Meeting Date: 02/26/24

Lease Number: 4173

Staff: L. Ward

Staff Report 08

LESSEE/APPLICANT:

Cedar Flat Improvement Association, Incorporated

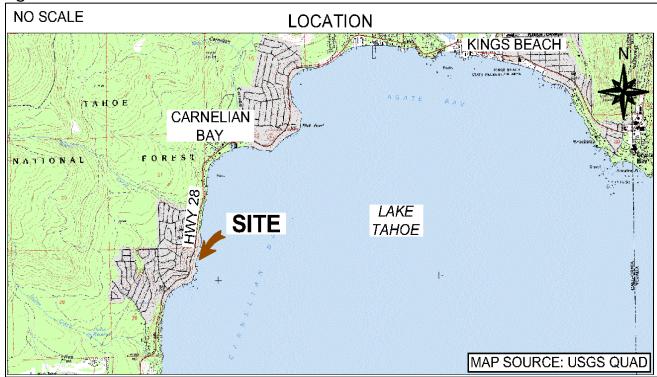
PROPOSED ACTION:

Amendment of a General Lease - Recreational Use.

AREA, LAND TYPE, AND LOCATION:

Sovereign land located in Lake Tahoe, adjacent to 4370 North Lake Boulevard, near Carnelian Bay, Placer County (as shown in Figure 1).

Figure 1. Location



AUTHORIZED USE:

Use and maintenance of a pier with sundeck and stairs and 21 existing mooring buoys.

TERM:

10 years, beginning September 29, 2018.

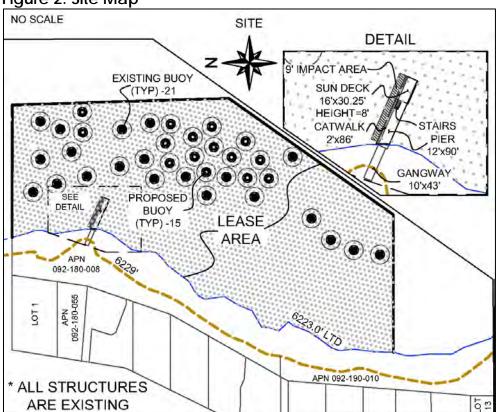
CONSIDERATION:

\$10,139 per year, with an annual Consumer Price Index adjustment.

PROPOSED AMENDMENT:

• Effective September 29, 2024, authorize the installation and use of 15 additional mooring buoys, adjacent to 4370 North Lake Boulevard, near Carnelian Bay, Placer County (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 in the subject or any other property.

- Revise the annual rent from \$10,139, with an annual Consumer Price Index adjustment, to \$11,327, with an annual Consumer Price Index adjustment, effective September 29, 2024.
- 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.
- 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 will 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 February 4, 2019, the Commission authorized issuance of a General Lease – Recreational Use to Cedar Flat Improvement Association, Incorporated, for the use and maintenance of a pier with sundeck and stairs and 21 existing mooring buoys (Item 3, February 4, 2019). The lease expires September 28, 2028.

The Lessee is applying to amend the lease, effective on the next lease anniversary, September 29, 2024, to include installation and use of 15 additional mooring buoys.

On October 12, 2023, TRPA issued a conditional permit for the additional 15 mooring buoys. The 21 existing mooring buoys are registered with TRPA (Registration

No. 10475). The Applicant will not install the 15 new buoys prior to the September 29, 2024 amendment becoming effective.

Construction and placement of the buoy equipment will be performed by an experienced marine contractor from a boat. The block will be placed on the lakebed using a crane dropping it over the side of the boat and placing it gently on the lake bottom. A spill prevention plan will be on-board at all times.

The Applicant owns the upland adjoining the lease premises. The additional 15 mooring buoys will be 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 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 amendment of this lease will not substantially interfere with Public Trust needs at this location, at this time, and for the remaining term of the lease; is consistent with the common law Public Trust Doctrine; and is in the best interest of the State.

OTHER PERTINENT INFORMATION:

1. 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 denies the

- amendment, the lessee would not be allowed to install the 15 additional buoys. 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 amendment 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:

1. Authorize the amendment of Lease Number 4173, a General Lease – Recreational Use, effective September 29, 2024, for the installation and use of 15 additional mooring buoys; to revise rent from \$10,139 with an annual Consumer Price Index adjustment to \$11,327 with an annual Consumer Price Index adjustment; to incorporate climate change language; 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.