

**CALENDAR ITEM
C40**

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04/26/13
PRC 5884.1
N. Lee

TERMINATION AND ISSUANCE OF A GENERAL LEASE – RECREATIONAL USE

LESSEES:

Hawkins Insulation Company, Inc. and Lyon Investments, LP; Michael P. Lyon; Laura Lyon; and Karine S. Lyon

APPLICANTS:

Hawkins Insulation Company, Inc.; Lyon Investments, LP, a California Limited Partnership

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Lake Tahoe, adjacent to 5620 and 5650 West Lake Boulevard, near Homewood, Placer County.

AUTHORIZED USE:

Continued use and maintenance of an existing joint-use pier, boat lift, and two mooring buoys previously authorized by the Commission and use and maintenance of two existing mooring buoys not previously authorized by the Commission.

LEASE TERM:

10 years, beginning January 1, 2013.

CONSIDERATION:

\$2,669 per year, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

SPECIAL LEASE PROVISIONS:

Insurance:

Liability insurance in the amount of no less than \$1,000,000.

Other:

The proposed lease contains a provision requiring the Applicants to obtain authorization from the Tahoe Regional Planning Agency (TRPA) for the mooring buoys within two years after the adoption of a Final

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Environmental Impact Statement (FEIS) for the Lake Tahoe Shorezone Ordinance Amendments and approval of the amended ordinances. This is a continuation of the process the Commission used from approximately 1995 to October 2008 when TRPA adopted an FEIS and Ordinance Amendments supported by the FEIS. In September 2010, the U.S. District Court invalidated the FEIS and nullified the Amendments. When additional information is available, Commission staff will advise the Commission on any suggested modifications to the process used by the Commission pending resolution of the TRPA FEIS and amended ordinance issues.

OTHER PERTINENT INFORMATION:

1. Applicants own the upland, Assessor's Parcel Numbers (APN) 097-182-007 and 097-182-008, adjoining the lease premises.
2. On October 29, 2010, the Commission authorized a General Lease – Recreational Use with Hawkins Insulation Company, Inc.; Lyon Investments, LP; Michael P. Lyon; Laura Lyon; and Karine S. Lyon for an existing joint-use pier, boat lift, and two mooring buoys. That lease will expire on December 31, 2020. On March 29, 2012, full ownership of APN 097-182-007 was transferred to Lyon Investments, LP, A California Limited Partnership. Applicants are now applying for a new General Lease – Recreational Use, which will include two additional existing mooring buoys. Lessees have requested termination of the existing lease.
3. The two additional mooring buoys have been in Lake Tahoe for many years, but have not been previously authorized by the Commission. Staff recommends bringing the placement of the Applicants existing mooring buoys under lease, subject to the Applicants obtaining TRPA permit authorization.
4. **Termination of Lease:** The staff recommends that the Commission find that the subject termination of lease does not have a potential for resulting in either a direct or a reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with the California Environmental Quality Act (CEQA).

Authority: Public Resources Code section 21065 and California Code of Regulations, Title 14, sections 15060 subdivision (c)(3) and 15378.

5. **Issuance of Lease:** The staff recommends that the Commission find that this activity is exempt from the requirements of CEQA as a categorically

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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.

6. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq., but such activity will not affect those significant lands. Based upon the staff's consultation with the persons nominating such lands and through the CEQA review process, it is the staff's opinion that the project, as proposed, is consistent with its use classification.

EXHIBITS:

- A. Land Description
- B. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Termination of Lease: Find that the subject termination of lease is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3) because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.

Issuance of Lease: 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).

SIGNIFICANT LANDS INVENTORY FINDING:

Find that this activity is consistent with the use classification designated by the Commission for the land pursuant to Public Resources Code section 6370 et seq.

AUTHORIZATION:

1. Authorize termination, effective December 31, 2012, of Lease No. PRC 5884.1, a General Lease – Recreational Use, issued to Hawkins Insulation Company, Inc.; Lyon Investments, LP; Michael P. Lyon; Laura Lyon; and Karine S. Lyon.

CALENDAR ITEM NO. **C40** (CONT'D)

2. Authorize issuance of a General Lease – Recreational Use to Hawkins Insulation Company, Inc. and Lyon Investments, LP, a California Limited Partnership, beginning January 1, 2013, for a term of 10 years, for the continued use and maintenance of an existing pier, boat lift, and two mooring buoys previously authorized by the Commission; and the use and maintenance of two existing mooring buoys not previously authorized by the Commission, 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 \$2,669, with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease; and liability insurance with coverage of no less than \$1,000,000.

EXHIBIT A

PRC 5884.1

LAND DESCRIPTION

Five (5) parcels of submerged land situate in the bed of Lake Tahoe, lying adjacent to Lot 2 of fractional Section 12, Township 14 North, Range 16 East, MDM., as shown on Official Government Township Plat approved January 17, 1866, County of Placer, State of California, and more particularly described as follows:

PARCEL 1 – PIER

All those lands underlying an existing pier, two catwalks and one boat lift lying adjacent to that Lot as described in that Grant Deed recorded January 28, 2003 in Document Number 2003-0013404 in Official records of said County.

TOGETHER WITH a 10 foot impact area.

PARCELS 2,3,4 & 5 – BUOYS

Four (4) circular parcels of land, being 50 feet in diameter, underlying four (4) existing buoys lying adjacent to said Lot.

Accompanying plat is hereby made part of this description.

END OF DESCRIPTION

Prepared December 6, 2012 by the California State Lands Commission Boundary Unit.



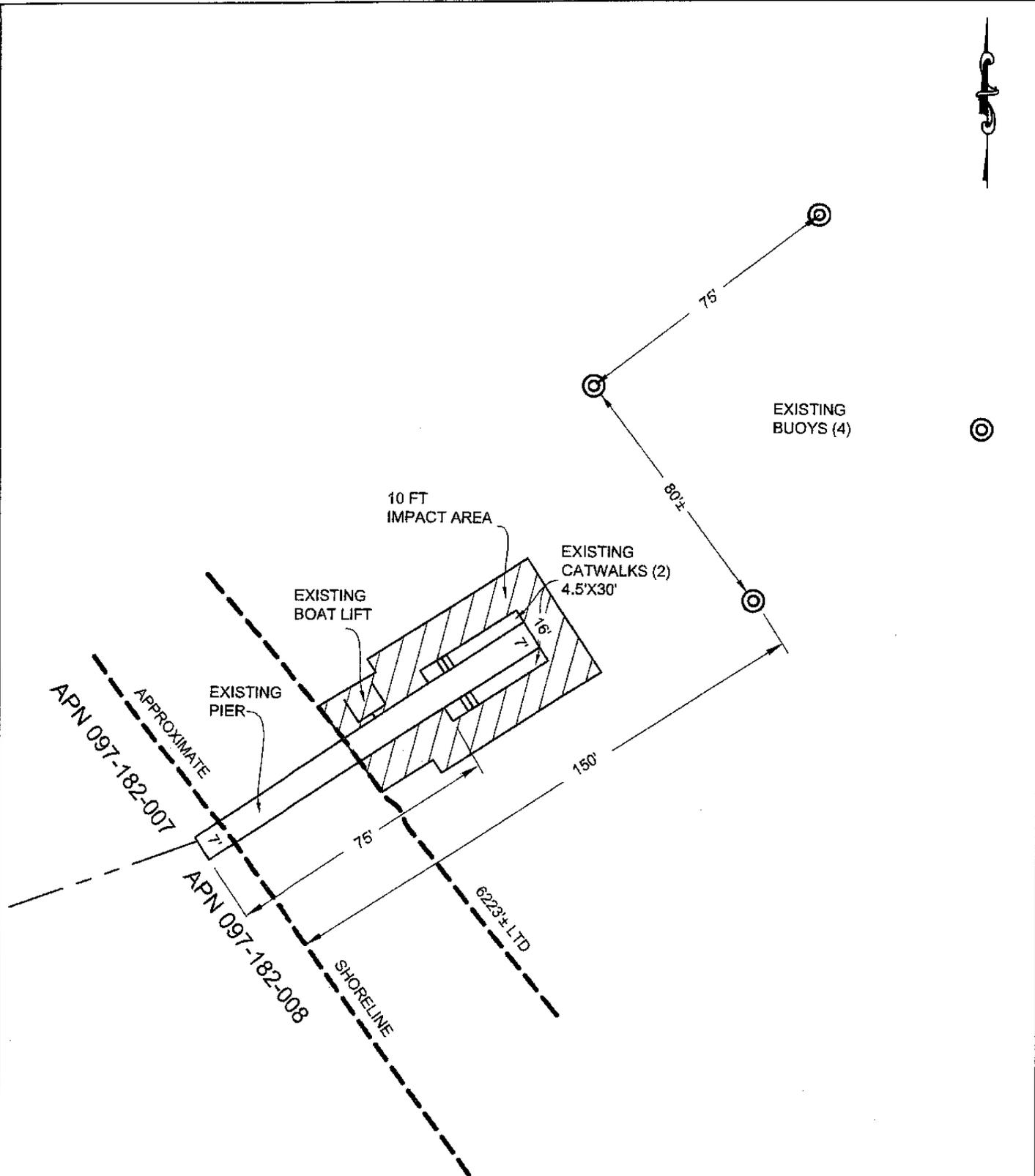


EXHIBIT A

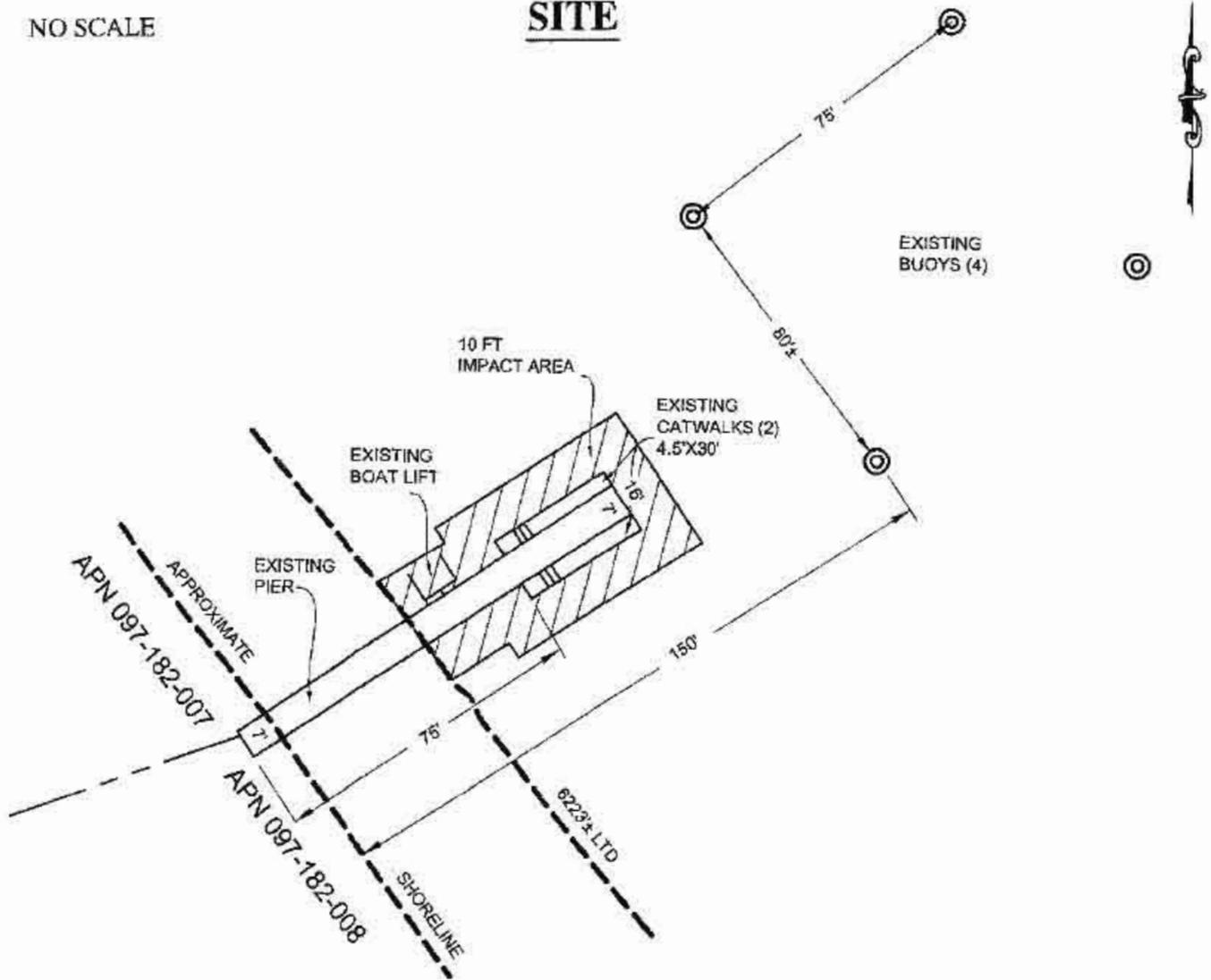
LAND DESCRIPTION PLAT
 PRC 5884.1, LYON & HAWKINS
 PLACER COUNTY

CALIFORNIA STATE
 LANDS COMMISSION



NO SCALE

SITE



5620 & 5650 WEST LAKE BLVD., HOMEWOOD

NO SCALE

LOCATION

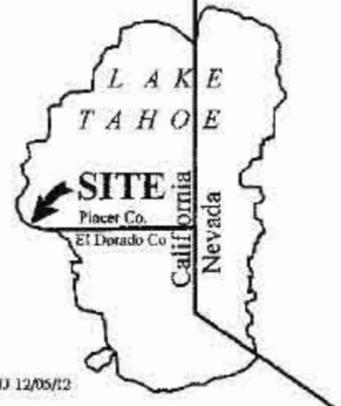


MAP SOURCE: USGS QUAD

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.

Exhibit B

PRC 5884.1
 LYON & HAWKINS
 APN 097-182-007 & 008
 GENERAL LEASE -
 RECREATIONAL USE
 PLACER COUNTY



MJJ 12/05/12