

Staff Report 48

Amendment of Lease

LESSEE:

Santa Catalina Island Company

SUBLESSEE:

Catalina Boat Yard, Inc.

PROPOSED ACTION:

AREA, LAND TYPE, AND LOCATION

Sovereign Land in the Pacific Ocean, near Pebbly Beach, Santa Catalina Island, Los Angeles County.

AUTHORIZED USE:

Continued use and maintenance of a concrete ramp.

TERM:

10 years, beginning January 1, 2015.

CONSIDERATION:

\$2,342 per year with an annual Consumer Price Index adjustment.

PROPOSED AMENDMENT:

Section 1, Basic Provisions:

- Authorized Activities: Remove and replace the existing concrete ramp.
- Consideration: Annual rent in the amount of \$2,342 per year starting January 1, 2021, with an annual Consumer Price Index Adjustment as provided in Section 3 of the lease.

Lease Exhibits:

- Replace Exhibit A, Land Description.
- Replace Exhibit B, Site and Location Map.

Section 2, Special Provisions:

- Within 30 days of completion of replacement of the concrete ramp, 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 Lessor’s Executive Officer or designee and Lessee, 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. The revised Exhibits shall be deemed approved by Lessee unless objected to by Lessee in writing within 30 days of provision of the revised Exhibits.

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

STAFF ANALYSIS AND RECOMMENDATION:

AUTHORITY:

Public Resources Code sections 6005, 6106, 6216, 6301, 6501.1, and 6503; California Code of Regulations, title 2, sections 2000 and 2003.

PUBLIC TRUST AND STATE’S BEST INTERESTS:

On August 19, 2015, the Commission authorized a 10-year General Lease – Commercial Use to the Santa Catalina Island Company for the continued use and maintenance of a concrete ramp at Pebbly Beach. The Commission also authorized the endorsement of a sublease to Catalina Boat Yard, Inc., to take out and launch vessels via boat trailers to and from the upland boat storage/repair facility (Item 64, [August 19, 2015](#)).

In July 2017, the ramp was damaged by large swells during Hurricane Eugene. The Lessee is now requesting authorization to replace the concrete ramp in the same configuration, size, and location that existed at the site prior to the damage in 2017.

The ramp was originally constructed in the 1940s and was recently measured by divers at 30 feet by 135 feet. There has been some discrepancy in the lease file regarding the actual size of the ramp. Based on the recent measurements, the ramp is 159 square

feet larger than previously thought. Therefore, the annual rent and land description are proposed to be amended.

The ramp is used by the sublessee and maritime industry as an access ramp to a dry land boatyard for commercial tour operators and commercial and recreational boaters who need long-term storage or repair and maintenance services. The ramp also serves as an important water access point for emergency vehicles, boats, and seaplanes. In 2007, the ramp was utilized to offload firefighting equipment and personnel to fight fires on Santa Catalina Island. The adjacent freight barge landing located 170 feet north does not accommodate the loading and unloading of commercial and smaller vessels.

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 lease amendment does not alienate the State's fee simple interest or permanently impair public rights. The lease term has 5 years remaining, 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.

CLIMATE CHANGE:

Climate change impacts, including sea-level rise, increased wave activity, storm events, and flooding may impact structures subject to the proposed lease amendment, which are located at Pebbly Beach near Avalon, Santa Catalina Island. 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 Angeles¹

Year	Projection (feet)
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: ¹ 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 and coastal landscapes will be exposed to increased wave force and run-up, potentially resulting in greater beach erosion than previously experienced.

This increase in sea level combined with more frequent and stronger storm events will likely expose the reconstructed landing and ramp to higher flood risks, comprised of greater total water levels for longer periods of time. Flooding conditions could cause structures to be damaged or dislodged, presenting hazards to public safety as well as dangers for navigation. However, the proposed ramp design incorporates elements to adjust to tidal action and sea level, which will reduce degradation, property damage, and public safety concerns within and adjacent to the lease area.

Regular maintenance, as required by the terms of the existing lease, will reduce the likelihood of severe structural degradation or dislodgement. Pursuant to the lease, the Lessee acknowledges that the lease premises and adjacent upland 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, staff believes this lease amendment will not substantially interfere with Public Trust needs at this location, at this time, and for the foreseeable term of the lease; is consistent with the common law Public Trust Doctrine; and is in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. Approval or denial of the lease amendment 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 responsibility as trustee of the State's Public Trust lands as authorized by law. Upon expiration or prior termination of the lease, the lessee also has no right to a new lease or to 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. 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 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.

APPROVALS REQUIRED:

California Coastal Commission

EXHIBITS:

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

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 2, Replacement or Reconstruction; California Code of Regulations, title 14, section 15302.

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 the Public Trust needs and values at this location, at this time, and for the foreseeable 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 7332, a General Lease – Commercial Use, effective August 20, 2020, for the replacement of the existing concrete ramp, including amending the special provisions to allow removal and replacement of the ramp, and require the Lessee to provide photographs and as-built plans within 30 days of completion; replace the existing lease Exhibit A, Land Description, with the attached Exhibit A, Land Description, and the existing lease Exhibit B, Site and Location Map, with the attached Exhibit B, Site and Location Map (for reference purposes only), and by this reference made a part hereof; amend the consideration to \$2,342 per year with an annual Consumer Price Index adjustment, effective January 1, 2021; all other terms and conditions of the lease will remain in effect without amendment.

EXHIBIT A

LEASE 7332

LAND DESCRIPTION

A strip of tide and submerged land 34 feet wide situate in the Pacific Ocean, Santa Catalina Island, County of Los Angeles, State of California, lying adjacent to Lot 1 as shown on that certain Parcel Map 10781, filed January 8, 1981 in Book 136 of Parcel Maps at pages 3 and 4, Los Angeles County Records, and being more particularly described as follows:

COMMENCING at the most southerly corner of Lot 1 as shown on said map, also being the southwest terminus of that certain line shown as North 73° 11' 48" East 214.77 feet on that certain Surveyors Map "Avalon Stolport, Pebbly Beach, Santa Catalina Island" County Surveyors Map B-5338 filed May 2, 1978 in said county, thence along said line 214.77 feet; thence North 22° 43' 52" West 1145.01 feet to the POINT OF BEGINNING; being a point on the centerline of the proposed Pebbly Beach landing and launch ramp (on the southwest end of the launch ramp) as shown on plans entitled "Emergency Repair Pebbly Beach Landing and Launch Ramp", sheet 3 of 5 in Lease 7332.1 on file at the California State Lands Commission; thence continuing North 37° 58' 18" East along said centerline 105.00 feet to the northeast end of said ramp, and the Point of Termination.

The sidelines of said strip shall terminate at a point perpendicular to the terminus of said strip.

EXCEPTING THEREFROM any portions lying landward of the Ordinary High Water Mark of the Pacific Ocean.

BASIS OF BEARINGS is that certain Boundary Map entitled "Avalon Stolport, Pebbly Beach, Santa Catalina Island" County Surveyors Map B-5338 filed May 2, 1978, County of Los Angeles.

END OF DESCRIPTION

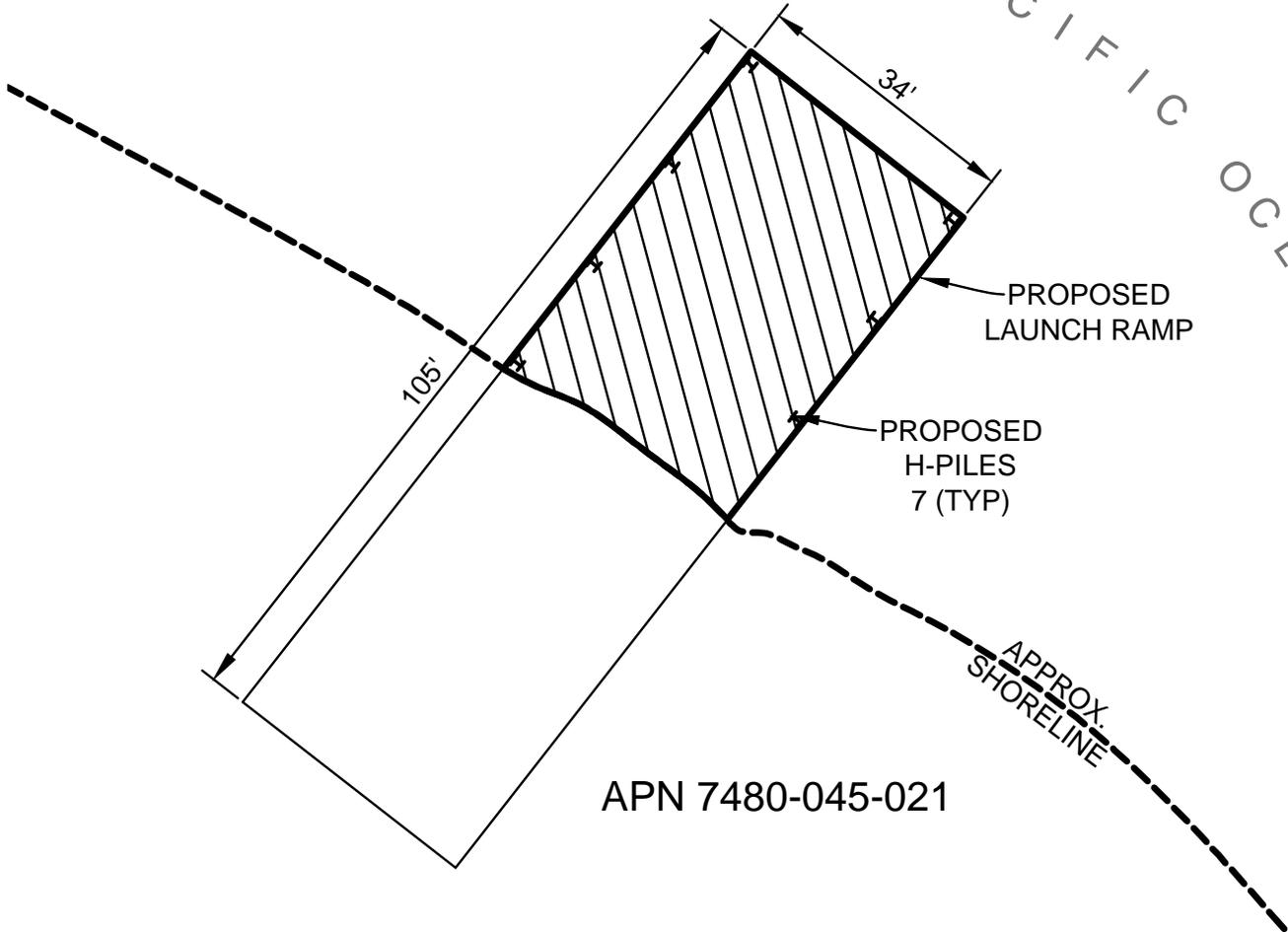
Prepared 05/12/2020 by the California State Lands Commission Boundary Unit.



NO SCALE

SITE

PACIFIC OCEAN



NEAR PEBBLY BEACH, SANTA CATALINA ISLAND

NO SCALE

LOCATION

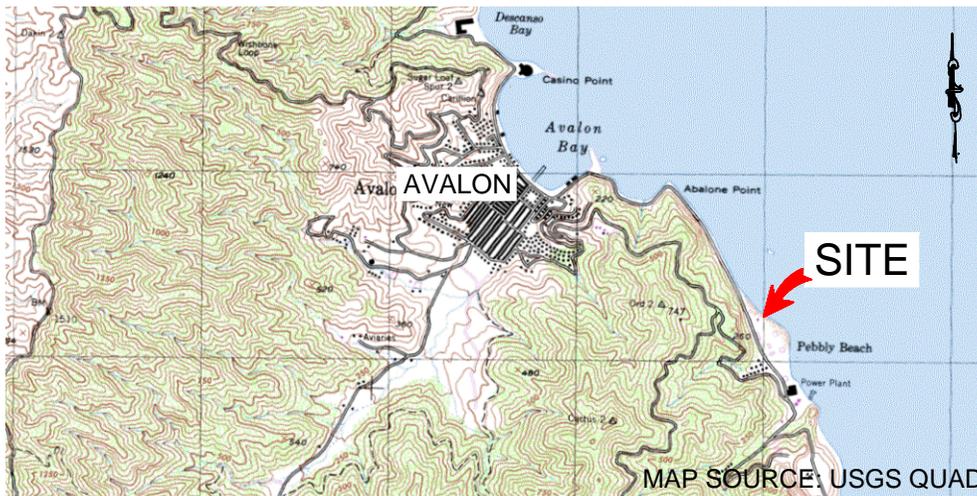


EXHIBIT B

LEASE 7332
 SANTA CATALINA ISLAND CO.
 APN 7480-045-021
 GENERAL LEASE -
 COMMERCIAL USE
 LOS ANGELES COUNTY



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.

RGB 5/12/20