and the annual rent was modified from \$414 to \$145, effective October 24, 2019. This Lease will expire on November 30, 2023.

The Applicant is now applying for a General Lease – Recreational Use for the use and maintenance of the existing pier. Staff recommends issuance of a General Lease – Recreational Use to the Applicant, to take effect on December 1, 2023.

The subject pier is located directly lakeward of the upland property, is privately owned and maintained, occupies a relatively small area, and facilitates 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, earthen, and treed. The immediate upland topography is easily traversable, with public access for pedestrians and lake-related activities available at varying water levels by navigating around the landward terminus of the pier or by passing through the upland parcel within the Public Trust easement.

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 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 Donner Lake. The frequency and severity of natural disasters like flooding, wildfire, drought, extreme heat, and storms are 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 <u>California's Fourth Climate Change Assessment</u>, 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 streamflows 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 storm events and winds. 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:

 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 pier and return 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 Areas 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)(2).

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

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 Public Trust needs and values at this location, at this time, and for the foreseeable term of the lease; is consistent with the common law Public Trust Doctrine; and is in the best interest of the State.

AUTHORIZATION:

Authorize issuance of a General Lease – Recreational Use to the Applicant beginning December 1, 2023, for a term of 10 years, for the use and maintenance of an existing pier; annual rent in the amount of \$245, with an annual Consumer Price Index adjustment; and liability insurance in an amount no less than \$1,000,000 per occurrence.