

Staff Report 15

LESSEE:

Arnold Nakazato; Brian D. Walsh and Laura N. Walsh, Trustees, The Walsh Family Trust Dated: March 20, 2001

APPLICANT:

Brian D. Walsh and Laura N. Walsh, Trustees, The Walsh Family Trust Dated: March 20, 2001

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 4798 North Lake Boulevard, near Carnelian Bay, Placer County (as shown in Figure 1).

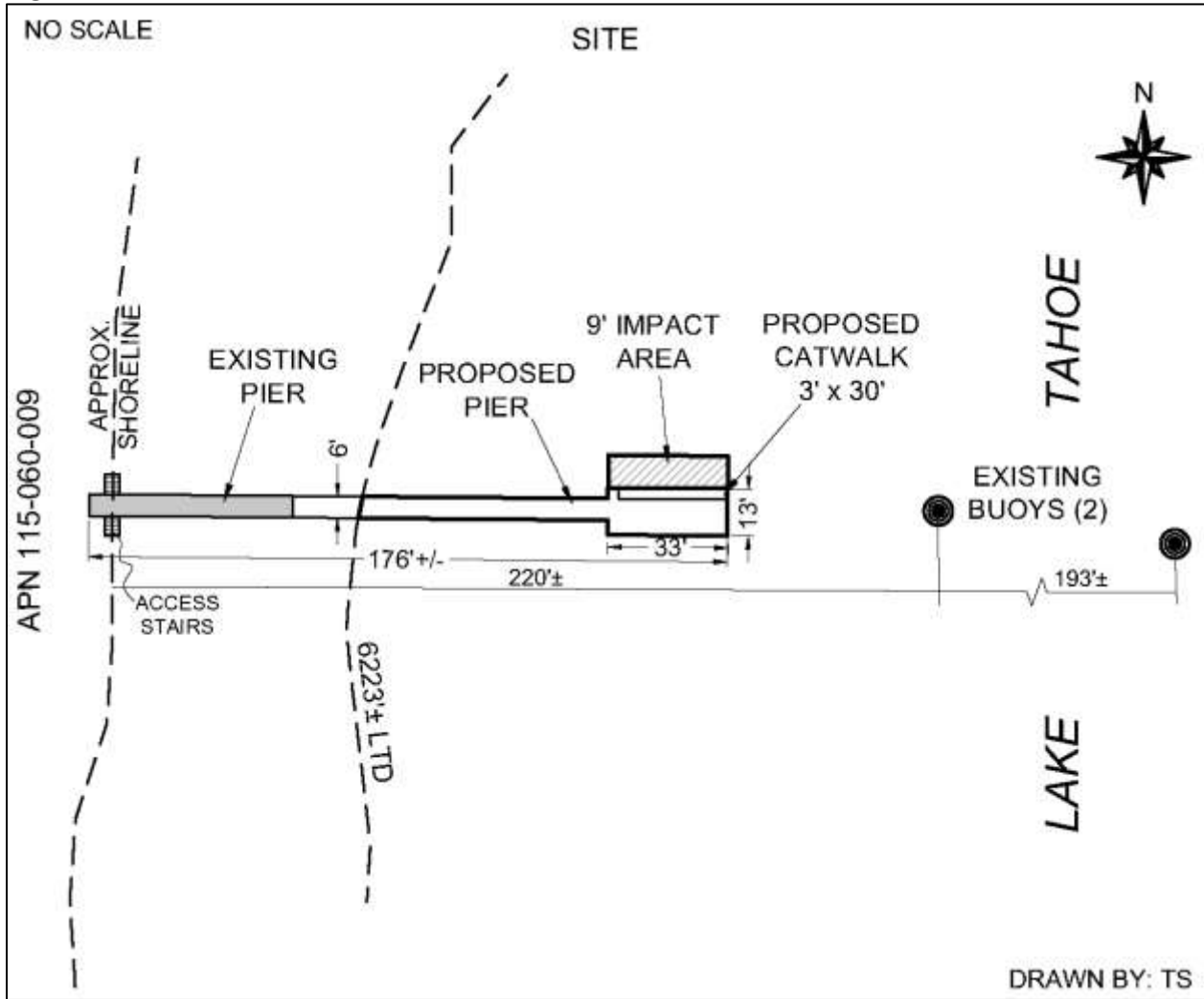
Figure 1. Location



AUTHORIZED USE:

Extension and use of a pier and catwalk, and use of two existing mooring buoys (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.

TERM:

10 years, beginning April 7, 2026.

CONSIDERATION:

\$1,405 per year, with an annual Consumer Price Index adjustment.

SPECIFIC LEASE PROVISIONS:

- Lessee acknowledges that a permit or registration from the 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 item or construct any improvements in the Public Trust easement, that may impair the public's right of access for navigation, fishing, and Public Trust consistent recreational uses.
- The lease provides public access over the pier via stairs and requires 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).
- 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.
- Lessee acknowledges annual consideration shall be adjusted based on the actual area of improvements as constructed should they vary from the plans submitted.

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 October 19, 2017, the Commission authorized issuance of a General Lease – Recreational Use to Arnold Nakazato; and Brian D. Walsh and Laura N. Walsh,

Trustees, The Walsh Family Trust dated: March 20, 2001, for the use and maintenance of two mooring buoys ([Item 8](#)). This lease will expire on October 3, 2027.

On September 15, 2021, Arnold Nakazato transferred ownership interest in 4798 North Lake Boulevard to Brian D. Walsh and Laura N. Walsh, Trustees, The Walsh Family Trust Dated: March 20, 2001. Staff was not notified of the transfer, however the same party holds majority ownership over the upland.

The Lessee is applying for acceptance of a lease quitclaim deed and issuance of a General Lease – Recreational Use for the extension and use of an existing pier and catwalk, and two mooring buoys. The existing pier does not extend waterward of the low water mark of Elevation 6,223 feet (Lake Tahoe Datum) and is outside the Commission's leasing jurisdiction. Therefore, only the two mooring buoys are currently under lease. Since the proposed extension project will take place prior to the lease expiring on October 3, 2027, staff recommends acceptance of a lease quitclaim deed from the current Lessee and issuance of a new lease beginning April 7, 2026, to align with the proposed pier extension project. TRPA registration is current as of April 1, 2025 (Registration No. 10902).

Annual rent has been paid through October 4, 2026. Prorated rent will be calculated and applied towards the first year of rent.

On February 13, 2025, the Applicant obtained conditional permit No. ESRP20023-1752 from TRPA authorizing the extension of the existing pier and catwalk as well as the installation of an additional support piling to enlarge the boat lift capacity to accommodate a larger watercraft.

The Applicant is proposing to extend the existing pier by 130 feet which will bring it within the Commission's leasing jurisdiction. The pierhead will be 10 feet wide, with an additional three-foot wide catwalk. A second support pile will be installed to increase the existing boat lift's capacity to 12,000 pounds. The project will be constructed using a floating/amphibious barge. All materials will be transported to the site via barge. Construction will take place after all required approvals have been obtained. The Applicant will follow all construction methods and timeframes as prescribed by the U.S. Army Corps of Engineers, California Department of Fish and Wildlife, Lahontan Regional Water Quality Control Board, and TRPA.

The Applicant owns the uplands adjoining the lease premises. The subject improvements 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 existing buoys are located directly lakeward of the upland property and occupy a relatively small area of the lake. The subject pier will be built on pilings, on a pebble beach that is easily traversable. The immediate upland topography is easily traversable, and public access for pedestrians and lake-related activities is available by passing over the pier via stairs provided by the Applicant. The proposed lease requires the Applicant to maintain the stairs and public passageway at its current position, including any portion which may be located above the Public Trust easement. The proposed lease includes a provision requiring the Applicant to post signs on each side of the pier identifying the designated public passageway. These signs shall be in place at all times and will ensure that the public is aware of the designated public passageway.

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:

INTRODUCTION:

Climate change significantly affects inland non-tidal lakes such as Lake Tahoe, and its effects are increasing throughout the Sierra Nevada mountains. According to [California's Fourth Climate Change Assessment](#) (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. These impacts create hazardous conditions like flooding, landslides, wildfire, drought, extreme heat, and severe storms. Structures along the shores of inland

lakes are particularly vulnerable to the more frequent and extreme weather events, year-to-year changes in total precipitation, and shifts in seasonal characteristics.

DATA & PROJECTIONS:

Temperatures in the Sierra Nevada are expected to increase six to ten degrees Fahrenheit on average by the end of the century, causing the snowline to shift upslope 1,500 to 3,000 feet in elevation (California's Fourth Climate Change Assessment, 2018). The long-term warming trend will lead to warmer and shorter winters and longer and drier summers. The warmer winters will reduce winter snowpacks by up to 60 percent across most of the Sierra Nevada and will result in increased winter streamflows and floods and decreased spring and summer runoff. Loss of snowpack is expected to dry soils 15 to 40 percent below their historical norms. Hotter, drier summer seasons and low water years will increase stress to vegetation, elevating wildfire risk and fire severity in the Tahoe Basin.

Dry winters will be punctuated with exceedingly wet years and higher temperatures will result in more rain-on-snow events ([Integrated Vulnerability Assessment of Climate Change in the Lake Tahoe Basin](#), 2020). Atmospheric river systems will become more common. These events produce both flash floods and higher than normal seasonal flooding which may shift earlier in the year. Higher soil moisture will increase erosion and elevate landslide risk, particularly following intense wildfire seasons.

ANALYSIS:

The greatest vulnerability to recreational facilities is from flooding, landslides, and wildfire hazards (Integrated Vulnerability Assessment of Climate Change in the Lake Tahoe Basin, 2020). The Sierra Nevada is expected to experience year-to-year variability in precipitation and may shift between extreme wet and dry periods. High precipitation years or successive years will result in higher lake levels, causing beaches to narrow and reducing public access. Surface runoff may carry more sediment into the lake, adversely impacting water quality, clarity, and increasing risk of algal blooms ([UC Davis Tahoe Environmental Research Center](#), 2024). Conversely, low lake levels will become normal during periods of extended drought. Low lake level conditions can create more expansive beaches and increased shoreline access in dry months. However, these conditions could make some shoreline areas too shallow for effective recreational use of piers, boat docks, and mooring buoys. During drought, structures will also be exposed to heat and

wind that may accelerate deterioration or reduce the structural integrity of certain structures.

Additionally, atmospheric rivers and extreme weather events are expected to increase in the high Sierra. Storms may deviate from prevailing wind patterns for the region. Wind-driven waves can accelerate shoreline erosion in some areas or cause erosion in areas not typically subject to erosion. Winds can also increase wave damage on structures and boats along the lake.

RECOMMENDATIONS:

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. Replacing older structural components with materials designed to better withstand extreme heat, wind events, and storms can reduce the likelihood of degradation and damage to structures. Any future construction or activities on State land would require a separate authorization from the Commission.

Regular maintenance, as required by the lease, may reduce the risks from extreme temperatures and rain. Pursuant to the proposed lease, the Applicant acknowledges that the lease premises and adjacent upland are located in an area that may be subject to the effects of climate change.

CONCLUSION:

For all the reasons above, staff believes acceptance of the lease quitclaim deed and issuance of this lease will not substantially interfere with the Public Trust needs at this location at this time, or for the remaining term of the lease; is consistent with the common law Public Trust Doctrine; and in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. Approval or denial of the application is a discretionary action by the Commission. Each time the Commission approves or rejects the 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 will not be authorized to extend the existing pier and

catwalk, and will have to remove the existing mooring buoys. The Lessee has no right to a new lease or 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 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, sections 15060, subdivision (c)(3), and 15378, subdivision (b)(5).

4. **Existing Buoys:** Staff recommends that the Commission find that issuance of the lease is exempt from the requirements of CEQA as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, title 14, section 15301.

Extension and Use of a Pier and Catwalk: Staff recommends that the Commission find that issuance of the lease is exempt from the requirements of CEQA as a categorically exempt project. The project is exempt under Class 3, New Construction or Conversion of Small Structures; California Code of Regulations, title 14, section 15303.

Authority: Public Resources Code section 21084 and California Code of Regulations, title 14, section 15061.

APPROVAL OBTAINED:

- Tahoe Regional Planning Agency

APPROVALS REQUIRED:

- U.S. Army Corps of Engineers
- Lahontan Regional Water Quality Control Board
- California Department of Fish and Wildlife

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that issuance of the lease is exempt from the requirements of CEQA pursuant to California Code of Regulations, title 14, section 15061 as a categorically exempt project through the combination of the following exemptions: Class 1, Existing Facilities; California Code of Regulations, title 14, section 15301, and Class 3, New Construction or Conversion of Small Structures; California Code of Regulations, title 14, section 15303.

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:

1. Accept a Lease Quitclaim Deed for Lease 8498, effective April 6, 2026.
2. Authorize issuance of a General Lease – Recreational Use to the Applicant beginning April 7, 2026, for a term of 10 years, for the extension and use of an existing pier and catwalk, and two mooring buoys; annual rent in the amount of \$1,405, with an annual Consumer Price Index adjustment; and liability insurance in an amount no less than \$1,000,000 per occurrence.
3. Authorize the Executive Officer or designee to replace Exhibits in the lease upon submission, review, and approval of as-built plans detailing the final location of the improvements following construction.