Meeting Date: 06/29/21 Lease Number: 6319, JTI 10 Staff: D. Simpkin

Staff Report 41

APPLICANT:

U.S. Department of the Navy

PARTIES:

California Department of Parks and Recreation

California State Lands Commission

PROPOSED ACTION:

Rescission of previous Lease Authorization, issuance of a new General Lease – Public Agency Use, and authorization staff to negotiate and the Executive Officer to enter into an Agreement for the Transfer and Control of State-Owned Real Property

AREA, LAND TYPE, AND LOCATION:

State-owned land along Silver Strand State Beach, near Coronado, San Diego County.

AUTHORIZED USE:

Use and maintenance of the Silver Strand Training Complex North.

TERM:

3049 years, beginning September 1, 2021.

CONSIDERATION:

The public health and safety, with the State reserving the right at any time to set a monetary rent if the Commission finds such action to be in the State's best interests.

BACKGROUND:

Silver Strand is a narrow piece of low-lying land that connects Coronado Island with Imperial Beach in San Diego County. Silver Strand protects and shelters San Diego Bay from waves and storm surge.

The U.S. Department of Defense owns beaches both north and south of Silver Strand State Beach. Naval Amphibious Base Coronado is located at the northernmost end of Silver Strand and was established in 1943. It is the only Naval amphibious base on the West Coast and includes a population of approximately 5,000 personnel. Naval Amphibious Base Coronado and the adjacent beaches provide training for the U.S. Navy's Sea, Air, and Land Teams (SEALs), amphibious insertion, and other small units.

Between 1948 and 1952, the Commission authorized a series of transfers of jurisdiction to the California Department of Parks and Recreation (State Parks) over certain accreted tide and submerged lands for uses connected with Silver Strand State Park (Item 32, January 9, 1948, Item 10, April 27, 1949, Item 20, April 28, 1950, and Item 13, February 14, 1952). Together, these transfers of jurisdiction are known as Jurisdictional Transfer Out (JTO) 4.

In 1955, the Navy condemned areas along both the ocean and San Diego Bay sides of Silver Strand State Beach for Naval purposes. The condemnation included a reversionary provision which would reconvey the land to the State when the parcel was no longer needed for military purposes. Following the reconveyance to "the State" in 1985, a disagreement arose between the Commission and State Parks over which agency had jurisdiction over the reconveyed parcel. The underlying disagreement over the reversion was never resolved, and a compromise was reached between the Commission and State Parks. The compromise included an Agreement for the Transfer of Control and Possession of State-Owned Real Property (Lease Number. PRC 6320) from State Parks to the Commission (Item 27, February 9, 1982). In return and in the same February 1982 action, the Commission authorized Lease Number PRC 6319 to the Navy for continued use of the parcel. All agreements and leases expire on August 31, 2021.

STAFF ANALYSIS AND RECOMMENDATION:

AUTHORITY:

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

PUBLIC TRUST AND STATE'S BEST INTERESTS:

The lease premises are located west and adjacent to State Route 75 and end at the property line of Naval Amphibious Base Coronado located to the north. Silver Strand State Beach is located to the south and includes camping facilities and other recreational opportunities, such as fishing, picnicking, and swimming.

The lease premises are a major component of the U.S. Navy's Silver Strand Training Complex, whose mission is to support U.S. Navy and Marine Corps amphibious, special warfare, expeditionary, and mine countermeasure training, and for Navy test and evaluation activities. The location is ideal for realistic military training. Temporary training facilities located within the lease premises include:

- An obstacle course constructed of wood and used for Naval Special Warfare training. The course is surrounded by an approximately 400-foot by 475-foot-long chain link fence.
- An approximately 180-foot by 520-foot fenced compound with water pit, which provides physical testing of naval students, primarily during the fourth week of Navy SEALS training, known as "Hell Week."
- Signs prohibiting unauthorized access.
- Color-coded beach markers located every 500 yards on the beach.

The use of tidelands is essential for the Navy's amphibious training exercises, which by their nature are water dependent. According to the Navy, "[the training complex] provides a critical training range for west coast naval amphibious, special warfare, logistics-over-the-shore, and mine countermeasure readiness and certification activities, enabling military personnel to respond quickly to crises around the world."

The lease premises have been used for Navy operations since 1955. This use generally excludes the public, and the area is surrounded by the Silver Strand Training Complex, which also prevents public access to the area for safety and security reasons. Public use would create a security risk for the Navy and a safety risk for the public. Despite the general exclusion of the public from the proposed lease premises, the public benefits from the Navy's use of the tidelands for military training, and the tidelands are uniquely suited for this training. Therefore, a lease authorizing the Navy's continued use of tidelands for the Silver Strand Training Complex North is in the best interest of the State.

In the 1980s, Commission staff and State Parks staff disagreed over which agency had jurisdiction over the lease premises. To resolve the disagreement, State Parks

transferred any jurisdiction it may have to the Commission through Lease Number PRC 6320.

On January 28, 1982, the Commission authorized a Lease for Real Property to the Applicant for military training and related purposes at Silver Strand Training Complex North, at Silver Strand Beach in Coronado (Item 27, February 9, 1982). The lease expires on August 31, 2021.

On August 20, 2020, the Commission authorized a General Lease – Public Agency Use to the Navy, for the use and maintenance of military training and related purposes at Silver Strand Training Complex North, and authorized staff to negotiate and enter into an Agreement for the Transfer of Control and Possession of State-Owned Real Property with State Parks on substantially the same terms as the previous agreement (<u>Item C50, August 20, 2020</u>).

Since the August 20, 2020 authorization, the Department of General Services has prepared an Agreement for the Transfer of Control and Possession of State-Owned Real Property between the Commission and Parks, which includes the disputed area and an additional Parks fee-owned parcel. The addition of the Parks parcel changes the terms of the previous agreement, requiring a new Commission authorization.

The Agreement would transfer State Parks' jurisdiction over the lease premises, if any, and the Parks-owned parcel to the Commission. The Agreement would run concurrently with the term of the proposed lease. The Agreement would also allow the Commission and State Parks to maintain their respective positions regarding their jurisdiction over the parcel.

Therefore, staff recommends rescission of the previous Commission authorization and the issuance of a General Lease – Public Agency Use, along with authorization for staff to negotiate an Agreement for the Transfer and Control of State-Owned Real Property with Parks. If approved by the Commission, the final Agreement would be executed by the Executive Officer.

The proposed lease and Agreement do not alienate the property and avoid a potential federal condemnation. Therefore, staff believes the proposed lease of the property for the U.S. Navy's training complex is in the best interests of the State.

CLIMATE CHANGE:

Climate change impacts, including sea-level rise, more frequent and intense storm events, increased flooding, and erosion affect both open coastal areas and inland waterways in California. The Silver Strand Beach area near Coronado, California, is a tidally influenced area vulnerable to wave action at the current sea level of the Pacific Ocean. 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. Projected sea-level rise scenarios for the lease area (La Jolla tide gauge) are listed in Table 1.

Year	Projection (feet)
2030	0.9
2040	1.3
2050	2.0
2100	7.1

Source: Table 31, State of California Sea-Level Rise Guidance: 2018 Update Note: Projections are with respect to a baseline of the year 2000.

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 areas. Climate change and sea-level rise will further influence coastal areas by changing erosion and sedimentation rates as beaches and coastal landscapes are exposed to increased wave force. The U.S. Navy's ongoing and proposed activities in the lease area will not greatly impact any natural erosion to the Silver Strand Beach Area. These current and proposed activities will not increase the impacts of climate change-induced beach erosion and sea-level rise. The proposed lease contains an acknowledgement by the U.S. Navy that the lease premises may be subject to effects of climate change, including sea-level rise, that hazards associated with sea-level rise may require additional maintenance or protection strategies reaarding the improvements on the lease premises, and that the U.S. Navy assumes the risks associated with such potential hazards.

CONCLUSION:

The Navy's water-dependent training activities at this location are critical to maintaining Naval operations that help safeguard the public health and safety in the San Diego area and statewide, and a lease authorizing those activities avoids a federal condemnation of the State's property. The issuance of this lease is in the best interests of the State. The Agreement for the Transfer of Control and Possession of State-Owned Real Property will allow the Commission and State Parks to maintain their positions regarding jurisdiction while allowing the Navy to continue to use the premises for its essential training activities. Therefore, the Agreement for the Transfer of Control and Possession of State-Owned Real Property 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 responsibility as trustee of the State's Public Trust lands as authorized by law. If the Commission denies the application, the Applicant, as prior lessee, may be required to remove the facilities located within Commission jurisdiction 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 to renewal of any previous lease.
- 2. This action is consistent with the "Meeting Evolving Public Trust Needs", "Leading Climate Activism", and the "Collaborative Leadership" Strategic Focus Areas of the Commission's 2021-2025 Strategic Plan.
- Rescission of the previous lease authorization and authorizing the Agreement for the Transfer of Control and Possession of State-Owned Real Property are not projects as defined by the California Environmental Quality Act (CEQA) because they are administrative actions 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. 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.

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

EXHIBITS:

A. Land Description

- B. Site and Location Map
- C. Agreement for the Transfer of Control and Possession of State-Owned Real Property

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, Class 1, Existing Facilities; California Code of Regulations, title 14, section 15301.

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed lease and jurisdictional transfer agreement will help safeguard the public health and safety in the San Diego area and statewide for the foreseeable term of the lease; and is in the best interests of the State.

AUTHORIZATION:

- 1. Rescind the previous authorization for Lease Number 6319, a General Lease Public Agency Use, approved on August 20, 2020, to the U.S. Department of the Navy.
- 2. Authorize the staff to negotiate any remaining issues that may be raised by the Department of General Services regarding the pending Transfer of Jurisdiction and take any further actions necessary to effectuate the General Lease Public Agency Use described in Paragraph 4 of this Authorization; and
- 3. Authorize the Executive Officer to enter into the Agreement for the Transfer of Control and Possession of State-Owned Real Property with State Parks, substantially in the form described in Exhibit C, attached and by this reference made a part hereof; and
- 4. Consistent with paragraphs 3 and 4 above, Authorize issuance of a General Lease – Public Agency Use to the Applicant beginning September 1, 2021, for a term of 3049 years, for use and maintenance of Silver Strand Training Complex North, as described in Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; consideration being the public health and safety, with the State reserving the right at any time to set

a monetary rent, as specified in the lease, if the Commission finds such action to be in the State's best interests.

Exhibit A

Legal Description

All that real property situate in the City of Coronado, County of San Diego, State of California being a portion of Parcel One in the Deed from J.D. and A.B. Spreckels to the State of California recorded on February 1, 1932 in Book 76 at Page 284 of Official Records in the Office of the Recorder of San Diego County described as follows:

All that portion of said Parcel One lying northwesterly of the southwesterly prolongation of a straight line intersecting Station No. 19 of San Diego Bay line of mean high water of 1948 and a 6 by 6 inch concrete monument designated "C.H.C." set for Engineer's Station being a point in a line which bears N47°18'22"E 244.44 feet from Station No. 3 of the Pacific Ocean ordinary high water mark of 1941, as shown on said Miscellaneous Map No. 247 also on file in the Office of the Recorder of said County.

Together with the following tide or submerged lands, filled or unfilled described as follows:

Bounded on the northwest by the southeasterly line of the City Limits of the City of Coronado, California and the southwesterly prolongation thereof as shown on State Lands Commission "Plat of lands within and adjacent to Silver Strand State Park" filed as Miscellaneous Map No. 247, in the Office of the County Recorder of San Diego County, July 3, 1952, said southeasterly line intersecting concrete monuments designated "CCXII" and designated "Park Northwest" as shown on said Miscellaneous Map No. 247;

Bounded on the southeast by the southwesterly prolongation of a straight line intersecting Station No. 19 of San Diego Bay line of mean high water of 1948 and a 6 by 6 inch concrete monument designated "C.H.C." set for Engineer's Station being a point in a line which bears N47°18'22"E 244.44 feet from Station No. 3 of the Pacific Ocean ordinary high water mark of 1941, all as shown on said Miscellaneous Map No. 247;

Bounded on the southwest by the Pacific Ocean line of the mean high water of 1948, as shown on said Miscellaneous Map No. 247;

Bounded on the northeast by said ordinary high water mark of 1941 as shown on said Miscellaneous Map No. 247;

Excepting therefrom:

Any portion of the State Highway Right of Way recorded January 1, 1945, in Book 1813 at Page 210 and recorded June 13, 1955, in Book 5677 at Page 291, also being shown on Caltrans Right of Way maps 34517 through 34522 inclusive and shown on Record of Survey No. 20958 filed April 21, 2011, File Number 2011-0208780 also in said Recorder's Office.

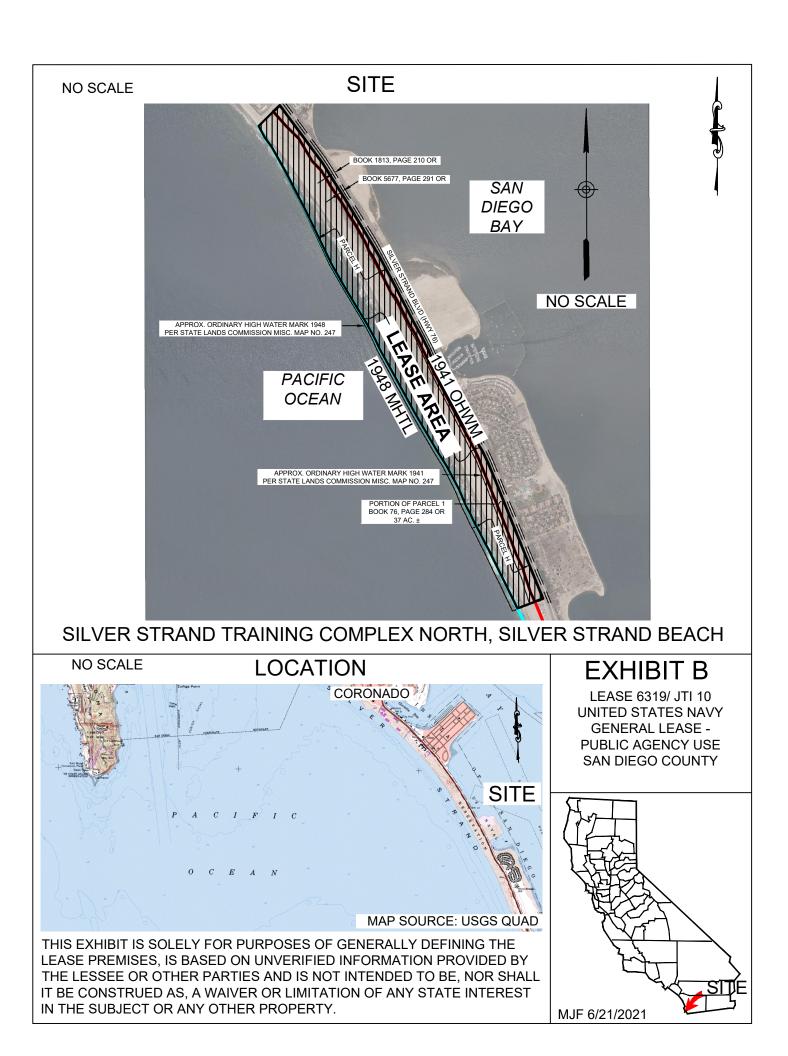
Said property being depicted as Parcel H on said Miscellaneous Map and also and shown on said Record of Survey No. 20958.

End of Description.



6/9/21 Stephen Guay Date

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PRC 6320.9

Agreement for the Transfer of Control and Possession of State-Owned Real Property

THIS AGREEMENT is entered into this 12^{H} day of MB^{H} , 19F2, by and between the California Department of Parks and Recreation, hereinafter called Transferor, and the California State Lands Commission, hereinafter called Transferee, with the approval of the Director of General Services.

WITNES.SETH

WHEREAS, there exists a genuine dispute between Transferor and Transferee as to the extent of control and possession of each over that real property situated in the County of San Diego, State of California, more particularly described in Exhibit "A" attached hereto and by this reference made a part hereof (hereinafter "Subject Property"), and

WHEREAS, Transferor and Transferee wish to be assured that control and possession of the Subject Property is exclusively in Transferee, subject to the leasehold interest therein held by the United States Navy pursuant to the 1955 settlement of Condemnation Action Number 1802-SD, USDC, which leasehold will expire November 17, 1985, for a term beginning on the effective date of this Agreement and ending August 31, 2021; for the purpose of enabling Transferee to lease to the United States Navy the entire Subject Property for a term beginning November 18, 1985, and ending August 31, 2021.

NOW, THEREFORE, pursuant to the provisions of Section 14673 of the Government Code of the State of California, Transferor hereby transfers unto Transferee and Transferee hereby accepts that control and possession, if any, presently held by Transferor, for a term beginning on the effective date of this Agreement, and ending August 31, 2021, of the Subject Property.

The consideration for this transfer of control and possession is the statewide public benefit, and a concurrent lease of 40 acres of land by Transferee to Transferor for use as an addition to Silver Strand State Beach. This Agreement is expressly made without prejudice to the respective claims of Transferor and Transferee as to the right to control and possession of the Subject Property upon expiration of this Agreement.

The Agreement will be effective upon approval by the Director of General Services.

DEPARTMENT OF PARKS AND RECREATION

STATE LANDS COMMISSION

By: Title: NUL 2 2 1982

Date:

By:

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Title: Executive Officer

Date: July 19, 1982

APPROVED:

DIRECTOR OF GENERAL SERVICES By Đate:

EXHIBIT A

LAND DESCRIPTION

A parcel of tide and submerged land in the bed of the Pacific Ocean, San Diego County, State of California, more particularly described as follows:

(1) Bounded on the northwest by the southeasterly line of the City limits of the city of Coronado, California, and the southwesterly prolongation thereof as shown on State Lands Commission "Plat of lands within and adjacent to Silver Strand State Park", filed as Miscellaneous Map No. 247, in the Office of the County Recorder of San Diego County, July 3, 1952, said southeasterly line intersecting concrete monuments designated "CCX11" and designated "Park Northwest" as shown on said Miscellaneous Map No. 247;

(2) Bounded on the southeast by the southwesterly prolongation of a straight line intersecting Station No. 19 of San Diego Bay line of mean high water of 1948 and a 6 inch by 6 inch concrete monument designated "C.H.C." set for Engineer's Station 396 plus 08.29 E. C., said Engineer's Station being a point in a line which bears N 47° 18' 22" E 244.44 feet from Station No. 3 of the Pacific Ocean ordinary high water mark of 1941, all as shown on said Miscellaneous Map No. 247;

(3) Bounded on the southwest by the Pacific Ocean line of the mean high water of 1948, as shown on said Miscellaneous Map No. 247;

(4) Bounded on the northeast by the ordinary high water mark of 1941 as shown on said Miscellaneous Map No. 247.

END OF DESCRIPTION

Rewritten June 6, 2021by the California State Lands Commission Boundary Unit. Original prepared April 29, 1982, by the Technical Services Unit, Roy Minnick, Supervisor.

