

## STAFF REPORT

**49**

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04/29/20  
Lease 3086.1  
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### TERMINATION AND REISSUANCE OF A GENERAL LEASE – RECREATIONAL USE

#### **LESSEE:**

Steven Ramelot, as Trustee of the Steven Ramelot Family Trust, U/A dated July 6, 2012

#### **APPLICANT:**

JDC Enterprise LLC, a Limited Liability Company in the State of California

#### **PROPOSED LEASE:**

##### *AREA, LAND TYPE, AND LOCATION:*

Sovereign land located in the Main Channel of Huntington Harbour adjacent to 16442 Malden Circle, Huntington Beach, Orange County.

##### *AUTHORIZED USE:*

The use and maintenance of an existing boat dock, access ramp, and cantilevered deck; the removal and relocation of three existing concrete piles; and the replacement of the existing boat dock and access ramp with a new boat dock and access ramp.

##### *LEASE TERM:*

10 years, beginning March 7, 2020.

##### *CONSIDERATION:*

\$5,693 per year, with an annual Consumer Price Index adjustment.

##### *SPECIFIC LEASE PROVISIONS:*

- Insurance: Liability insurance in an amount no less than \$1,000,000 per occurrence.
- Indemnity provision in Section 3, Paragraph 8 of the lease also includes the period from October 8, 2019, the date ownership was transferred, through March 7, 2020, the effective date of the proposed lease.

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### **STAFF ANALYSIS AND RECOMMENDATION:**

#### **Authority:**

Public Resources Code sections 6005, 6216, 6301, 6501.1, 6503, and 6503.5; California Code of Regulations, title 2, sections 2000 and 2003.

#### **Public Trust and State's Best Interests Analysis:**

On June 19, 2014, the Commission authorized Lease No. PRC 3086.1, a General Lease - Recreational Use, to Leonis C. and D. Leonie Malburg, for a term of 10 years ([Item C70, June 19, 2014](#)). That lease will expire on March 7, 2024. On January 22, 2018, ownership of the upland property was transferred to the Steven Ramelot Family Trust, U/A dated July 6, 2012. On June 21, 2018, the Commission authorized the assignment of the Lease to Steven Ramelot, as Trustee of the Steven Ramelot Family Trust, U/A dated July 6, 2012, effective January 22, 2018 ([Item C60, June 21, 2018](#)).

On August 23, 2019, the Commission approved an amendment to the Lease authorizing the removal of the existing 20-foot by 50-foot dock and installation of a new 8-foot by 110-foot dock; removal and relocation of three piles; and removal and replacement of the existing access ramp, effective August 23, 2019 ([Item 57, August 23, 2019](#)). None of the proposed work was conducted. On October 8, 2019, ownership of the upland property was transferred to Judd N. Chamaa, a single man, Danny S. Chamaa, a single man, and Adam Chamaa and Kholod Alabed, husband and wife as community property with right of survivorship, all as joint tenants.

On January 13, 2020, ownership of the upland property was transferred to JDC Enterprise LLC, a Limited Liability Company in the State of California (Applicant). The Applicant has requested termination and reissuance of the lease rather than a lease assignment.

The improvements are privately owned and maintained and have existed at this location for many years. The boat dock and access ramp facilitate recreational boating because they are used for the docking and mooring of recreational boats. Recreational boating is water-dependent and 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 lands (Pub. Resources Code, § 6503.5).

The proposed boat dock and access ramp replacement would result in a change to the size and configuration of the dock but would not result in an

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expansion of the lease area within the Main Channel. The existing 50-foot by 20-foot U-shaped dock and access ramp would be replaced with a new 110-foot by 8-foot side-tie dock and access ramp, which would require the removal and relocation of three of the existing concrete piles within the lease area. An eelgrass report prepared by an environmental consultant on July 6, 2019, indicates that no eelgrass is present in the area where the new dock would be installed.

To replace the dock, the existing boat dock would be disconnected from the existing piles and taken by boat and disposed of at an upland facility. Three existing piles would be removed using water jetting and relocated to support the new longer dock. These piles would be installed using water jetting to create the hole for each relocated pile. The new boat dock would be floated in by boat and attached to the new piling configuration within the lease premises. Construction activities would be limited to daytime hours; the expected project duration is 5 to 10 days.

The Main Channel in Huntington Harbour was created in the early 1960s, and the adjacent upland parcel is privately owned and developed with a residence. There is no public access at this upland property because the private upland property directly abuts the concrete bulkhead that defines the limits of the channel. The boat dock extends to the pierhead line which is 60 feet into the 400-foot-wide channel leaving the majority of the Main Channel available for navigation and public recreation.

The existing cantilevered deck is connected to the upland residence. Residential use is generally not consistent with the Public Trust Doctrine. However, the cantilevered deck extends no more than 5 feet over the Main Channel and does not substantially interfere with the public's right of navigation or access. Proposed rent for the cantilevered deck is calculated using a benchmark rate based on nearby upland land values to ensure the State receives appropriate compensation for use of sovereign land as the deck serves as an extension of the upland property's private backyard.

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 and does not grant the lessee exclusive rights to the leased 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. 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

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payment of annual rent to compensate the people of the State for the use of public land.

### **Climate Change:**

Climate change impacts, including sea-level rise, increased wave activity, storm events, and flooding are not limited to the open coast. The existing and proposed structures are located within the Huntington Harbour development, along an inland, navigable, tidally influenced channel, and may be vulnerable to the impacts of sea-level rise. Huntington Harbour is built near sea-level elevation, and as a result is vulnerable to flooding and storm surge events. Huntington Harbour is adjacent to two wetlands, Bolsa Chica and the Seal Beach National Wildlife Refuge, which could act as natural buffers to storm surges and lessen flood risks.

The California Ocean Protection Council updated the State of California Sea-Level Rise Guidance in 2018 to provide a synthesis of the best available science on sea-level rise projections and rates. Commission staff evaluated the “high emissions,” “medium-high risk aversion” scenario to apply a conservative approach based on both current emission trajectories and the lease location and structures. The Los Angeles tide gauge was used for the projected sea-level rise scenario for the lease area as listed in Table 1.

**Table 1. Projected Sea-Level Rise for Los Angeles<sup>1</sup>**

<b>Year</b>	<b>Projection (feet)</b>
2030	0.7
2040	1.2
2050	1.8
2100	6.7

Source: Table 28, State of California Sea-Level Rise Guidance: 2018 Update

Note: <sup>1</sup> Projections are with respect to a 1991 to 2009 baseline.

As stated in *Safeguarding California Plan: 2018 Update* (California Natural Resources Agency 2018), climate change is projected to increase the frequency and severity of natural disasters related to flooding, drought, and storms (especially when coupled with sea-level rise). The combination of these conditions will likely result in increased wave run-up, storm surge, and flooding in coastal and near coastal areas. In tidally influenced waterways, more frequent and powerful storms can result in increased flooding conditions and damage from storm-created debris. Climate change and sea-level rise will further influence coastal and riverine areas by changing erosion and sedimentation rates. Beaches, coastal

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landscapes, and near-coastal riverine areas will be exposed to increased wave force and run-up, potentially resulting in greater beach or bank erosion than previously experienced.

This increase in sea level combined with more frequent and stronger storm events will likely expose the lease area structures to higher flood risks, comprised of greater total water levels for longer periods of time. The lease area contains fixed features, including pilings and an overhanging deck, and movable features proposed for replacement, including a floating recreational dock and access ramp. Flooding conditions could cause structures to be damaged or dislodged, presenting hazards to public safety as well as dangers for navigation within the channel. The floating nature of the movable features will allow them to rise and fall with tides and waves, increasing their resiliency to some sea-level rise impacts, but the fixed features may need to be raised or reinforced to withstand future conditions. Although the bulkhead underneath the deck is not under the Commission's jurisdiction, any sea-level rise impacts to the bulkhead could also affect the structures under the Commission's jurisdiction because it serves to stabilize the bank. Therefore, loss or degradation of the bulkhead could result in property damage and public safety concerns within the lease area and the surrounding waterways.

More locally based knowledge of sea-level rise impacts and adaptation strategies will be available to Huntington Harbour residents as a result of the ongoing efforts to update the City of Huntington Beach's Local Coastal Program and General Plan, and through the City's Coastal Resiliency Task Force. Regular maintenance, as required by the terms of the lease, will reduce the likelihood of severe structural degradation or dislodgement. Pursuant to the proposed lease, the Applicant acknowledges that the lease premises and adjacent upland (not within the lease area) are located in an area that may be subject to the effects of climate change, including sea-level rise.

### **Conclusion:**

For all the reasons above, Commission 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; and is 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 a use of sovereign land, it exercises legislatively delegated authority and

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responsibility as trustee of the State's Public Trust lands as authorized by law. If the Commission denies the application, the Applicant may be required to remove the existing boat dock, access ramp, and cantilevered deck and restore the premises to their original condition. Upon expiration or prior termination of the lease, the lessee also has no right to a new lease or renewal of any previous lease.

2. This action is consistent with Strategy 1.1 of the Commission's Strategic Plan to deliver the highest levels of public health and safety in the protection, preservation, and responsible economic use of the lands and resources under the Commission's jurisdiction.
3. Termination of the lease 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. **Existing Cantilevered Deck:** Staff recommends that the Commission find that this activity 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 2, section 2905, subdivision (a)(2).
5. **Replacement of Boat Dock and Access Ramp:** Staff recommends that the Commission find that this activity is exempt from the requirements of CEQA as a categorically exempt project. The project is exempt under Class 2, Replacement or Reconstruction; California Code of Regulations, title 14, section 15302.

Authority: Public Resources Code section 21084 and California Code of Regulations, title 14, section 15300, and California Code of Regulations, title 2, section 2905.

**EXHIBITS:**

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

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**RECOMMENDED ACTION:**

It is recommended that the Commission:

**CEQA FINDING:**

**Existing Cantilevered Deck:** 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).

**Replacement of Boat Dock and Access Ramp:** 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 2, Replacement or Reconstruction; California Code of Regulations, title 14, section 15302.

**PUBLIC TRUST AND STATE'S BEST INTERESTS:**

1. Find that the existing and, for a limited period, continuing use and maintenance of the boat dock and access ramp and their planned replacement will not substantially interfere with Public Trust needs and values at this location and are consistent with the common law Public Trust Doctrine; and
2. Find that the existing and, for a limited period, continuing use and maintenance of the cantilevered deck is not generally consistent with the Public Trust Doctrine, but the current use does not substantially interfere with the trust; and
3. Find that issuing the proposed lease is in the best interests of the State.

**AUTHORIZATION:**

1. Authorize termination of Lease No. PRC 3086.1, a General Lease – Recreational Use, issued to Steven Ramelot, as Trustee of the Steven Ramelot Family Trust, U/A dated July 6, 2012, effective March 6, 2020.
2. Authorize issuance of a General Lease – Recreational Use to the Applicant, beginning March 7, 2020, for a term of 10 years, for an existing boat dock, access ramp, and cantilevered deck; the removal and relocation of three existing concrete piles, and replacement of the existing boat dock and access ramp with a new boat dock and access ramp, as described in Exhibit A and shown

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on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; rent in the amount of \$5,693 per year, with an annual Consumer Price Index adjustment; liability insurance in an amount no less than \$1,000,000 per occurrence.



## EXHIBIT A

LEASE 3086.1

### LAND DESCRIPTION

A parcel of submerged land in Huntington Harbour, in the City of Huntington Beach, Orange County, California, described as follows:

BEGINNING at the most northerly corner of Lot 49, as said lot is shown and so designated on that certain map of Tract No. 4677 filed in Book 168, Pages 14 through 18 of Miscellaneous Maps, Official Records of said County; thence along the northeasterly prolongation of the northwesterly line of said lot 60.00 feet to the pierhead line, as said pierhead line is described in Resolution No. 5908, passed and adopted August 1, 1988 by the City Council of said City; thence southeasterly along said pierhead line to the northeasterly prolongation of the southeasterly line of said lot; thence southwesterly along said northeasterly prolongation 60 feet to the most easterly corner of said lot; thence northwesterly along northeasterly line of said lot to the POINT OF BEGINNING.

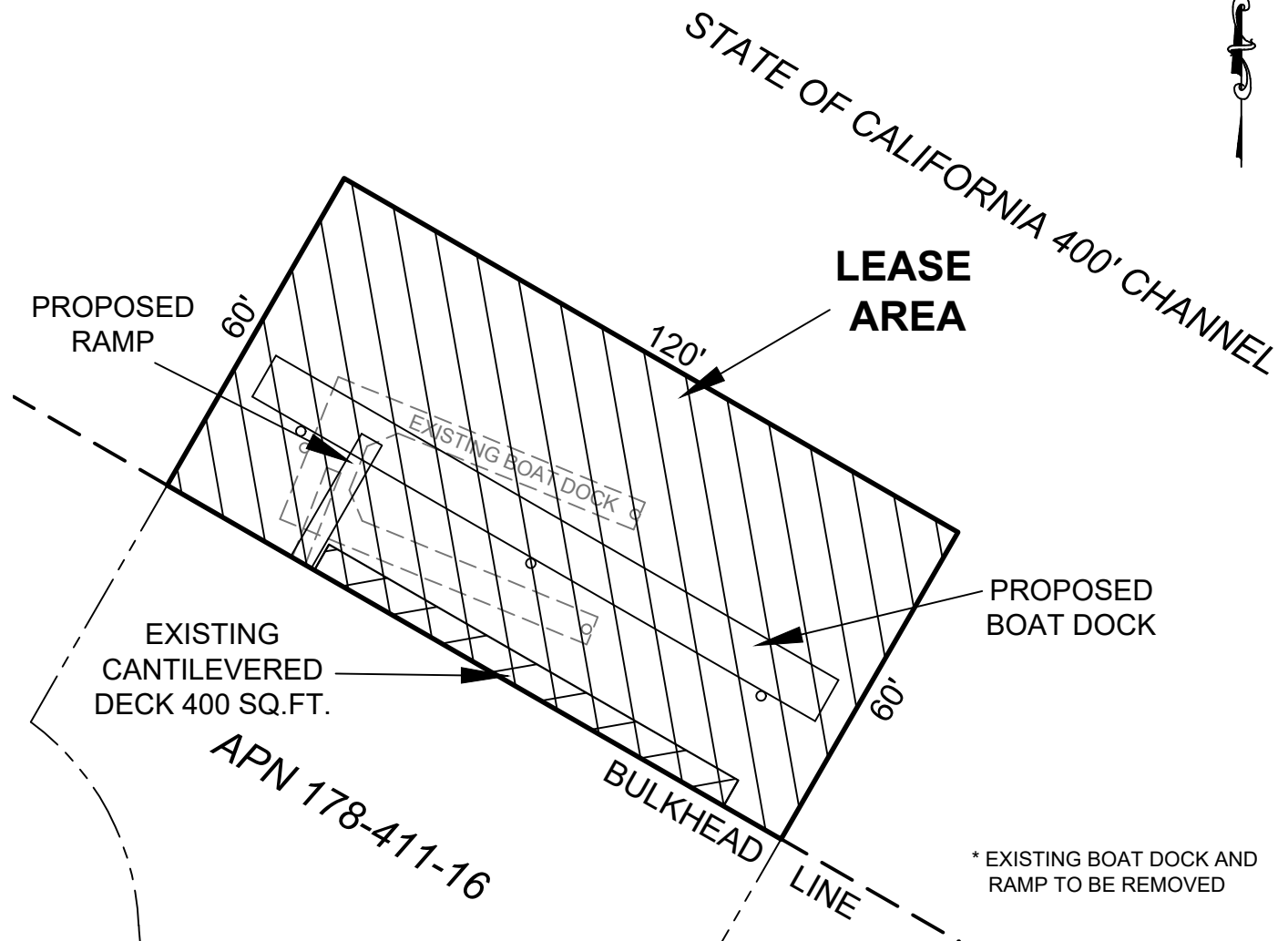
### END OF DESCRIPTION

Prepared 03/06/2020 by the California State Lands Commission Boundary Unit



NO SCALE

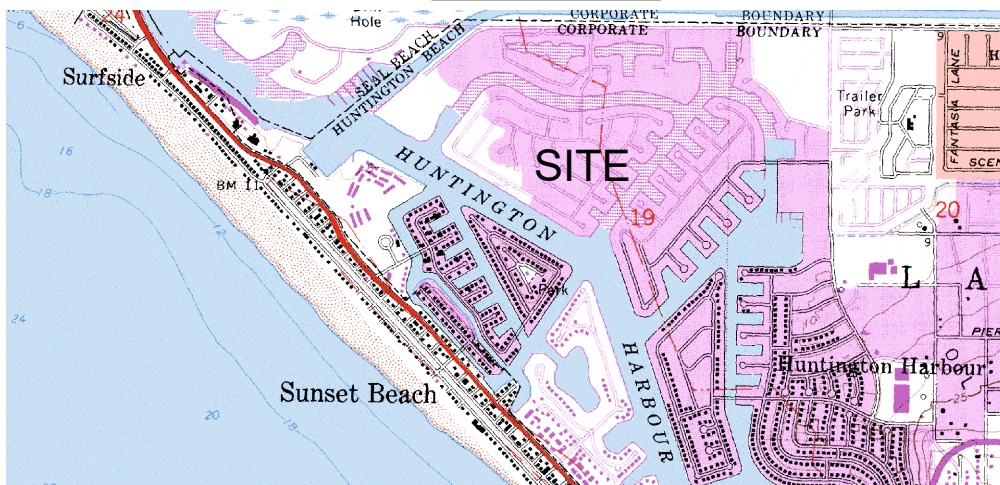
## SITE



16442 MALDEN CIRCLE, HUNTINGTON BEACH

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**

LEASE 3086.1  
JDC ENTERPRISE LLC  
APN 178-411-16  
GENERAL LEASE -  
RECREATIONAL USE  
ORANGE COUNTY



TS 03/06/2020