Meeting Date: 06/05/23 Lease Number: 1742 Staff: L. Anderson

Staff Report 23

LESSEE/APPLICANT:

Woodland Pier, Inc., a California Corporation

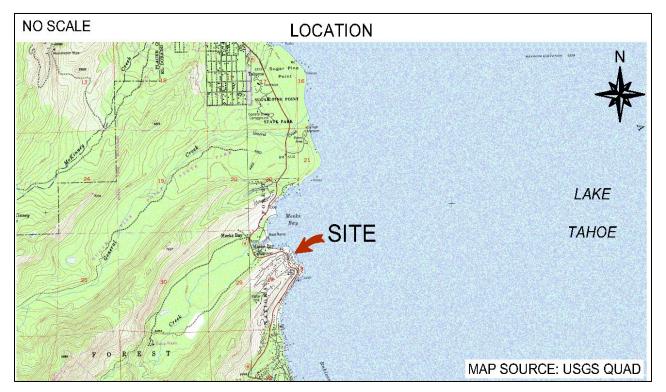
PROPOSED ACTION:

Acceptance of a Lease Quitclaim Deed and Issuance of a General Lease – Recreational Use

AREA, LAND TYPE, AND LOCATION:

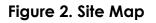
Sovereign land in Lake Tahoe, adjacent to 8243 Meeks Bay Avenue, Meeks Bay, El Dorado County (as shown on Figure 1).

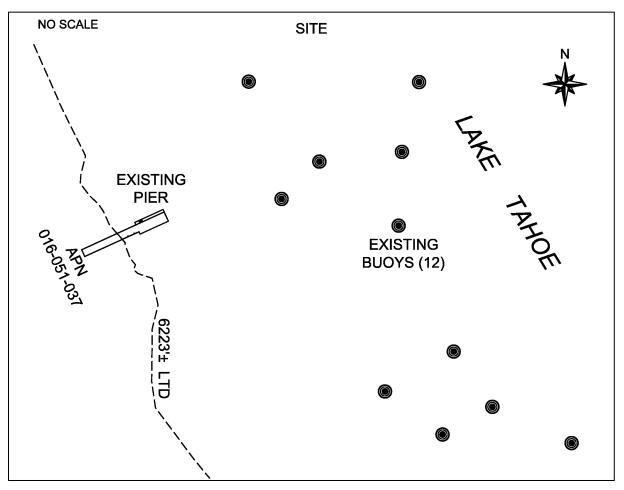
Figure 1. Location



AUTHORIZED USE:

Use of an existing pier and davits previously authorized by the Commission and 12 mooring buoys not previously authorized by the Commission (as shown on Figure 2).





NOTE: These depictions of the lease premises are based on unverified information provided by the applicant or other parties and is not a waiver or limitation of any State interest in the subject or any other property.

TERM:

10 years, beginning June 5, 2023.

CONSIDERATION:

\$3,909 per year, with an annual Consumer Price Index adjustment; and \$20,769 for the unauthorized occupation of state land through June 4, 2023.

SPECIFIC LEASE PROVISIONS:

- Liability insurance in an amount no less than \$1,000,000 per occurrence.
- Lessee acknowledges that a Tahoe Regional Planning Agency (TRPA) may be required for the Authorized Improvements and failure to obtain a permit or registration from TRPA and maintain compliance with that permit or registration 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's right of access for navigation, fishing, and Public Trust consistent recreational uses.
- The lease provides that signs shall be posted on each side of the pier to indicate passage and to provide continuous shoreline access to the Public Trust Easement below elevation 6228.75 feet, Lake Tahoe Datum (LTD).
- 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 October 14, 2014, the Commission issued a General Lease - Recreational Use for continued use and maintenance of an existing pier previously authorized by the Commission and use and maintenance of a boat lift not previously authorized by the Commission (<u>Item C48, October 14, 2014</u>). Although the 2014 lease authorizes the use of a boatlift, the equipment located on the lease premises is more accurately identified as davits. The lease term expires September 26, 2024. On February 11, 2023, the Applicant registered all moorings with TRPA (Registration No. 10222). As part of the Applicant's TRPA registration, the Applicant received approval for 12 mooring buoys.

The Applicant is applying for a General Lease – Recreational Use for use of an existing pier and davits previously authorized by the Commission and 12 mooring buoys not previously authorized by the Commission. Because the current lease will

expire on September 26, 2024 and the Applicant has received TRPA authorization for the 12 buoys, staff recommends acceptance of a lease quitclaim deed and issuance of a new lease to the Applicant that begins June 5, 2023. The Commission's accounting records show the annual rent is paid through September 26, 2023. Staff recommends an adjustment in the rent paid, such that, for the period June 5, 2023 through September 26, 2023, a credit in the amount of \$212.17 would be applied to the first year's rent of the new proposed lease.

The pier, davits, and 12 mooring buoys have existed for many years at this location. The topography and location of the upland structures provide access to the pier and allow the public to navigate or walk next to, and at certain water levels, under the pier within the Public Trust easement. The pier is built on pilings, and public access for pedestrians and lake-related activities is available at varying water levels underneath the pier within the Public Trust easement. Signs shall be posted on each side of the pier to indicate passage and to provide continuous shoreline access to the Public Trust Easement below elevation 6228.75 feet, Lake Tahoe Datum (LTD). The buoys are located directly lakeward of the upland property and occupy a relatively small area of the lake.

The 12 mooring buoys have existed in their current location for many years without Commission authorization. Staff have been informed that the mooring buoys in the lease area have existed since at least 1956. The Applicant will pay \$20,769 in compensation for the unauthorized occupation of State land for the existing improvements for the period prior to June 5, 2023. Additionally, the proposed lease will require the Applicant to indemnify the State for the entire period of unauthorized occupation.

The pier, davits, and 12 mooring buoys 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 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 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 <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 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:

- 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 as prior lessee may be required to remove the pier, davits, and 12 mooring buoys 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 Areas of the Commission's 2021-2025 Strategic Plan.
- 3. Acceptance of the lease quitclaim deed is not a project as defined by the California Environmental Quality Act (CEQA) 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).

4. 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 and 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 the 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 interests of the State.

AUTHORIZATION:

- 1. Authorize acceptance of a lease quitclaim deed from the Lessee for Lease 1742, effective June 04, 2023.
- 2. Authorize proration of annual rent paid under existing Lease 1742 to be credited to annual rent due under the proposed lease.
- 3. Authorize acceptance of compensation from the Applicant in the amount of \$20,769 for unauthorized occupation of State land for the period prior to June 5, 2023.
- 4. Authorize issuance of a General Lease Recreational Use to the Applicant beginning June 5, 2023, for a term of 10 years, for the use of an existing pier and davits previously authorized; and 12 mooring buoys not previously authorized by the Commission; annual rent in the amount of \$3,909 with an annual Consumer Price Index adjustment; and liability insurance in an amount no less than \$1,000,000 per occurrence.