Meeting Date: 08/25/21 Lease Number: PRC 2646 Staff: D. Tutov

# Staff Report 20

# LESSEE/ASSIGNOR:

Timothy Scott Garton

# **APPLICANT/ASSIGNEE:**

Patrick D. Craig and Kathryn A. Craig, Trustees of The Patrick D. Craig and Kathryn A. Craig Family Trust dated 10/31/2000

## **PROPOSED ACTION:**

Assignment of a General Lease – Recreational and Residential Use

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

Sovereign land in Mare Island Strait, adjacent to 9 Sandy Beach Road, near Vallejo, Solano County.

## AUTHORIZED USE:

Continued use and maintenance of a portion of an existing residence, deck, and appurtenant facilities.

#### TERM:

30 years, beginning February 9, 2016.

#### **CONSIDERATION:**

\$705 per year; with the State reserving the right to fix a different rent periodically during the lease term, as provided in the lease.

#### **SPECIFIC LEASE PROVISIONS:**

• Liability insurance in an amount no less than \$1,000,000 per occurrence.

# STAFF ANALYSIS AND RECOMMENDATION:

## AUTHORITY:

Public Resources Code sections 6005, 6216, 6301, 6321, 6321.2, 6501.1, and 6503; California Code of Regulations, title 2, sections 2000 and 2003.

## PUBLIC TRUST AND STATE'S BEST INTERESTS:

On February 9, 2016, the Commission authorized a 30-year General Lease – Recreational and Residential Use to George Leatham, Trustee of the George Leatham Family Trust, under Trust Dated May 22, 2015 (<u>Item C36, February 9, 2016</u>). On November 29, 2017, the Commission authorized an assignment of the Lease to Timothy Scott Garton (<u>Item C26, November 29, 2017</u>). That lease will expire on February 8, 2046.

Interest in the upland parcel will be deeded to Patrick D. Craig and Kathryn A. Craig, Trustees of The Patrick D. Craig and Kathryn A. Craig Family Trust dated 10/31/2020. The Applicant is now requesting an assignment of the lease and agrees to perform and be bound by the terms, conditions, covenants, and agreements contained in the lease. Staff recommends an assignment of the lease to reflect the change in ownership of the upland parcel from the Assignor to the Assignee. The assignment will be effective the later of August 31, 2021, or the close of escrow, but no later than September 30, 2021.

Approval of this lease assignment will not result in a change in the use of, or impacts to, Public Trust resources at this location, at this time, and for the foreseeable term of the lease. For these reasons, staff recommends finding that approval of this assignment is in the best interests of the State.

## **CLIMATE CHANGE:**

Climate change impacts, including sea-level rise, more frequent and intense storm events, and increased flooding and erosion, affect both open coastal areas and inland waterways in California. The lease area is located in Mare Island Strait, which is a tidally influenced site vulnerable to flooding at current sea levels and will be at higher risk of flood exposure given projected scenarios of sea-level rise. The subject facilities are also classified within FEMA's Coastal High Hazard Area as an area currently subject to inundation by the 1 percent annual chance flood event, with additional hazards due to storm-induced velocity wave action.

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 sealevel 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 San Francisco tide gauge was used for the projected sea-level rise scenario for the region as listed in Table 1.

Year	Projection (feet)
2030	0.8
2050	2.8
2100	7

Source: Table 13, State of California Sea-Level Rise Guidance: 2018 Update Note: Projections are with respect to a 1991 to 2009 baseline.

Rising sea levels can lead to more frequent flood inundation in low-lying areas and larger tidal events and could increase inundation levels within the lease area over the term of the lease. In addition, 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, fire, drought, extreme heat, and storms (especially when coupled with sea-level rise). In rivers and 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. Near-coastal riverine areas will be exposed to increased wave force and run-up, potentially resulting in greater bank erosion than previously experienced. Finally, in rivers and tidally influenced waterways, flooding and storm flow will likely increase scour, decreasing bank stability and structure.

The lease is a 30-year General Lease – Residential and Recreational Use that began on February 9, 2016, and the Lease Premises may be subject to the climate change effects of the projected sea-level rise scenario provided above. Regular maintenance and implementation of best management practices, as required by the terms of the lease, will help reduce the likelihood of severe structural degradation and dislodgement. Further climate change impact analyses on the lease area will be assessed at the time the lease expires in 2046, if an application is submitted for a new lease, and would be based on projected sea-level rise scenarios at that time.

## CONCLUSION:

For these reasons, staff believes the lease assignment will not substantially interfere with Public Trust needs at this location, at this time, and for the foreseeable term of the 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 responsibility as trustee of the State's Public Trust lands as authorized by law.
- 2. This action is consistent with the "Meeting Evolving Public Trust Needs" and the "Leading Climate Activism" Strategic Focus Areas of the Commission's 2021-2025 Strategic Plan.
- 3. Assignment of a lease is not a project as defined by the California Environmental Quality Act 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).

# EXHIBITS:

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

# **RECOMMENDED ACTION:**

It is recommended that the Commission:

## PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed assignment of the lease will not substantially interfere with Public Trust needs and values at this location, at this time, and for the remaining term of the lease; and is in the best interests of the State.

## AUTHORIZATION:

Authorize the assignment of Lease Number PRC 2646, a General Lease – Residential and Recreational Use, of sovereign land, as described in Exhibit A, Land

Description, and as shown on Exhibit B, Site and Location Map, (for reference purposes only) attached and by this reference made a part hereof, from Lessee, to Applicant, effective the later of August 31, 2021, or the close of escrow, but no later than September 30, 2021.

#### EXHIBIT A

#### LAND DESCRIPTION

A parcel of submerged land situate in Mare Island Strait, City of Vallejo, County of Solano, State of California, lying adjacent to and within the external boundaries of Parcel 14 as shown on that certain Record of Survey titled "Sandy Beach Cabin Sites", filed February 14, 1944 in Book 1 of Maps, at Pages 1 and 2, Solano County Records, and being more particularly described as follows:

BEGINNING at the most northerly corner of said parcel; thence southwesterly along the northwesterly boundary and the southwesterly prolongation of said boundary, 106.5 feet; thence leaving said prolongation in a southeasterly direction perpendicular to said prolongation to a point on the southwesterly prolongation of the southeasterly boundary of said parcel; thence northeasterly along said southwesterly prolongation and the southeasterly boundary of said parcel, 109.3 feet to the easterly corner of said parcel; thence in a northwesterly direction along the northeasterly boundary of said parcel to the POINT OF BEGINNING.

EXCEPTING THEREFROM any portion lying landward of the ordinary low water mark of Mare Island Strait.

#### END OF DESCRIPTION

Prepared 07/08/2021 by the California State Lands Commission Boundary Unit.



