Meeting Date: 02/26/24 Lease Number: 4065 Staff: D. Romero

Staff Report 05

APPLICANT:

Blue Bronco, LLC, a California limited liability company

PROPOSED ACTION:

Amendment of a General Lease - Recreational Use.

AREA, LAND TYPE, AND LOCATION:

Sovereign land located in Lake Tahoe, adjacent to 6049 North Lake Boulevard, near Tahoe Vista, Placer County (as shown in Figure 1).

Figure 1. Location



AUTHORIZED USE:

Use of one existing mooring buoy and water intake line; and removal of an existing pier.

TERM:

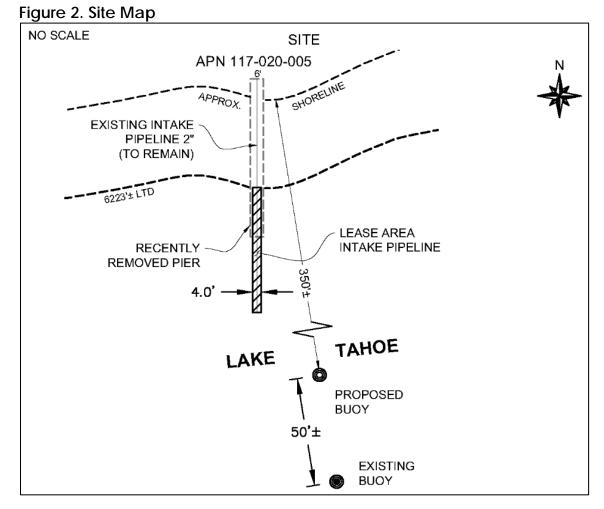
10 years, beginning June 5, 2023.

CONSIDERATION:

\$279 per year, with an annual Consumer Price Index adjustment; and \$524 for the unauthorized occupation of state land through June 4, 2023.

PROPOSED AMENDMENT:

 Authorize the installation and use of one additional mooring buoy, adjacent to 6049 North Lake Boulevard, near Tahoe Vista, Placer County (as shown in Figure 2).



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 in the subject or any other property.

- Revise the annual rent from \$279, with an annual Consumer Price Index adjustment, to \$552, with an annual Consumer Price Index adjustment.
- Replace the existing Exhibit A, Land Description, and Exhibit B, Site and Location Map (for reference purposes only), in the lease.
- Within 60 days of completing the construction of authorized improvements, Lessee will provide Lessor with photographs and a set of "as-built" plans that will show where the improvements have been placed. Lessor shall then replace Exhibit A, Land Description, and Exhibit B, Site and Location Map, to the lease as necessary to accurately reflect the final location of the authorized improvements. Once approved by the Lessor's Executive Officer or designee, the revised Exhibits shall replace the Exhibits incorporated in the lease at the time of lease execution. The replaced Exhibits shall be incorporated in the lease as though fully set forth therein.

All other terms and conditions of the lease to remain in effect without amendment.

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, section 2000 and 2003.

PUBLIC TRUST AND STATE'S BEST INTERESTS:

On June 5, 2023, the Commission authorized an issuance of a General Lease – Recreational Use to Blue Bronco, LLC, a California limited liability company, for the use of one mooring buoy previously authorized by the Commission; use of an existing water intake line not previously authorized by the Commission; and removal of an existing pier (<u>Item 3, June 5, 2023</u>). The lease is set to expire on June 4, 2033.

The Lessee is applying to amend the lease to include the installation and use of an additional mooring buoy. On November 3, 2023, a conditional permit for the additional mooring buoy was approved by the Tahoe Regional Planning Agency (TRPA). On November 20, 2023, staff confirmed that the pier has been removed.

The Applicant owns the upland adjoining the lease premises. The existing mooring and the additional mooring buoy 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 additional mooring buoy will be located directly lakeward of the upland property and occupy a relatively small area of the lake.

The proposed lease amendment 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 amendment 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 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 drier 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 high wind events and damaging 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 term of the proposed lease; is consistent with the common law Public Trust Doctrine; and is in the best interest of the State.

OTHER PERTINENT INFORMATION:

- Approval or denial of the application is 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 denied the amendment, the lessee would not be allowed to install the additional buoy. 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 3, New

Construction of Small Structures; California Code of Regulations, title 2, section 2905, subdivision (c)(3).

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 3, New Construction of Small Structures; California Code of Regulations, title 2, section 2905, subdivision (c)(3).

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 term of the lease; is consistent with the common law Public Trust Doctrine; and is in the best interests of the State.

AUTHORIZATION:

- Authorize the amendment of Lease Number 4065, a General Lease Recreational Use, effective February 26, 2024, for the installation and use of one additional mooring buoy; to revise rent from \$279 with an annual Consumer Price Index adjustment to \$552 with an annual Consumer Price Index adjustment; and to replace the existing lease Exhibit A, Land Description, and lease Exhibit B, Site and Location Map; all other terms and conditions of the lease shall remain in effect without amendment.
- 2. Authorize the Executive Office or designee to replace Exhibits to the lease upon submission, review, and approval of as-built plans detailing the final location of the new improvement following installation.