APPEARANCES

COMMISSION MEMBERS:
Eleni Kounalakis, Lieutenant Governor, Chairperson, also represented by Matthew Dumlao, PhD
Betty T. Yee, State Controller, also represented by Kristina Kunkel
Keely Bosler, Director, Department of Finance, represented by Ms. Gayle Miller

STAFF:
Jennifer Lucchesi, Executive Officer
Colin Connor, Assistant Executive Officer
Seth Blackmon, Chief Counsel
Reid Boggiano, Public Land Management Specialist, External Affairs Division
Brian Bugsch, Chief, Land Management Division
Yessica Ramirez, Environmental Justice Liaison
Katie Robinson-Filipp, Environmental Scientist

ATTORNEY GENERAL:
Andrew Vogel, Supervising Deputy Attorney General

ALSO PRESENT:
Jessica Alvarenga, Pacific Merchant Shipping Association
Jan Brisco, Tahoe Lakefront Owners' Association
Francis Coats
Susanne Cumming, Sierra Club, Defend Ballona Wetlands
ALSO PRESENT:

Penny Elia, Sierra Club Orange County Conservation Committee
Elaine Forbes, Port of San Francisco
Larry Goldzband, San Francisco Bay Conservation and Development Commission
Marcia Hanscom, Sierra Club
Susan Jordan, California Coastal Protection Network
Christina Ku, Democrats for the Protection of Animals
Andrea Léon-Grossman, Azul
Lisa Levinson, In Defense of Animals
Eric Lopez, City of Long Beach
Bill Magrath, Meeks Bay Vista Property Owners Association
Martha Miller, California Association of Port Authorities
Job Nelson, Port of San Diego
Lydia Poncé, Society of Native Nations
Bill Powers, Powers Engineering
Alejandro Sobrera, Orange County Sunrise Movement
Alejandra Sotelo-Solis, Mayor, City of National City
Jane Velez-Mitchell
Laura Walsh, Surfrider Foundation
Danny Wan, Port of Oakland
I Open Session 1

II Public Comment 5

Public comments will be heard at 10:00 am for items not on the agenda, for no more than 30 minutes. At the discretion of the Chair, speakers will be given up to 3 minutes. For those unable to attend the early public comment period, there may be additional comment time available later in the day. Note: Comments made during the general public comment period regarding matters pending before the Commission do not become part of the official record for those matters.

III Confirmation of Minutes for the October 21, 2021 meeting 48

IV Executive Officer's Report 49

Continuation of Rent Actions to be taken by the Executive Officer pursuant to the Commission's Delegation of Authority:

- No items for this section

Tomales Bay Assignment Actions to be taken by the Executive Officer pursuant to the Commission's Delegation of Authority:

- ANDOREA HOPE GOODMAN (ASSIGNOR); ELIZABETH HOLLIS (ASSIGNEE): Assignment of General Lease - Recreational Use, of sovereign land located in Tomales Bay, adjacent to 19225 Highway 1, near Marshall, Marin County. (PRC 9557.1)

V Regular Calendar 01-02

01 CALIFORNIA STATE LANDS COMMISSION: Consider distributing funds from the American Rescue Plan Act to California ports to mitigate negative economic impacts resulting from the COVID-19 pandemic and allow them to sustain the essential services and critical infrastructure our state
and region need to protect jobs and recover economically. CEQA Consideration: not a project. (A & S: Statewide) (Staff: R. Boggiano, B. Johnson) 64

02 CALIFORNIA STATE LANDS COMMISSION: Consider approval of the 2021 Category 1 Lake Tahoe Berths, 2021 Category 1 Lake Tahoe Buoy, and 2021 Category 2 Lake Tahoe Non-Water Dependent Uses benchmark rental rates for sovereign land in El Dorado, Placer, and Nevada Counties. CEQA Consideration: not a project. (W 27088) (A 1, 5; S 1) (Staff: N. Lee) 84

VI Consent Calendar 03-73 113

The following items are considered to be noncontroversial and are subject to change at any time up to the date of the meeting.

Land Management

Northern Region - Lake Tahoe

03 JOSEPH P. BARATTA, II AND ABIGAIL W. BARATTA (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 5486 North Lake Boulevard, near Carnelian Bay, Placer County; for an existing pier, two boat lifts, and one mooring buoy. CEQA Consideration: categorical exemption. (Lease 4330; A3155; RA# 2020466) (A 1; S 1) (Staff: S. Avila)

04 DOUGLAS P. LEY AND LINDA M. GAUDIANI, TRUSTEES OF THE GAUDIANI-LEY 2007 TRUST DATED AUGUST 28, 2007 (LESSEE); CARL G. BAUGHN AND EMILIE BAUGHN (APPLICANT): Consider waiver of rent, penalty, and interest; termination of Lease Number PRC 8210, a General Lease - Recreational Use; and application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8781 Rubicon Drive, near Rubicon Bay, El Dorado County; for two existing mooring buoys. CEQA Consideration: categorical exemption. (Lease
INDEX CONTINUED

8210; A3015; RA# 2020364) (A 5; S 1) (Staff: S. Avila)

05 JEROME J. BERNAL, TRUSTEE OF THE JEROME J. BERNAL TRUST DATED MAY 13, 1998 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 7097 State Highway 89, near Tahoma, El Dorado County; for an existing pier, boat lift, boat hoist, and two mooring buoys. CEQA Consideration: categorical exemption. (Lease 5352; A3171; RA# 2020483) (A 5; S 1) (Staff: J. Holt)

06 ROBERT G. BUSSEY AND BARBARA G. BUSSEY, TRUSTEES OF THE ROBERT G. BUSSEY AND BARBARA G. BUSSEY FAMILY TRUST DATED MARCH 14, 2002; JENNIFER HUGHES DOWLEY; HOWARD REESE HUGHES; MEREDITH HUGHES LYON; AND ANDREW POINTE LEGACY HOMES, LP, A CALIFORNIA LIMITED PARTNERSHIP (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 3105, 3115, and 3125 West Lake Boulevard, near Homewood, Placer County; for construction of a joint-use pier. CEQA Consideration: categorical exemption. (A2953; RA# 2020312) (A 1; S 1) (Staff: S. Avila)

07 CAMP SUNNYSIDE LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 2280 Sunnyside Lane, near Tahoe City, Placer County; for an existing pier and two mooring buoys. CEQA Consideration: categorical exemption. (Lease 4170; A3000; RA# 2020356) (A 1; S 1) (Staff: J. Holt)

08 CHINQUAPIN HOMEOWNERS ASSOCIATION (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 3600 North Lake Boulevard, near Dollar Point, Placer County; for two existing piers, 132 mooring buoys, two marker buoys, and two swim floats. CEQA Consideration: categorical exemption. (Lease 5423; A3046; RA# 2020384) (A 1; S 1) (Staff: L. Anderson)

09 PAUL C. CRESS AND LORIE S. CRESS, AS TRUSTEES OF THE CRESS FAMILY 2002 REVOCABLE LIVING TRUST (APPLICANT):
<table>
<thead>
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<th>Index Entry</th>
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<tr>
<td>Consider acceptance of a lease quitclaim deed and application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 5250 West Lake Boulevard, near Homewood, Placer County; for two existing mooring buoys previously authorized by the Commission, and one existing mooring buoy not previously authorized by the Commission. CEQA Consideration: categorical exemption. ( Lease 9341; A2834; RA# 2020080) ( A 1; S 1) (Staff: L. Anderson)</td>
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<td>DEADWOOD, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8233 Meeks Bay Avenue, Meeks Bay, El Dorado County; for an existing pier, boat lift, and two mooring buoys. CEQA Consideration: categorical exemption. ( Lease 3713; A2978; RA# 2020336) ( A 5; S 1) (Staff: J. Holt)</td>
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<td>STEPHEN ALLEN HAMILL AND JANICE WILCOX HAMILL, AS TRUSTEES OF THE HAMILL REVOCABLE TRUST DATED MAY 6, 2002 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 7137 West Lake Boulevard, near Tahoma, El Dorado County; for two existing mooring buoys. CEQA Consideration: categorical exemption. ( Lease 8932; A2999; RA# 2020414) ( A 5; S 1) (Staff: L. Anderson)</td>
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<td>FLORENE D. HECK AS TRUSTEE, OR SUCCESSOR TRUSTEE, OF THE FLORENE D. HECK 1991 REVOCABLE TRUST DATED MARCH 27, 1991 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 780 West Lake Boulevard, near Tahoe City, Placer County; for two existing mooring buoys. CEQA Consideration: categorical exemption. ( Lease 4412; A3194; RA# 2021005) ( A 1; S 1) (Staff: S. Avila)</td>
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<td>JAMES M. HOROWITZ AND JOI W. HOROWITZ, TRUSTEES OF THE JAMES AND JOI HOROWITZ FAMILY TRUST DATED MAY 15, 2009 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 6502 North Lake Boulevard, Tahoe Vista, Placer County; for one existing mooring buoy. CEQA Consideration: categorical exemption. ( Lease</td>
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14 CHERYL ANN ENGLIS H; PROCTER J. HUG; AND ELYSE HUG PASHA (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in Lake Tahoe, adjacent to 8670 Brockway Vista Avenue, near Kings Beach, Placer County; for two existing mooring buoys and a breakwater. CEQA Consideration: categorical exemption. (Lease 8935; A2998; RA# 2020355) (A 1; S 1) (Staff: J. Toy)

15 RICHARD LEE AND PAMELA LEE; AND ANNE C. MAHNKEN, TRUSTEE UNDER THE MAHNKEN TRUST AGREEMENT DATED APRIL 6, 1995 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8714 and 8716 Brockway Vista Avenue, near Kings Beach, Placer County; for an existing joint-use pier and four mooring buoys previously authorized by the Commission; and two boat slips with one finger pier, not previously authorized by the Commission. CEQA Consideration: categorical exemption. (Lease 7050; A2142; RA# 32218) (A 1; S 1) (Staff: S. Avila)

16 GINA MANION, AS TRUSTEE OF THE STEPHEN T. HUMPHREY EXEMPT TRUST CREATED UNDER THE ANGEL KISSED TRUST ESTABLISHED DECEMBER 19, 2012 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Donner Lake, adjacent to 15208 Point Drive, near Truckee, Nevada County; for an existing pier. CEQA Consideration: categorical exemption. (Lease 8503; A3058; RA# 2020390) (A 1; S 1) (Staff: L. Anderson)

17 ALAN H. MATTHEWS AND ELIZABETH E. MATTHEWS, TRUSTEES OF THE MATTHEWS FAMILY REVOCABLE TRUST DATED MARCH 26, 2009 (LESSEE); PATRICIA C. MATTHEWS, AS TRUSTEE OF THE PATRICIA MATTHEWS FAMILY TRUST, DATED APRIL 18, 2013; AND ROBERT A. MATTHEWS AND LAURA A. MATTHEWS, AS TRUSTEES OF THE MATTHEWS FAMILY TRUST DATED JANUARY 19, 2021 (APPLICANT): Consider termination of Lease Number PRC 8487, a General Lease - Recreational Use, and application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 4850 West Lake Boulevard, near Homewood, Placer
INDEX CONTINUED

County; for two existing mooring buoys. CEQA Consideration: categorical exemption. (Lease 8487; A3172; RA# 2020482) (A 1; S 1) (Staff: J. Holt)

18 JOHN A. MCINTOSH AND LYNNE B. MCINTOSH, TRUSTEES UNDER REVOCABLE TRUST AGREEMENT DATED MAY 27, 1988 (LESSEE/APPLICANT): Consider acceptance of a lease quitclaim deed and application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 6740 Powderhorn Lane, Tahoma, El Dorado County; for removal and reconstruction of an existing pier; installation of a boat lift; and use and maintenance of one existing mooring buoy. CEQA Consideration: categorical exemptions. (Lease 4357; A3105; RA# 2020421) (A 5; S 1) (Staff: L. Anderson)

19 MEEKS BAY LAKESIDE, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8209 Meeks Bay Avenue, Meeks Bay, El Dorado County; for an existing pier, boat lift, and two mooring buoys previously authorized by the Commission; and an existing antenna and conduit not previously authorized by the Commission. CEQA Consideration: categorical exemption. (Lease 7353; A3139; RA# 2020454) (A 5; S 1) (Staff: S. Avila)

20 NINA MARIA MENTGES AS TRUSTEE OF THE EXEMPTION TRUST PORTION OF THE PETER ALFONS MENTGES AND NINA MARIA MENTGES 1984 FAMILY TRUST (ART 5.03) (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 2225 Cascade Road, near South Lake Tahoe, El Dorado County; for an existing pier and one mooring buoy. CEQA Consideration: categorical exemption. (Lease 5278; A3027; RA# 2020371) (A 5; S 1) (Staff: S. Avila)

21 PETER MULLIGAN AND SHARMILA MULLIGAN; THOMAS R. HARRY, TRUSTEE OF THE THOMAS R. HARRY AND CAROLYN D. HARRY FAMILY DECEDENT'S TRUST, ESTABLISHED OCTOBER 23, 1997; MICHAEL R. HARRY; ANNE L. HARRY; THOMAS J. HARRY; CYNTHIA A. HARRY; DEBORA D. GOEHRING; AND ARDEN GOEHRING (LESSEE); 8579 MEEKS BAY, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY AND 8581 NORTH LANE, LLC, A
CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider waiver of rent, penalty, and interest; application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8579 Meeks Bay Avenue and 8581 North Lane, near Meeks Bay, El Dorado County; for an existing joint-use pier and two mooring buoys; and replacement of the existing joint-use pier decking and two catwalks with new decking and adjustable catwalks. CEQA Consideration: categorical exemptions. (Lease 7449; A2189; RA# 2019035) (A 5; S 1) (Staff: M. J. Columbus)

MARK B. NELSON, TRUSTEE OF THE WILBORN CHILDREN'S TRUST AND LORIE L. WILBORN, TRUSTEE OF THE NELSON HERITAGE TRUST (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 4200 North Lake Boulevard, near Carnelian Bay, Placer County; for an existing pier, boat lift, and boat hoist. CEQA Consideration: categorical exemption. (Lease 5353; A3005; RA# 2020363) (A 1; S 1) (Staff: L. Anderson)

PS TAHOE, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY; WILLIAM E. HAGLER AND JEAN E. HAGLER, AS TRUSTEES OF THE HAGLER TRUST DATED JANUARY 28, 1975, FOR THE BENEFIT OF WILLIAM E. HAGLER AND JEAN E. HAGLER; JACK B. HAGLER AND ELIZABETH KOHL HAGLER, AS TRUSTEES OF THE HAGLER FAMILY TRUST UTD AUGUST 21, 2007; RICHARD W. HAGLER; AND TAYLOR FAMILY LAKE TAHOE, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (LESSEE); PS TAHOE, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY; AND 8565 MEEKS BAY AVE HAGLER LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider acceptance of a lease quitclaim deed and application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8559 and 8565 Meeks Bay Avenue, near Tahoma, El Dorado County; for an existing joint-use pier and four mooring buoys. CEQA Consideration: categorical exemption. (Lease 6120; A3084; RA# 2021037) (A 5; S 1) (Staff: S. Avila)

ROBERT A. ROBBEN AND SUZANNE A. ROBBEN TRUSTEES OF THE ROBBEN 1993 FAMILY TRUST DATED JUNE 25, 1993 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 3208 Edgewater Drive, near Tahoe
City, Placer County; for two existing mooring buoys previously authorized by the Commission and one existing mooring buoy not previously authorized by the Commission. CEQA Consideration: categorical exemption. (Lease 8939; A3001; RA# 2020418) (A 1; S 1) (Staff: J. Holt)

25 ROBERT S. SAFRAN AND JUNE BEVERLY SAFRAN, TRUSTEES OF THE SAFRAN FAMILY REVOCABLE LIVING TRUST, DATED MAY 24, 1985 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8660 Brockway Vista Avenue, Kings Beach, Placer County; for one existing mooring buoy. CEQA Consideration: categorical exemption. (Lease 8920; A3142; RA# 2020456) (A 1; S 1) (Staff: J. Holt)

26 SARA SKINNER (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 227 Drum Road, near Meeks Bay, El Dorado County; for an existing pier and two mooring buoys; removal of a freshwater intake pipeline with electrical conduit and pump; and placement of a freshwater intake pipeline with electrical conduit and pump. CEQA Consideration: categorical exemption. (Lease 3849; A2465; RA# 2019185) (A 5; S 1) (Staff: J. Toy)

27 VIRGINIA K. STOCK AND GEORGE JOHANNESSEN (LESSEE): Consider amendment of Lease Number PRC 7949, a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 5568 North Lake Boulevard, near Carnelian Bay, Placer County; for construction of a pier, boat lift, and catwalk; removal of one existing mooring buoy; and use of one existing mooring buoy. CEQA Consideration: categorical exemptions. (PRC 7949; A3184; RA# 2021066) (A 1; S 1) (Staff: J. Holt)

28 MARY ANN TONKIN, AS TRUSTEE OF THE MARY ANN TONKIN SURVIVOR'S TRUST; AND WENDY TONKIN (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 7432 North Lake Boulevard, near Tahoe Vista, Placer County; for one existing mooring buoy not previously authorized by the Commission. CEQA
INDEX CONTINUED

Consideration: categorical exemption. (A3086; RA# 2020407) (A 1; S 1) (Staff: J. Holt)


30 WS MARINA, LLC, A DELAWARE LIMITED LIABILITY COMPANY (APPLICANT): Consider application for a General Lease - Commercial Use, of sovereign land located in Lake Tahoe, adjacent to 5190 West Lake Boulevard, near Homewood, Placer County; for an existing commercial marina, known as Homewood High & Dry Marina, consisting of an existing pier, retaining wall, two fuel pumps, ancillary services, two marker buoys, and 125 mooring buoys. CEQA Consideration: categorical exemption. (Lease 3953 and 5857; A2681; RA# 2019344) (A 1; S 1) (Staff: M.J. Columbus)

Northern Region

31 CENTRAL VALLEY FLOOD PROTECTION BOARD (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land located along the west bank of the Sacramento River, adjacent to 22568 Old River Road, West Sacramento, Yolo County; for
construction, use, and maintenance of erosion control and levee. CEQA Consideration: Environmental Impact Report (EIR) and Supplemental EIR, certified by the Central Valley Flood Protection Board, State Clearinghouse No. 2005072046, and adoption of a Mitigation Monitoring Program, Statement of Findings, and Statement of Overriding Considerations. (A2610; RA#2019298) (A 4; S 3) (Staff: S. Avila)

32 CPN PIPELINE COMPANY (LESSEE): Consider revision of rent to Lease No. PRC 7602, a General Lease - Right-of-Way Use, of State sovereign land located in the Sacramento River, adjacent to Assessor's Parcel Numbers 056-230-011 and 34-220-027, near Knights Landing, Yolo and Sutter Counties; for an existing natural gas pipeline. CEQA Consideration: not a project. (PRC 7602) (A 3; S 4) (Staff: N. Lee)

33 ROBERTA HOLM (LESSEE); RIAZ ALI SHAH AND CAROLINA CANDOTTI (APPLICANT): Consider waiver of rent, penalty, and interest; termination of Lease Number PRC 6119, a General Lease - Recreational and Protective Structure Use; and application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Sacramento River, adjacent to 10205 Garden Highway, near Sacramento, Sutter County; for an existing boat dock, appurtenant facilities, and bank protection. CEQA Consideration: categorical exemption. (Lease 6119; A2851; RA# 2020092) (A 3; S 4) (Staff: J. Toy)

34 HUMBOLDT COUNTY RESOURCE CONSERVATION DISTRICT (APPLICANT/SUBLES SOR); ANDREW J. ALBIN AND SARAH E. ALBIN (SUBLESSOR): Consider an application for a General Lease - Public Agency Use; and an endorsement of a sublease under Lease 8955, of sovereign land located in the Salt River, near Ferndale, Humboldt County; for the Salt River Ecosystem, maintenance dredging, and an agricultural bridge. CEQA Consideration: Environmental Impact Report, adopted by the Humboldt County Resource Conservation District, State Clearinghouse No. 2007062030. (Lease 8955; RA# 2020475) (A 2; S 2) (Staff: M. Schroeder)

35 HUMBOLDT REDWOOD COMPANY, LLC, A DELAWARE LIMITED LIABILITY COMPANY (APPLICANT): Consider application
for a General Lease - Right-of-Way Use, of sovereign land located in the Eel River, adjacent to Assessor's Parcel Numbers 211-141-003 and 211-132-007, near Dyerville, Humboldt County; for a seasonal bridge crossing. CEQA Consideration: California Department of Forestry and Fire Protection Permit No. 1-21-00012-HUM. (Lease 2760; A3057; RA# 2020394) (A 2; S 2) (Staff: J. Toy)

36 DANELLE JAMES AND EDWARD KAVALERCHIK (LESSEE/ASSIGNOR); MARIE LOUISE KLEMCHUK, AS TRUSTEE OF THE HEN HOUSE TRUST, DATED SEPTEMBER 29, 2017 (APPLICANT/ASSIGNEE): Consider assignment of a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8645 Beach Lane, near Tahoma, El Dorado County; for an existing pier, boathouse with boat lift, boat hoist, and two mooring buoys. CEQA Consideration: not a project. (PRC 3868; A3244; RA#2021076) (A 5; S 5) (Staff: S. Avila)

37 LCOF LAKE TAHOE INVESTMENT LLC, A DELAWARE LIMITED LIABILITY COMPANY (LESSEE); LCOF LAKE TAHOE OPERATING, LLC, A DELAWARE LIMITED LIABILITY COMPANY (CO-LESSEE); ACTION MOTORSPORTS OF TAHOE, INC., A CALIFORNIA CORPORATION (SUBLESEE); NATIXIS REAL ESTATE CAPITAL, LLC, A DELAWARE LIMITED LIABILITY COMPANY. (SECURED-PARTY LENDER): Consider a sublease ownership transfer, termination of an existing Agreement and Consent to Encumbrance of Lease Number PRC 3981, a General Lease - Commercial Use; and a new Agreement and Consent to Encumbrance of Lease Number 3981, of sovereign land located in Lake Tahoe, adjacent to 3411 Lake Tahoe Boulevard, South Lake Tahoe, El Dorado County; for an existing commercial marina known as Timber Cove Lodge Marina. CEQA Consideration: not a project. (PRC 3981; A3170, A3285; RA 2021041, 2021087) (A 5; S 1) (Staff: M.J. Columbus)

38 QUIET WALK LLC, A CALIFORNIA LEGAL LIABILITY COMPANY (LESSEE): Consider correction to prior authorization of Lease 3654, a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent 135 Quiet Walk Road, near Tahoma, El Dorado County; for a pier, boat hoist, sundeck with stairs, water line, and two mooring buoys. CEQA Consideration: not a project.
39 QUIET WALK LLC, A CALIFORNIA LEGAL LIABILITY COMPANY (LESSEE): Consider correction to prior authorization of Lease 9056, a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 135 Quiet Walk Road, near Tahoma, El Dorado County; for an existing pier and appurtenant facilities. CEQA Consideration: not a project. (Lease 9056; A2841; RA# 2020081) (A 5; S 1) (Staff: L. Anderson)

Bay/Delta Region

40 2101-2603 WILBUR, LLC, A MISSOURI LIMITED LIABILITY COMPANY (LESSEE); 2101-2603 WILBUR, LLC, A MISSOURI LIMITED LIABILITY COMPANY (APPLICANT/ SUBLESSOR); APS WEST COAST, INC., A CALIFORNIA CORPORATION, DBA AMPORTS (SUBLESSEE): Consider termination of Lease 4813, a General Lease - Industrial Use; an application for a General Lease - Industrial Use; and an endorsement of a sublease under Lease 4813, of sovereign land located in the San Joaquin River, adjacent to 2603 Wilbur Avenue, near Antioch and West Island, Contra Costa and Sacramento Counties; for an existing non-operational maintenance pier, pipelines, and appurtenant facilities. CEQA Consideration: categorical exemption. (Lease 4813; A3267; RA# 2021070) (A 11; S 3, 7) (Staff: G. Asimakopoulos)

41 BURLINGAME BAY ASSOCIATES (APPLICANT/LESSEE/SUBLESSOR); LANDRY'S, LLC, A DELAWARE LIMITED LIABILITY COMPANY OWNED BY GOLDEN NUGGET, LLC, A NEVADA LIMITED LIABILITY COMPANY (SUBLESSEE): Consider approval of a sublease endorsement of Lease Number PRC 4687; and denial of an amendment of a General Lease - Commercial Use, of sovereign land located in San Francisco Bay, adjacent to 60 Bay View Place, Burlingame, San Mateo County; for a restaurant, parking lot, lagoon, footbridge, paved pedestrian path, landscaping, and shoreline protection. CEQA Consideration: not a project. (PRC 4687; RA#2020046) (A 22; S 13) (Staff: M. Schroeder)

42 CENTRAL CONTRA COSTA SANITARY DISTRICT (APPLICANT): Consider application for a General Lease - Public...
Agency Use, of sovereign land located in Pacheco Creek, near Martinez, Contra Costa County; for one non-operational sewer force main pipeline previously authorized by the Commission, and two sewer force main pipelines and appurtenant facilities not previously authorized by the Commission. CEQA Consideration: categorical exemption. (Lease 4214; A2874; RA# 2020311) (A 14; S 7) (Staff: D. Tutov)

CHE SHENG CHAO, WEI YUAN CHAO, KEITH KAI TSU, CARMELITA KO, BURK H. CHUNG, MARY A.L. CHUNG, CHARLES NIP, PATRICIA NIP, RAYMOND K. LI, CHI F. LI, KWOK HUNG SZETO, AND NIKKI SZETO (LESSEE/ASSIGNOR); ANZACO, LLC, A DELAWARE LIMITED LIABILITY COMPANY (APPLICANT/ASSIGNEE): Consider assignment of Lease Number PRC 4683; and denial of an amendment of a General Lease - Commercial Use, of sovereign land located in San Francisco Bay, at 701 Airport Boulevard, Burlingame, San Mateo County; for a commercial parking lot. CEQA Consideration: not a project. (PRC 4683; RA# 2020047) (A 22; S 13) (Staff: M. Schroeder)

CHEVRON PRODUCTS COMPANY, A DIVISION OF CHEVRON USA, INC. (APPLICANT/LEESSEE): Consider adoption of a Mitigated Negative Declaration, State Clearinghouse Number 2021090584 and adoption of a Mitigation Monitoring Program, and consider termination of Lease Number 139, a General Lease - Industrial Use, an application for a General Lease - Industrial Use/Other, and delegation of authority for acceptance of a quitclaim deed, of sovereign land located in San Francisco Bay, Richmond, north of the Richmond-San Rafael Bridge and south of Point San Pablo, Contra Costa County; for removal of the non-operational Chevron Point Orient Wharf and eelgrass restoration and monitoring. (Lease 139; RA# 2020011) (A 15; S 9) (Staff: V. Caldwell)

CITY OF SAN JOSE (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land located in the historic bed of the Guadalupe River, near Alviso, San Jose, Santa Clara County; for a public street and a portion of a bridge. CEQA Consideration: categorical exemption. (Lease 4491; A3163; RA# 2021010) (A 25; S 10) (Staff: D. Tutov)
INDEX CONTINUED

46 JAMES BRADLEY CURTIS AND ANNA C. CURTIS (APPLICANT): Consider issuance of a General Lease - Recreational Use, of sovereign land located in the Petaluma River, adjacent 15 Havenwood Road, in Black Point, near Novato, Marin County; for an existing boat dock and appurtenant facilities. CEQA Consideration: categorical exemption. (PRC 2995; A3122; RA# 2020451) (A 10; S 2) (Staff: L. Anderson)

47 EL CAMINO BOAT CLUB, INC. (LESSEE): Consider revision of rent to Lease Number PRC 3440, a General Lease - Recreational, Protective Structure, and Right-of-Way Use, of sovereign land located in Little Potato Slough, adjacent to Assessor's Parcel Number 069-100-07, between Bouldin Island and Terminous Tract, San Joaquin County; for an armored submarine electric cable, fishing pier, and bank protection. CEQA Consideration: not a project. (PRC 3440) (A 13; S 5) (Staff: N. Lee)

48 CHRIS R. JOHNSON AND HEIDI LYNN KELLIS-JOHNSON (LESSEE); BRUCE N. GOLDSMITH, TRUSTEE OF THE BRUCE N. GOLDSMITH REVOCABLE LIVING TRUST DATED MARCH 7, 2016 (APPLICANT): Consider acceptance of a lease quitclaim deed and application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Sacramento River, adjacent to 6601 Garden Highway, near Sacramento, Sacramento County; for an existing boat dock, appurtenant facilities, and bank protection. CEQA Consideration: categorical exemption. (Lease 7916; A2993; RA# 2020351) (A 7; S 6) (Staff: J. Toy)

49 WILL HAYNES (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Tomales Bay, adjacent to 19225 Highway 1, near Marshall, Marin County; for an existing mooring buoy. CEQA Consideration: Negative Declaration, adopted by the California State Lands Commission, State Clearinghouse No. 2012082074. (A3192; RA# 11516) (A 10; S 2) (Staff: D. Tutov)

50 MERRILL TWO LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Sacramento River, adjacent to 11779
State Highway 160, near Courtland, Sacramento County; for an existing boat dock, appurtenant facilities, and deck previously authorized by the Commission, and a boat lift not previously authorized by the Commission. CEQA Consideration: categorical exemption. (Lease 6382; A3055; RA# 2021058) (A 9; S 3) (Staff: J. Holt)

51 DAVID MONTAGUE (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Tomales Bay, adjacent to 19225 Highway 1, near Marshall, Marin County; for an existing mooring buoy not previously authorized by the Commission. CEQA Consideration: Negative Declaration, adopted by the California State Lands Commission, State Clearinghouse No. 2012082074. (A3189; RA# 18415) (A 10; S 2) (Staff: D. Tutov)

52 NOVATO SANITARY DISTRICT (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land located in Novato Creek and San Pablo Bay, near Novato, Marin County; for a sewer pipeline and sewer outfall pipeline. CEQA Consideration: categorical exemption. (Lease 4602; A2856; RA# 2020361) (A 10; S 2) (Staff: D. Tutov)

53 PACIFIC GAS AND ELECTRIC COMPANY (LESSEE): Consider adoption of a Mitigated Negative Declaration, State Clearinghouse Number 2021050121 and adoption of a Mitigation Monitoring Program; and amendment of Lease Number PRC 5438.1-E, a General Lease - Right-of-Way Use, of sovereign land located in Latham Slough, Middle River, and Old River, near Stockton, San Joaquin and Contra Costa Counties; for removal of a portion of and abandonment-in-place of a portion of a non-operational pipeline. (Lease 5438.1-E; A2861; RA# 2020103) (A 11, 13; S 5, 7) (Staff: A. Franzoia)

54 PACIFIC GAS AND ELECTRIC COMPANY (LESSEE): Consider revision of rent to Lease Number PRC 8777, a General Lease - Right-of-Way Use, of State sovereign land located in the Cosumnes and Mokelumne Rivers, adjacent to Assessor's Parcel Numbers 146-0131-031-0000 and 001-010-090-0000, between Franklin and Thornton, Sacramento and San Joaquin Counties; for an existing natural gas pipeline and four deactivated natural gas
pipelines. CEQA Consideration: not a project. (PRC 8777) (A 3; S 4) (Staff: N. Lee)

55 CHARLES PERKINS AND ANDREAS LOOSE (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Tomales Bay, adjacent to 19225 Highway 1, near Marshall, Marin County; for a proposed mooring buoy. CEQA Consideration: Negative Declaration, adopted by the California State Lands Commission, State Clearinghouse No. 2012082074. (A3302; RA# 2021089) (A 10; S 2) (Staff: D. Tutov)

56 VENICE ISLAND, INC., A CALIFORNIA CORPORATION (LESSEE); VENICE ISLAND OWNERS, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider voiding annual rent invoice number 52933, acceptance of a lease quitclaim deed, and application for a General Lease - Recreational Use, of sovereign land located in the San Joaquin River, adjacent to 17500 West Eight Mile Road, near Stockton, San Joaquin County; for an existing boat dock and appurtenant facilities previously authorized by the Commission; and two existing jet-ski ramps, two boat hoists, and electrical conduit not previously authorized by the Commission. CEQA Consideration: categorical exemption. (Lease 2212; A3093; RA# 2020417) (A 13; S 5) (Staff: J. Toy)

Central/Southern Region

57 BROAD BEACH GEOLOGIC HAZARD ABATEMENT DISTRICT (LESSEE): Consider amendment to Lease Number PRC 9364, a General Lease - Beach Replenishment and Protective Structure Use, of sovereign land located in the Pacific Ocean at Broad Beach, Malibu, Los Angeles County; to extend the grace period for project completion. CEQA Consideration: not a project. (PRC 9364; RA# 2021119) (A 50; S 27) (Staff: D. Simpkin)

58 CITY OF SANTA BARBARA (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land located in the Pacific Ocean, Santa Barbara, Santa Barbara County; for 13 existing mooring buoys and two open anchor areas. CEQA Consideration:
59  JEFFREY GLENN MARSDEN AND CHRISTINE JOAN MARSDEN, TRUSTEES OF THE MARSDEN FAMILY TRUST DATED SEPTEMBER 10, 2020, AND ANY AMENDMENTS THERETO (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Colorado River adjacent to 1174 Beach Drive, Needles, San Bernardino County; for existing rock stairs with railing, aluminum stairs with railing, gangway with railing, walkway, boat dock, and riprap bankline protection. CEQA Consideration: categorical exemption. (Lease 8997; RA#2021073) (A 33; S 16) (Staff: L. Pino)

60  JOHN PERELL AND KIMBERLY REED PERELL (LESSEE/ASSIGNEE); ROBERT PAUL SCHLEIMER (APPLICANT/ASSIGNEE): Consider assignment of a General Lease - Protective Structure Use, of sovereign land located adjacent to 215 Pacific Avenue, Solana Beach, San Diego County; for a portion of an existing seawall and associated seacave/notch fill. CEQA Consideration: not a project. (Lease 8186; RA# 2021091) (A 78; S 39) (Staff: D. Simpkin)

61  JOHN TESORIERO AND KIMBERLY TESORIERO, AS TRUSTEES OF THE TESORIERO FAMILY TRUST, DATED NOVEMBER 8, 2004 (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Colorado River adjacent to 1134 Beach Drive, Needles, San Bernardino County; for an existing concrete stairway, concrete boardwalk, two planter areas with rock retaining walls, riprap bankline protection, aluminum stairway, gangway with railing, and boat dock. CEQA Consideration: categorical exemption. (Lease 8996; RA#2021006) (A 33; S 16) (Staff: L. Pino)

62  X2 TELECOM, LLC (LESSEE/ASSIGNEE); ZAYO GROUP HOLDINGS, LLC (APPLICANT/ASSIGNEE): Consider assignment of a General Lease - Right-of-Way Use, of sovereign land located in the Pacific Ocean offshore of the cities of Morro Bay and Santa Barbara, San Luis Obispo and Santa Barbara Counties; for an existing fiber-optic cable system. CEQA Consideration: not a
School Lands

63 AT&T CORPORATION (APPLICANT): Consider application for a General Lease - Right-of-Way Use, of State school lands in portions of Section 16, Township 16 North, Range 13 East, SBM; Section 36, Township 16 North, Range 11 East, SBM; and Section 36, Township 15 North, Range 9 East, SBM, between Barstow and Mountain Pass, San Bernardino County; for an existing fiber optic communication cable, subsurface warning tape, and warning marker posts. CEQA Consideration: categorical exemption. (Lease 7264; A2478; RA# 2019194) (A 33; S 16) (Staff: K. Connor)

64 CALIFORNIA BROADBAND COOPERATIVE, INC. (LESSEE): Consider revision of rent to Lease Number PRC 8971, a General Lease - Right-of-Way Use, of State-owned school land within a portion of Section 36, Township 1 South, Range 31 East, MDM, northeast of the unincorporated community of Benton Hot Springs, Mono County; for an existing buried fiber optic innerduct containing four micro ducts, one containing a single fiber optic line, and two concrete access vaults. CEQA Consideration: not a project. (PRC 8971) (A 56; S 40) (Staff: V. Caldwell)

65 KERN RIVER GAS TRANSMISSION COMPANY (APPLICANT): Consider application for a General Lease - Right-of-Way Use, of State-owned school land, located in a portion of Section 16, Township 17 North, Range 14 East, SBM, near Mountain Pass and in a portion of Section 36, Township 14 North, Range 6 East, SBM, west of Baker, San Bernardino County; for an existing gas pipeline. CEQA Consideration: categorical exemption. (Lease 7512; A2835; RA# 2020303) (A 33; S 16) (Staff: R. Collins)

66 KERN RIVER GAS TRANSMISSION COMPANY (APPLICANT): Consider application for a General Lease - Right-of-Way Use, of State-owned school land, located in a portion of Section 16, Township 17 North, Range 14 East, SBM, near Mountain Pass and in a portion of Section 36, Township 14 North, Range 6 East, SBM, west
INDEX CONTINUED

of Baker, San Bernardino County; for an existing gas pipeline. CEQA Consideration: categorical exemption. (Lease 8412; A2836; RA# 2020304) (A 33; S 16) (Staff: R. Collins)

67 SOUTHERN CALIFORNIA EDISON COMPANY (LESSEE): Consider revision of rent to Lease Number PRC 8970, a General Lease – Right-of-Way Use, of State-owned school land within a portion of Section 36, Township 1 South, Range 31 East, MDM, northeast of the unincorporated community of Benton Hot Springs, Mono County; for one overhead distribution line, including six wood poles and one fiber optic communication line. CEQA Consideration: not a project. (PRC 8970) (A 56; S 40) (Staff: V. Caldwell)

Mineral Resources Management

68 CALIFORNIA STATE LANDS COMMISSION: Consider approval of qualifying miles for Fiscal Year 2021-2022 subventions to the Cities of Huntington Beach and Seal Beach, located in Orange County; and to the City of Long Beach, located in Los Angeles County. CEQA Consideration: not a project. (W 4848.1, W 4848.4, W 4848.8) (A 70, 72, 74; S 33, 34, 37) (Staff: N. Heda, R. Wurster)

69 CITY OF LONG BEACH (GRANTEE): Consider delegation of authority for the Executive Officer to execute an agreement to terminate the OWPA Depository Agreement for Software Media Storage, Long Beach Unit, Wilmington Oil Field, Los Angeles. CEQA Consideration: not a project. (W 17102.9) (A 57, 58; S 29) (Staff: J. Abedi)

70 CITY OF LONG BEACH (GRANTEE): Consider acceptance of the Final Report and Closing Statement for the Long Beach Unit Annual Plan (July 1, 2020, through June 30, 2021), Long Beach Unit, Wilmington Oil Field, Los Angeles County. CEQA Consideration: not a project. (W 17166) (A 70; S 33, 34) (Staff: J. Abedi)

Marine Environmental Protection

- No Items for this section

Administration

J&K COURT REPORTING, LLC   916.476.3171
CALIFORNIA STATE LANDS COMMISSION, CALIFORNIA ENERGY COMMISSION (PARTIES): Request delegation of authority for the Executive Officer to solicit Statements of Interest for consultant services, negotiate a fair and reasonable price, and award and execute agreements for the preparation of an assessment of the necessary investments in California seaports to support offshore wind energy activities, including construction, assembly, and operations and maintenance pursuant to Section 25991.3 of AB 525 (Chapter 231, Statutes of 2021), and request delegation of authority to the Executive Officer to enter into an interagency agreement with the California Energy Commission to allow transfer of funds to the Commission in furtherance of such an assessment. CEQA Consideration: not a project. (A & S: Statewide) (Staff: J. Mattox, N. Dobroski)

Legal
- No items for this section

Kapiloff Land Bank Trust Acquisition/Expenditure
- No items for this section

External Affairs

Granted Lands

CITY OF LONG BEACH (TRUSTEE): Review a proposed tideland oil revenue expenditure in an amount not to exceed $5,000,000 by the City of Long Beach for one capital improvement project located on legislatively granted sovereign land in the City of Long Beach, Los Angeles County. CEQA Consideration: not a project. (G 05-03) (A 70; S 33) (Staff: M. Moser)

CITY OF MARTINEZ (TRUSTEE): Consider temporarily relieving the City of Martinez from a requirement to transmit 20 percent of the revenue generated from its granted lands to the State. CEQA Consideration: not a project. (G 02-02) (A 11; S 7) (Staff: M. Moser)

VII Informational Calendar
74 CALIFORNIA STATE LANDS COMMISSION: Report on the continued monitoring of possible subsidence, Long Beach Unit, Wilmington Oil Field, Los Angeles County. CEQA Consideration: not a project. (W 10442, W 16001) (A 70; S 33, 34) (Staff: P. Regan)

VIII Regular Calendar 75-76

75 CALIFORNIA STATE LANDS COMMISSION (INFORMATIONAL): Progress report on the Commission's third year implementing its Environmental Justice Policy. CEQA Consideration: not applicable. (A & S: Statewide) (Staff: Y. Ramirez, S. Pemberton) 115

76 CALIFORNIA STATE LANDS COMMISSION: Consider a resolution in support of the San Francisco Bay Conservation and Development Commission's Bay Adapt: Regional Strategy for a Rising Bay, advancing resilient and equitable adaptation to sea level rise through the San Francisco Bay area. CEQA Consideration: not a project. (A 4, 10, 14, 15, 17, 20, 22, 24, 25; S 2, 3, 9, 10, 11, 13) (Staff: M. Farnum) 127

IX Public Comment 142

X Commissioners' Comments 142

XI Closed Session 142
At any time during the meeting the Commission may meet in a session of Government Code section 11126, part of the Bagley-Keene Open Meeting Act.

A. Litigation

The Commission may consider pending and possible litigation pursuant to the confidentiality of attorney-client communications and privileges provided under Government Code section 11126, subdivision (e).

1. The Commission may consider pending and possible matters that fall under Government
Code section 11126, subdivision (e)(2)(A), concerning adjudicatory proceedings before a court, an administrative body exercising its adjudicatory authority, a hearing officer, or an arbitrator, to which the Commission is a party. Such matters currently include the following:


- City and County of San Francisco; India Basin Investment, LLC v. State of California; South San Francisco Dock Co.; et al.

- Eugene Davis v. State of California and California State Lands Commission

- In re: Temblor Petroleum Company, LLC, Bankruptcy Chapter 11
- In re: Venoco, LLC, Bankruptcy Chapter 11
- In re: EHT US1, Inc. et al.
- John W. Lebolt and Richard A. Lebolt v. City and County of San Francisco
- Madden v. City of Redwood City
- Martins Beach 1, LLC and Martins Beach 2, LLC v. Effie Turnbull-Sanders, et al.
- Oakland Bulk and Oversized Terminal, LLC v. City of Oakland
- Owens Valley Committee v. City of Los Angeles, Los Angeles Department of Water and Power, et al.
- San Francisco Baykeeper, Inc. v. State Lands Commission
INDEX CONTINUED

- San Joaquin River Exchange Contractors Water Authority v. State of California; State Lands Commission
- White v. California State Lands Commission; California Public Works Board

2. The Commission may consider matters that fall under Government Code section 11126, subdivision (e)(2)(b), under which;
   a. A point has been reached where, in the opinion of the Commission, on the advice of its legal counsel, based on existing facts and circumstances, there is a significant exposure to litigation against the Commission, or
   b. Based on existing facts and circumstances, the Commission is meeting only to decide whether a closed session is authorized because of a significant exposure to litigation against the Commission.

3. The Commission may consider matters that fall under Government Code section 11126, subdivision (e)(2)(C), where, based on existing facts and circumstances, the state body has decided to initiate or is deciding whether to initiate litigation.

B. Conference with real property negotiators

The Commission may consider matters that fall under Government Code section 11126, subdivision...
(c)(7), under which, prior to the purchase sale, exchange, or lease of real property by or for the Commission, the directions may be given to its negotiators regarding price and terms of payment for the purchase, sale, exchange, or lease. At the time of publication of this Agenda, it is not anticipated that the Commission will discuss any such matters; however, at the time of the scheduled meeting, a discussion of any such matter may be necessary or appropriate.

C. Other matters

The Commission may also consider personnel actions to appoint, employ, or dismiss a public employee as provided for in Government Code section 11126(A)(1).

Adjournment 143
Reporter's Certificate 144
CHAIRPERSON KOUNALAKIS: Well, I call, therefore, this meeting of the State Lands Commission to order. I am Lieutenant Governor Eleni Kounalakis. Welcome to our completely virtual State Lands Commission meeting.

Ms. Lucchesi, will you please call the roll of the Commissioners in attendance.

EXECUTIVE OFFICER LUCCHESI: Certainly. Good morning. State Controller Betty Yee?
COMMISSIONER YEE: Here.
EXECUTIVE OFFICER LUCCHESI: Gayle Miller representing the Department of Finance?
Chair and Lieutenant Governor Eleni Kounalakis?
CHAIRPERSON KOUNALAKIS: Present.
EXECUTIVE OFFICER LUCCHESI: Madam Chair, we have a quorum present. In addition, I would like to identify the members of the staff of the Commission and the Attorney General's office present for this virtual meeting. I am Executive Officer Jennifer Lucchesi. I'm joined by Chief Counsel Seth Blackmon, meeting liaison Kim Lunetta, Assistant Executive Officer Colin Connor, Supervising Deputy Attorney General Andrew Vogel, and our Zoom co-hosts Katie Robinson-Filipp, Mike Farinha, and Phil Schlatter.

I'll turn it back to you.
CHAIRPERSON KOUNALAKIS: Thank you so much, Ms. Lucchesi.

For the benefit of those joining us virtually, the State Lands Commission manages State property interests in over five million acres of land, including mineral interests. The Commission also has responsibility for the prevention of oil spills at marine oil terminals and offshore oil platforms and for preventing the introduction of marine invasive species into California's marine waters.

Today, we will hear requests and presentations involving the lands and resources within the Commission's jurisdiction. We recognize that the lands we manage have been inhabited for thousands of years by California's native people and take seriously our trust relationship with these sovereign governments. I want to take a moment to honor the California Native American communities all across the state for persisting, carrying on diverse cultural and linguistic traditions, and sustainably managing the land that we now share.

Native people have maintained a constant presence on the landscape for many thousands of years. And they are essential stewardship partners, whether along the coast, along our rivers and valleys, or in our fragile deserts. We thank California Native American communities
for participating in this Commission's activities and for their essential role in maintaining and adding to our state's rich cultural legacy.

The next item of business will be public comment. Before I open the public comment period for items not on the agenda, first let me thank everyone, especially our stakeholders and members of the public for taking the time to join our virtual meeting. Now, I want to turn it over to Ms. Lucchesi to quickly share some instructions on how we can best participate in this meeting, so that it runs as smoothly as possible.

Ms. Lucchesi.

EXECUTIVE OFFICER LUCCHESI: Thank you, Chair Kounalakis. First, everyone please make sure you have your microphones or phones muted to avoid background noise. For members of the public, if you would like to speak, either during our open public comment period or during a public comment period that is part of an agenda item, you will need to do so in one of two ways. First, if you are attending on the Zoom platform, please raise your hand in Zoom. If you are new to Zoom and you joined our meeting using the Zoom application, click on the hand icon at the bottom of your screen. When you click on that hand, it will raise your hand.

Second, if you're joining our meeting by phone,
you must press star nine on your keypad to raise your hand
to make a comment. If you are calling in and want to view
the meeting, including the PowerPoint presentations,
please view the meeting through the CAL-SPAN live webcast.
There will be a slight time delay, but it will avoid an
echo or feedback from using the Zoom application and your
phone.

If you emailed us with a request to speak, please
also raise your hand, so we don't inadvertently miss you.
We will call on individuals who have raised their hands in
the order that they are raised using the name they
registered with or the last three digits of their
identifying phone number. After you are called on, you
will be unmuted, so that you can share your comments.

We will also make you visible to the
Commissioners by video. Please also remember to unmute
your computer or phone and identify yourself. Please --
or please remember you will have a three -- limit of three
minutes speak on an item. Keep your comments respectful
and focused. We will mute anyone who fails to follow
those guidelines or at worst dismiss them from the
meeting.

The Commission has also established an email
address to compile public comments for our meetings. It's
address is cslc.commissionmeetings@slc.ca.gov. We have
received various emails from parties that have been shared with all the Commissioners prior to the meeting. If we receive any emails during the meeting, they will be shared with the Commissioners and be made available on our website, along with the public comment emails we have already received.

I also want to note that we have been joined by Commissioner Gayle Miller representing the Department of Finance.

And Chair Kounalakis, those are the virtual meeting instructions and we are ready to move to the general public comment period.

CHAIRPERSON KOUNALAKIS: Thank you very much, Ms. Lucchesi. Our next order of business is the public comment period. If anyone would like to address the Commission on any matter not on today's agenda, please raise your hand and you will have three minutes to do so. Katie, please call on the first person who would like to make a public comment.

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Thank you, Madam Chair. For our first public comment, we have Penny Elia. You should be able to unmute yourself and turn on your video, if you would like.

MS. ELIA: Good. Morning are you able to hear me?
CHAIRPERSON KOUNALAKIS: Yes, we can hear you.

MS. ELIA: Thank you so much. I want to make sure that before I start that my --

(Thereupon a slide presentation.)

MS. ELIA: Great. Thank you for that.

Alrighty. Good morning and Happy Holidays, Commissioners and staff. Penny Elia with the Sierra Club's Orange County Conservation Committee. We very much appreciate the Commission and staff's endeavors at the October 21st meeting to bring added protection to the threatened and endangered species at Santa Ana River mouth and flood control channel through specific lease provisions, as well as considering funding the third-party enforcement efforts through monetary rent for the benefit of the state.

However, since the October 21st unanimous vote to support your staff recommendations, the County of Orange has completely ignored the provisions of their lease and people and off-leash dogs continue to recreate in the flood control channel. For the purposes of this short testimony, I'm going to focus on noncompliance of enforcement of Ordinance 3-9-95 that is highlighted in yellow.

Next slide, please.

--o0o--
MS. ELIA: Ordinance 3-9-95 states that it is illegal for any persons to enter this flood control channel for any reason.

Next slide, please.

--o0o--

MS. ELIA: As was shared at the October 21st meeting, there are signs containing this ordinance that prohibits entry into the flood control channel everywhere. It's impossible to miss this message.

Next slide, please.

--o0o--

MS. ELIA: Again, due to time constraints, I am showing you just a few slides that were taken on Monday, November 22nd between approximately 10 a.m. and 1 p.m., a very short window of time. This will give you an idea of how much traffic is allowed by the County during dredging in this prohibited area.

In this photo, you can see one of the many signs that includes Ordinance 3-9-95 immediately behind the couple leaving the area after recreating in the flood control channel with their four off-leash dogs. You'll also note the small group set up in the flood control channel itself.

Next slide, please.

--o0o--
MS. ELIA: And another visitor making his way to the flood control channel with his unleashed dog.

Next slide, please.

--o0o--

MS. ELIA: And another visitor with his two unleashed dogs on his way to the flood control channel and adjacent to the protective fencing that once surrounded the dune ESHA. The County has knocked the fencing down and drives over it on a daily basis. You'll note a sign behind the dump truck that includes Ordinance 3-9-95 in both English and Spanish.

Next slide, please.

--o0o--

MS. ELIA: Our ask today is very straightforward, please enforce your specific lease provisions that were unanimously approved. Begin the review of the County's lease renewal as soon as possible and request an interim 60-day monitoring report due December 21st. Set a monetary rent in the State's best interest to fund the third-party enforcement recommendation in the October 21st staff report. Thank you for considering these action items in the best interests of our State's finite natural resources.

CHAIRPERSON KOUNALAKIS: Thank you very much.
May we have the next speaker, please?

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Thank you Madam Chair. Our next speaker is Susan Jordan, followed by Andrea León-Grossman.

MS. JORDAN: There we go. Can you hear me?

CHAIRPERSON KOUNALAKIS: Yes, we can. Please proceed.

MS. JORDAN: Okay. Thank you. Good morning, Chair and Commissioners. Susan Jordan, Director of the California Coastal Protection Network. This morning I'd like to bring your attention to the proposed Poseidon desalination plant GHG minimization plan submitted to you way back in October 2017. During that hearing, at which I was present, Controller Yee supported by then Lieutenant Governor Newsom expressed both concerns with the plan and her insistence that it be truly carbon neutral. As the Commissioners and staff worked to craft a motion, Yee pointed out that she was concerned that by the time the plant was built that it would be out of date with the State's climate goals.

Given this, she pointed to ongoing discussions between Edison, Poseidon, and others, and called on Poseidon to go further by developing either a new technology or other tools to help them meet their obligations to be a hundred percent GHG emission free and
indicated that she was waiting for an update on that progression.

Controller Yee stated that she believed there were additional options out there to strengthen the plan and that she wanted to see movement from Poseidon in this arena. She was very clear that she did not want them to just write a check to fulfill their obligations. While I'm not an energy expert, as my colleagues who will testify next are, I know one thing, that the plan they submitted to you in 2017 is the same plan they submitted to this Santa Ana Regional Water Quality Control Board in 2019, and it's the same plan they submitted to the Coastal Commission in July of 2021.

Poseidon may now call the plan the climate change action plan, but I don't think there's been very much, if any, change or action to ensure that the plan is consistent with California's evolving climate change goals. This is critical when you realize that the operational life of this desalination facility is 50 years. Poseidon will be coming back to you after the Coastal Commission reviews the project. That is anticipated to occur at the Coastal Commission as early as March 2022, if Poseidon ever decides to pay their permit fee, something they are refusing to do.

We urge the State Lands Commission to ask its
staff to start to look at the content of the plan through today's updated climate change and equity lens, and to work with the Coastal Commission to ensure that the plan meets those current standards and beyond, which we believe the current unmodified plan does not.

In closing, I also want to compliment Director Lucchesi and her staff for their work on the Orange County oil spill, which occurred off the Huntington Beach coastline approximately where the Poseidon desalination plant is proposed to be constructed. Thank you very much for your consideration.

CHAIRPERSON KOUNALAKIS: Thank you very much. My we have our next speaker, please.

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Thank you, Madam Chair. Our next speaker is Andrea León-Grossman

MS. LEÓN-GROSSMAN: Hi. Can you hear me?

CHAIRPERSON KOUNALAKIS: Yes, we can.

Please proceed.

MS. LEÓN-GROSSMAN: Dear Commissioner Yee.

Buenos Dias. My name is Andrea León-Grossman, Climate Action Director for Azul, an environmental justice organization working with the Latinx community to protect the coast and the ocean.

I'm also the author of two books on energy. I
testified on August about the importance of these issues and I will expand my comments further here. Today, I want to talk about Poseidon, the proposed desalination plant in Huntington Beach and how its emissions would affect low-income communities of color.

All the way back in October 19, 2017, commissioner Yee, expressed significant concern about Poseidon's greenhouse gas emissions and the energy strategy. Those very real concerns, ones my group and many of our allies shared at the time, have only grown for a number of reasons. First, the technology is available for reducing greenhouse gas emissions and other harmful air pollutants and for the production of clean renewable energy have evolved tremendously in the last -- in those four years.

Second, the need for environmental action to stem the worst effects of climate change have drastically increased with global science bodies, advocacy groups, and even judges and courts calling our current situation potentially irreversible, an existential crisis that requires even more action than we thought even just four years ago.

Third, Poseidon's lack of a real plan into 2017 persists to this day after they recently submitted the exact same suspect plan for 2017 for developing this
desalination plant. They should be up to standard of critical infrastructure using the best available technologies to reduce pollution and implementing renewable energy strategies that is locally sourced. They have addressed none of these. And their resubmission of the same plan from 2017 is further evidence of lack of prioritization and seriousness of Poseidon's part.

Their plan relies steadily on renewable energy credits, for instance, which they have been widely discredited as a method for eliminating greenhouse gas emissions. The multi-billion dollar Canadian conglomerate behind Poseidon wants to use dirty energy, then -- near the AES gas plant to create privatized dirty water, water so high in boron and other heavy metals, it must be blended with California potable water before it reaches households. The emissions from this plant will be blowing east affecting communities of color in Santa Ana, Fullerton, and Anaheim.

We -- ultimately, communities of color and low income communities suffer the most and are basically sacrifice zones. We're asking the State Lands Commission and its staff today to require Poseidon to resubmit a brand new proposal to address these issues, including a promise to pay for the installation of the minimum 150 megawatts of solar required to fuel the plan on commercial
rooftops in Huntington Beach and potentially surrounding cities, for battery source installation for four hours of duration on the commercial solar installation.

Poseidon, owned by a major multi-national corporation, didn't do its own homework, not because it couldn't afford or it didn't have the time, but because they don't really care. Please insist that they care. Our communities are relying on you. Thank you for the time to speak today to represent Azul and environmental justice communities across the state.

CHAIRPERSON KOUNALAKIS: Thank you very much. May we have the next speaker, Katie.

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Yes.

Thank you.

Our next speaker is Bill Powers.

MR. POWERS: Thank you. Bill Powers, Powers Engineering, consultant to Orange County Coastkeeper speaking also on the greenhouse gas mitigation plan for Poseidon's proposed Huntington Beach desalination plant.

Poseidon's GHG mitigation strategy for the company's proposed Huntington Beach desal plant, based on its most recent 2017 GHG mitigation plan, is to make a one-time up-front payment for GHG offset credits. According to Poseidon, these credits can be generated by producing electricity with renewable sources such as solar
or wind, a reforestation, or preserving forests.

The desal plant electricity demand will indirectly be responsible for about 70,000 metric tons per year of CO2. Use of emission credits for compliance is controversial. They've been used in the past to give the impression holders of these credits are greener than they may, in fact, be. Meeting the electricity need with new local clean energy resources removes all doubt.

Poseidon has set a de facto economically feasible ceiling for these credits at $10 per ton. This means Poseidon expects to pay the equivalent of up to $700,000 per year for the credits or up to 35 million for 50 years of operation.

This compares to the capital -- estimated capital cost of a desal plant of about $1.4 billion. In this GHG offset scenario, Poseidon would pay less than three percent of the capital cost of the desal plant for the offsets.

The negative marine impacts of the desal plant will be local. The positive mitigation of the GHG emission should also be local. Solar and battery storage costs have declined spectacularly since Poseidon first developed this mitigation plan. About 150 megawatts of local solar on rooftops and parking lots would meet the annual energy demand of the plant.
By way of comparison, about 400 megawatts of solar are installed on rooftops and parking lots in Southern California Edison territory each year. SCE has also already built a solar project aggregating warehouse rooftops that is greater than 100 megawatts in capacity. Adding about 120 megawatt hours, or four hours of battery storage, would also assure the desal plant imposes no burden on the local electric grid during times of peak demand.

The capital cost to this local solar and battery storage approach would be on the order of 150 to 200 million dollars in 2022 dollars or 10 to 15 percent of the project's 1.4 billion capital cost. However, these would be income-generating assets, such that the revenue would offset some or most of the cost to build it. Meeting the desal plant electricity need with local clean energy resources is the right GHG mitigation route for the Huntington Beach desal plant.

Thank you.

CHAIRPERSON KOUNALAKIS: Thank you.

Katie, may we have the next speaker, please?

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Thank you, Madam Chair. Our next speaker is Laura Walsh. And apologies but we're unable to promote you to panelist, but you should be able to unmute yourself.
MS. WALSH: Okay. No worries. I'm commenting on a consent agenda item. This is still my time to speak, right?

CHAIRPERSON KOUNALAKIS: Yes.

MS. WALSH: Okay. Great.

CHAIRPERSON KOUNALAKIS: Actually, Katie, how do we do that? Do --

EXECUTIVE OFFICER LUCCHESI: Actually, may I chime in, Chair Kounalakis.

CHAIRPERSON KOUNALAKIS: Yeah.

EXECUTIVE OFFICER LUCCHESI: I just want to confirm with Laura that you did not want to remove the consent agenda from the agenda. You just wanted to provide comment. You're not -- the position that you have on that item isn't to oppose it, correct, based on our conversation yesterday?

MS. WALSH: Correct.

CHAIRPERSON KOUNALAKIS: All right. Wonderful.

EXECUTIVE OFFICER LUCCHESI: Okay. So this would be the appropriate time. Yes.

CHAIRPERSON KOUNALAKIS: Thank you. Go ahead and proceed, please.

MS. WALSH: Sorry about that. I appreciate it.

Okay. My name is Laura Walsh. I'm representing the Surfrider Foundation as their California policy
manager. And I'm commenting on consent agenda item number 57, which considers a lease extension for the nourishment and revetment relocation project of Broad Beach in Malibu. Surfrider has been involved in the discussion surrounding Broad Beach for more than seven years, and we recognize, as this Commission has recognized, that the history of the area represents a severe abuse of Public Trust rights, not in small part because a group of homeowner -- homeowners maintain an illegal 4,000 revetment encroaching on more than an acre of public land. So we, like the Commission, would like to see the revetment relocated and forms of access restored to a public beach in the area. And in the spirit of that, we're not opposing staff's recommendation to amend the general lease.

However, we'd like to flag this item for the Commission in the context of sea level rise planning throughout the State and for the purposes of future decisions related to this project.

The first thing that should be noted is that this amendment should not be characterized as an extension that simply gives the GHAD more time to complete a project. What we're talking about is also a grace period extension that allows the lessee to avoid specific costs that were intentionally conditioned to incentivize completion of the project within a reasonable time period and to compensate
the public appropriately. That condition was already
avoided by the GHAD when they were granted an extension in
2019 and today's decision will represent a five-year time
period in which the GHAD is essentially allowed to pay
substantially less money to the State than agreed upon in
their 26 permit.

Of course, this is also a five-year time period
in which the -- in which public access and enjoyment of
the beach continues to suffer. The beach is only
accessible at low tide. As sea levels rise and exacerbate
tensions between private development and public lands,
Broad Beach represents an exceedingly clear opportunity
for the Commission to address evolving public trust needs
and stewarding land for the public.

Thanks.

CHAIRPERSON KOUNALAKIS: Thank you very much.
Katie, may we have the next speaker, please.

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Yes.

Thank you.

Our next speaker is Susanne Cumming. And again,
I'm unable to promote you panelist, but you should be able
to unmute yourself to speak.

MS. CUMMING: Thank you. My name is Susanne
Cumming. Good morning. I'm commenting on the Ballona
Wetlands, where the State Lands Commission owns 60 of the
640 acres that were acquired by the State of California in 2003. I, and hundreds of more of our neighbors, and thousands of people in the organizations we work with are increasingly concerned that the State of California continues to spend millions of dollars, another two million given to a highly destructive project proposed for the Ballona Wetlands. One of the reasons that the State Lands Commission still has this ownership is because we were concerned about the possibility of needing another set of eyes and oversight here.

Sierra Club was asked and said, yes, please stay engaged. We know the State Lands Commission has expertise on areas like this and we want your oversight.

Unfortunately, the plans for the Ballona Wetlands, the plan which is called a restoration but is not, was formulated by a private entity, the Bay Foundation, which was headed up by a Chevron executive, Ron Spackman during the time of its inception and now the State has adopted this plan without so many of the good biologists at the California Department of Fish and Wildlife having had input on the project. We really need the stakeholders group, where we all can have input and can -- and provide better oversight and get the management in a better place. We want a gentle restoration and --

CHAIRPERSON KOUNALAKIS: I'm so -- I'm so
sorry -- I'm so sorry to interrupt. Someone has their speaker -- they're not on mute. Can everyone please check that. I'm so sorry, please continue. If you need a few more seconds, go ahead to finish up.

MS. CUMMING: Oh, thank you.
CHAIRPERSON KOUNALAKIS: Sorry.
MS. CUMMING. We really need a stakeholders group, where we all can have input and that can provide a better oversight and get the management in a better place. We want a gentle restoration, which is what we advocate for on our website defendballonawetlands.org. It's a nature-based solution, the kind -- one of the -- the Governor is supporting nature-based solutions and this is one that he could really get behind. Please look at the site and see the components that make sense for this ecological reserve. Thank you so much.

Thanks.
CHAIRPERSON KOUNALAKIS: Thank you very much for your comments. I can't see who has their microphone off, but there is a male voice. Jennifer or Katie, can you see who has -- who we're hearing?
EXECUTIVE OFFICER LUCCHESI: Yeah, I'm trying to do that as well, Chair Kounalakis, and we will endeavor to fix that.
CHAIRPERSON KOUNALAKIS: Okay. Very good.
Katie, may we have the next speaker, please.
ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Yes.
Thank you, Madam Chair.
Our next speaker is Mayor Alejandra Sotelo-Solis.
NATIONAL CITY MAYOR SOTELO-SOLIS: Buenos dias.
Can you hear me, see me?
CHAIRPERSON KOUNALAKIS: Yes, we can.
NATIONAL CITY MAYOR SOTELO-SOLIS: Buenos dias,
Chair Kounalakis and State Lands Commissioners. I'm
Alejandra Sotelo-Solis, the first Latina mom elected to
the Mayoral position here in the City of National City in
131 years. So I'm very proud to be here and share a
little bit more about National City.
I wanted to express my gratitude to Executive
Director Jennifer Lucchesi, Environmental Justice Liaison
Yessica Ramirez, and Granted Lands Program Manager Reid
Boggiano for traveling to National City to tour our
portside environmental justice neighborhoods on Friday
November 19th.
For decades, National City residents and our
portside neighborhoods have disproportionately suffered
from diseases and illnesses related to long-term exposure
of toxic pollution.
The City of National City has been committed to
advancing environmental Justice by developing concrete policies and strategies in collaboration with our residents, community groups, public agencies, and all interested stakeholders. As a result of the -- this authentic community engagement and partnership, we've adopted ordinances -- trailblazing ordinances for that matter that help create healthier, climate-resilient neighborhoods.

In 2006, National City adopted the amortization ordinance that phases out nonconforming polluting business near sensitive receptors, such as homes and schools. In 2010, National City adopted the Westside Specific Area Plan that addresses land use incompatibilities by updating zoning that promotes compatible land uses. And in 2011, National City was the first city in California to adopt a healthy and environmental justice element as part of our general plan.

National City's healthy environmental justice element has served as a model for Senator Connie Leyva's SB 1000 that now requires all municipalities in California to identify and address the inequitable distributions of pollution in low income communities of color, as part of their general plan.

And efforts to address the lack of affordable housing and greenspaces, we've secured significant funding
to provide 201 affordable energy efficient housing units, a public park, and a community garden for our portside environmental justice residents.

Our achievements have granted us the national recognition from the Robert Wood Johnson Foundation as just being one of 10 cities across the country to receive the prestigious Robert Wood Johnson Foundation Culture of Health Prize. We continue to work hard and acknowledging that there are adverse health effects and impacts to portside communities, working waterfront, and the Port of San Diego.

The Port of San Diego established a Maritime Industrial Impact Fund, formally known as the Maritime Terminal Impact Fund, in 2010 to help address off tidelands impacts in Portside environmental justice communities. Although, that initial funding and support has initiated a policy to address these adverse impacts, the Port District has not prioritized these funds and suspended the funding in 2020 due to the pandemic.

And I'm just about wrapping it up, but the pandemic again has unveiled that the MIIF, or the Maritime Industrial Impact Fund, was needed and should have been increased to help offset tidelands impact and health initiatives impacted from our communities, again to address the disproportionate health data that was added by
the --

CHAIRPERSON KOUNALAKIS: Madam -- Madam Mayor.

Madam Mayor.

NATIONAL CITY MAYOR SOTELO-SOLIS: Thank you.

CHAIRPERSON KOUNALAKIS: I just want to ask, do you need additional -- another minute to conclude?

NATIONAL CITY MAYOR SOTELO-SOLIS: If you -- if I -- you would --

CHAIRPERSON KOUNALAKIS: Go ahead.

NATIONAL CITY MAYOR SOTELO-SOLIS: -- allow me that.

CHAIRPERSON KOUNALAKIS: Yeah, please do.

NATIONAL CITY MAYOR SOTELO-SOLIS: Thank you so much. So then I won't -- I won't shorten it. So although the initial impact -- thank you so much, Chair -- initial funding and support has initiated a policy and funding source to help address these adverse impacts, the Port District has not prioritized these funds, and again suspended the funding in 2020 due to the pandemic.

The pandemic unveiled that the MIIF funding was needed and it should have been increased to help offset tideland impacts and health initiatives in these impacted neighborhoods to help address the disproportionate health data amplified by COVID-19.

Our city is ready to continue developing
innovative solutions to help solve the convergent crisis of climate change, racial health inequities, and COVID-19. We hope that the State Lands Commission will work with us to help identify those policies, funding sources, and additional resources to help eliminate health disparities in our portside environmental justice neighborhoods. We look forward to following up with State Lands staff to discuss specific steps and plans to continue our environmental justice success story.

So thank you, again, Chair for that additional time. And again, it was our pleasure to meet your crew, which is small but mighty. And so thank you again for the opportunity to share a little bit more. I hope to also be part of item 1 with the ARPA funding as well. So thank you. This was just the introduction and again you're welcome to come down to National City. Bienvenida the whole crew back again.

Gracias.

CHAIRPERSON KOUNALAKIS: Thank you. Thank you very much, Mayor Sotelo-Solis. And congratulations on your historic election. And, of course, I know that our staff looks forward to working with you on these issues and working with National City. So thank you so much.

Katie, may we have our next speaker, please.

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Thank
you, Madam Chair.

Our next speaker is Lisa Levinson.

MS. LEVINSON: Hi. Thank you so very much. So

I'm Lisa Levinson --

CHAIRPERSON KOUNALAKIS: Yes.

MS. LEVINSON: -- with In Defense of Animals.

And I work for an international animal protection
nonprofit with 250,000 supporters and 25,000 of them in
California.

We appreciate your continued concern about the
environment and would like to request a meeting with your
senior staff to discuss the project proposed for the
Ballona Wetlands Ecological Reserve. The Mayor of Santa
Monica sent a letter to the Governor asking to prioritize
closing the methane gas storage operation at Ballona
Wetlands and the city councils of both Culver City and Los
Angeles have passed motions calling for the shutdown of
this facility.

Your agency is leading the way in the State to
close down offshore oil drilling. Please consider taking
a lead in determining the best way to shut down this
SoCalGas facility that endangers local residents and
should not be within a State ecological reserve.

The proposed so-called restoration will
eacerbate risks for sea level rise impacts removing river
levees and excavating more than two million cubic yards of soil. Our organization is concerned about the killing of wild animals and sea level rise impacts from this destructive habitat-altering project.

Please meet with us and our allies at Defend Ballona Wetlands and help us to provide the Governor with a mid-course correction of this detrimental project. You can reach me at lisa@idausa.org.

Thanks so much.

CHAIRPERSON KOUNALAKIS: Thank you very much, Lisa.

Katie, may we have the next speaker, please.

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Yes.

Thank you.

Our next speaker is Marcia Hanscom.

MS. HANSCOM: Can you hear me?

CHAIRPERSON KOUNALAKIS: Yes, we can, Marcia. Go ahead.

MS. HANSCOM: Great. Thank you. I'm Marcia Hanscom. I'm representing the Sierra Club. I'm an elected leader in the Angeles Chapter on the Executive Committee and have served on the national board of directors.

And Commission Chair Kounalakis, I know that you, as Lieutenant Governor, led our State's delegation to the
Conference of Parties in Glasgow recently to address climate change. And while there, President Biden proposed a plan for reducing methane emissions, which we now know is one of the most potent greenhouse gases contributing to climate change. So it makes no sense to transport via pipeline all across the country from Oklahoma, Texas, and Colorado to the coast of Los Angeles to store beneath an ecological reserve, a recreational marina, and a dense residential area this methane gas, where we've already had gas leaks, blowouts, flarings, and other accidents.

The gas storage facility causes leaks as we've shown this Commission in videos, like the one that Climate Reality leader Molly Basler documented bubbling up in the waters of the freshwater marsh, which is wholly owned by State Lands Commission. We know that the proposed construction plan, a counterfeit restoration plan that would obliterate the habitat at Ballona, adopted by the California Department of Fish and Wildlife, but still not reviewed by their biologists that oversee the rare species that rely on this site would benefit SoCalGas as they want to install new fossil fuel infrastructure to their site. And digging up this two million cubic yards of soil would help them do that, so that they could stay decades into the future when this facility needs to be shut down.

So please help us, A, get the State back on track
with a genuine restoration, like the gentle plan that is on the defendballonawetlands.org website; and B, provide the leadership, which we know your Commission staff has expertise in, to determine how to best close this Playa Del Rey gas storage facility, which should not be in the midst of an ecological reserve, and which, according to a report to the State Legislature, is the most dangerous methane gas storage facility in California. And it only supplies less than one percent of the gas used in the state.

So let's start here, show this as a leadership area to get the ball rolling on moving away completely from methane gas as an energy source. The State Lands Commission we know has been working on closing down offshore oil platforms. And you're the entity that gives me hope. I feel like you're really leading the state on matters related to climate change impacts. So as Greta Thunberg, Jane Fonda, and so many others are increasingly saying, let's act like the house is on fire because it is.

Thank you.

CHAIRPERSON KOUNALAKIS: Thank you very much, Ms. Hanscom.

May we have our next speaker, Katie.

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Yes.

Thank you. Our next speaker is Alejandro. And apologies
again, we're not able to promote you to panelist, but you should have the option to unmute yourself now.

MR. SOBRERA: Yeah. Thank you. My name is Alejandro. I'm a youth activist with the Sunrise Movement here in Orange County. And today, I wanted to talk about the Environmental Justice Policy at State Lands Commission concerning the Poseidon Huntington Beach Desal Project.

So Commissioner Yee, you had a hearing in October of 2017, where the Poseidon Project was discussed at length. I took a look at that transcript. That was like over 300 pages long. It was pretty long. And in it the word "equity" was mentioned zero times. However, it was mentioned 14 times in your Environmental Justice Policy that is only 12 pages long.

And so a lot of things have changed since then, but some have not. So currently, Poseidon is still a powerful corporation with an army of lobbyists trying to convince us all here that privatizing our water is good, even though in its plant down in Carlsbad has caused water rates in San Diego to skyrocket. Carlsbad has also failed year after year to deliver the water it promised and has been issued dozens of Notices of Violation for excessive dumping of concentrated brine and toxic chemicals, and has managed not to get fined even once.

What has also changed -- or what has changed is
that we know now that the climate crisis is continually
getting worse. And the current IPCC report that just came
out called desalination maladaptation, because it destroys
marine life and it's ridiculously energy intensive. We
also know that the Carlsbad plant had to shut down for
weeks because of red tides, even though Poseidon calls it
climate proof and calls the ocean an infinite source of
water. The ocean isn't an infinite source of water. It's
a fragile ecosystem. It's not for our profit.

And then with the warmer climate these red tides
are going to keep happening more often and these plants
will have to shut down more frequently. Had the Poseidon
desal plant been there during the recent Huntington Beach
oil spill, they would have had to shut down because the
membranes they use wouldn't have been able to handle the
oil.

Your Environmental Justice Policy talks about
impacted communities, analyzing impacts, and supporting
cleaner industry, and I think those need to be looked at
again by State Lands. My generation would bear the brunt
of this destructive and polluting project. And it's
unconscionable that Poseidon could just sail through
without considering the environmental justice impacts that
the most vulnerable would suffer and disregard climate
equity.
Poseidon wants to -- wants me to pay with my taxes and my health. And so I'm asking you, Commissioner Yee, to reconsider the lease and deny it based on the State Lands Commission Environmental Justice Policy. You should be thinking very deeply about the future of our State and keep the youth in mind who are going to be the ones that are going to suffer through the negative impacts.

Thank you.

CHAIRPERSON KOUNALAKIS: Katie, may we have the next speaker, please.

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Yes. Thank you, Madam Chair.

Our next speaker is Francis Coats. And you should be able to unmute yourself. I was unable to promote you to panelist.

CHAIRPERSON KOUNALAKIS: Please unmute yourself, if you have not, Ms.[SIC] Coats.

EXECUTIVE OFFICER LUCCHESI: I believe that he might have dropped off. I'm not sure.

CHAIRPERSON KOUNALAKIS: Oh.

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: It actually -- he just transferred into the panelist list, so he should have audio and video enabled.

MR. COATS: I think I just found it.
ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Now, I guess there is just a bit of a longer delay.

CHAIRPERSON KOUNALAKIS: There you go. All right. There you are, Mr. Coats.

MR. COATS: I'd ask -- this is Francis Coats. I'm from Yuba City. And I'd ask that the Commission remember the interests of members of the general public, including disadvantaged groups, when they consider decisions affecting the access to and use of public lands, that this year -- or last year. This year were coming into effect. The Commission supported AB 1390 and got the adoption of section 6210.6 of the Public Resources Code, which essentially would allow the Commission to transfer land out of State ownership without reserving access to other State-owned land that would be landlocked when the land is transferred.

And the Commission wrote in a letter to the Resources -- Senate Resources Committee that the purpose of this was to facilitate transfers of land to tribes without being required to reserve access across that land, which might get in the way of the tribe's use of the land they received.

Of course, if you do a transfer like that, if you transfer to a tribe a piece of land that controls access to other State-owned lands, you have given the tribe not
only the land that you gave them, you've given them exclusive access to the rest of the land. That Californians, in general, have a deep religious, spiritual, emotional tie to land that simply asks you to respect the interests of Californians generally and particularly people of color and disadvantaged groups who have more trouble accessing public land, when you look at giving a special interest group -- selling or giving a special interest group exclusive access to State public lands or selling them public land.

Thank you.

CHAIRPERSON KOUNALAKIS: Katie, may we have the next speaker, please.

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Yes.

Thank you, Madam Chair.

Our next speaker is Christina. And you should be able to unmute yourself. I was unable to promote you to panelist.

CHAIRPERSON KOUNALAKIS: Christina, are you there?

MS. KU: Hi. Can you hear me?

CHAIRPERSON KOUNALAKIS: We can hear you now. Go ahead.

MS. KU: Oh, thank you so much. I'm so sorry about that.
Okay. So hello. I'm actually an officer of the charter Democratic party club called Democrats for the Protection of Animals. I hope you all check us out and join. But our club has actually voted to support the protection of the Ballona Wetlands. And we have sent letters to elected officials to educate them on the ecological realities and values of the ecological reserve here in -- near California, Los Angeles.

And we do not support the digging up of -- you know, bulldozing of this thriving wetland that's been in proposal. After learning about the facts of the sea level rise threat to coastal areas, removing two million cubic yards of soil, and lowering these coastal lands will be the threat to coastal and surrounding areas.

I mean, does that make sense? We just don't understand why this plan is being pushed forward when ecologically, and just physics-wise, it does not make sense, especially with sea level rise threat. So the levees and the creeksides are protecting the Ballona Wetlands. So when you take them away, there's no protection from the threat of sea level rise.

So I hope everybody will really hone in on that point and see that this plan by Department of Fish and Wildlife it does not make sense. So we support the eco -- Ballona Wetlands Ecological Reserve number 4 Gentle
Restoration that has a 20-point plan. And we've read it point by point. And they're very easy to understand and they make absolute ecological sense to just lay folks, for folks who don't know science or biodiversity, and the actually do make sense.

And most importantly, they can be taken -- these steps can be taken without an EIR or EIS report and with minimal effort to obtain coastal development permits or exemptions. So the scientific and logical guide principle here is no intrusive activities by mechanical means and no excavation.

And if you haven't looked at the 20-point plan, I mean, they go on to talk about, you know, protecting the 1,700 different kinds of species, and having docents, and finding ways to actually protect them and their habitats and fund this program, so we could educate the public and recover the southern sea otter to the Ballona. There's so much to do here, design and oversee a project to recover certain endangered species, and the Snow Goose, and the Sandhill Crane. I mean, this plan is so thoughtful and so detailed, I really wish some of you would read this. And it's absolutely just -- it makes so much sense and also have a plant assessment that will determine which plant to continue to protect.

So please, please do something to help the
Ballona Wetlands and do not let them bulldoze it.

Thank you.

CHAIRPERSON KOUNALAKIS: Thank you very much.

Katie -- and I'd also just at the end of public comment, Jennifer, if you want to respond a little bit to some of those questions about where we are in the process relative to Ballona.

EXECUTIVE OFFICER LUCCHESI: Certainly.

CHAIRPERSON KOUNALAKIS: And the actual authority of the State Lands Commission and all of this.

Okay. Go ahead, Katie. Next speaker, please.

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Thank you, Madam Chair. Our next speaker is Jane Velez-Mitchell.

MS. VELEZ-MITCHELL: Yes, can you hear me?

CHAIRPERSON KOUNALAKIS: Yes, we can. Please proceed.

MS. VELEZ-MITCHELL: Thank you. Thank you for allowing me to speak. In the early 1990s, I was a reporter at KCAL 9 covering Martin Sheen marching with indigenous leaders opposing the Playa Vista project. I personally interviewed the Playa Vista executives who told me to my face, don't worry. I promise you there is a chunk of the wetlands, approximately one square mile that will never be destroyed. We promise to leave it alone.
I was told that with my own -- I can testify in court to that. Now, we are decades later here facing the destruction of that very area through a phony restoration engineered by SoCalGas and its allies. The real story is out, SoCalGas desperately wants to upgrade its crumbling gas storage facility deep underneath the wetlands. And that is the true objective, the real reason they want to bulldoze it.

It is Orwellian to call it a restoration. This facility is very similar to the Aliso Canyon gas storage facility that had an infamous blowout several years ago that is considered one of the worst environmental disasters in California history, worse than the Exxon Valdez calamity.

That's one reason why the LA City Council and other municipalities recently have called for the facility to be shut down. It is why there are currently six lawsuits against this misguided plan to bulldoze the Ballona Wetlands. I am begging you, Lieutenant Governor, please talk to the Governor and say please do not support or condone this destructive bulldozing of the Ballona Wetlands.

We opponents are reasonable. We don't want to do nothing. The Ballona Wetlands does need some tender loving care. We support option 4. There is a gentle, as
you've heard, respectful, genuine restoration that can be
done without bulldozing and destroying this last coastal
wetlands in LA, home to 1,700 species, some endangered and
some threatened. These wetlands are not dead and dying as
proponents claim. We've documented the many plant and
animal species with time stamp photos from the wetlands.
I live along the Ballona Creak. I see the egrets, the
foxes, the rabbits, the lizards, the ducks, the geese. I
could be here for hours listing them.

Governor Newsom has called for nature-based
solutions. Destroying the home for 1,700 species when
we're in the midst of the sixth mass extinction is not a
nature-based solution. That should be obvious. I hope
someone can talk to him about this. You know, to say
we're doing all this to help the underserved inner city
youth of color is really cynical. As a Latina person of
color, I find it offensive. It's actually using a poor
underserved community as a tool for the goal of the
wealthy fossil fuel industry.

Recently, a group of young environmentalists of
color, led by Genesis Butler a young TEDx speaker, held a
new conference at the Ballona Wetlands to say do not
destroy this wetland and claim you're doing it for us. We
don't want you to destroy it. We don't want you to kill
these animals and say you're doing it for us. We want you
to clean it up and make it accessible to us now. Provide
public access now.

Thank you so much.

CHAIRPERSON KOUNALAKIS: Thank you very much.

Katie, may we have our next speaker, please.

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Thank you. Our next speaker is Martha Miller. And before that, if Chris Ku is currently on and present, if you could please raise your hand, so that we can identify you to speak before this comments session ends.

Thank you.

MS. MILLER: Hi. My name is Martha Miller. I'm calling on behalf the California Association of Port Authorities. I just wanted to lend our strong support to the funding that's been allocated through the American Rescue Plan to the California ports in California.

Thank you so much.

CHAIRPERSON KOUNALAKIS: Thank you, Martha. I think that's a specific action item that will be coming up, but it's -- thank you for coming, so --

MS. MILLER: Sorry. I hope it was okay. I wasn't sure where I was -- I was confused about --

CHAIRPERSON KOUNALAKIS: That's all right.

MS. MILLER: -- where I was at. I'm sorry.

CHAIRPERSON KOUNALAKIS: That's all right.
That's all right. Thank you. Thank you.

May we have our next speaker please, Katie.

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Yes.

Thank you. Our next speaker is a phone number ending in 850.

CHAIRPERSON KOUNALAKIS: If you have a telephone number ending in 850 --

MS. PONÇÉ: Yes.

CHAIRPERSON KOUNALAKIS: Yes. Please go ahead.

We can hear you.

MS. PONÇÉ: Yes. Thank you. Lydia Poncé here with Society of Native Nations. Good morning, relatives. And it's a really -- a really important keyword, "relationships" and "relatives". And I don't take anything lightly when I use words, because they pretty much try to communicate and convey the rules, and the spirit, and the heart of what is our intention. So we can either be part of the hurting or we can be part of the healing. And we have manifested 500 years of pain when it comes to doctrines of discovery, manifest destiny. And its -- you know, we're living in a time where all of these ideas and profiting has really decimated a lot of the indigenous people all across Turtle Island and the sacred sites such as Ballona Wetlands and our oceans, our beaches, Bears Ears, Standing Rock, Thacker Pass is about...
to mined for lithium.

So I'm going to ask you why is it that we always say we have these deep rich relationships with indigenous people, yet they do not constitute half or even a little bit more than half of these commissions, boards, and circles of like Greta Thunberg says, blah, blah, blah, because what I'm hearing right now is consideration for State public lands. These are all indigenous lands. Why is it that you do not have a part in your agenda for indigenous voices to amplify what they need, how we can support protecting their sacred sites, the land, and the water, and the air.

I am tired of hearing about Tejon Ranch now coming back up, not asking the Paiute Shoshone about the water rights that the Paiute Shoshone have and how 22,000 condominium apartments and other businesses are going to use the water. We need to get on Mother Earth's rights. We need to talk about those things that matter or I don't want to hear about alternatives, because all alternatives do is alternatives. That's all it does. It's genocide, it's femicide, it's ecoside, and it's terricide.

Where are we going to get our drinking water? Why are we even considering anything towards Poseidon? Everything Poseidon should be a hard firm no. You're going in the wrong direction, relatives. I say this with
great passion, because I am concerned about the seven
generations forward.

    Agendas and minutes. What about our relationship
to where we live to our health and to each other. Our
relationship living in a very healthy environment for the
winged, the swimmers, the four-legged, the other
two-legged, and the creepy crawlers that we don't see and
some of us are afraid of. I'm not.

    I'm speaking right now to you, relatives, in
these holidays to consider your consumption, mass
consumption, plastics and wrapping, and all the things
that we do, the generating the gas to get somewhere, or
have these items delivered to put under a tree or in a
stocking. I'm not saying ruin Christmas. I'm not the
Grinch. I'm saying these holidays we need to really
consider what gift of life we're giving to everything
around us and everyone around us. Be better relatives.
Either you're part of this hurting or you're part of the
healing. The choice is yours.

    Thank you.

    CHAIRPERSON KOUNALAKIS: Katie, may we have the
next speaker, please.

    ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Yes.
Thank you, Madam Chair. We have Christina with our -- her
hand raised again. I believe she might provide an update
on Chris Ku who is on the speaker list.

CHAIRPERSON KOUNALAKIS: Christina, can you hear us?

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: You should be able to unmute yourself.

CHAIRPERSON KOUNALAKIS: Can you -- can you hear us, Christina? We cannot hear you.

Katie.

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Yes. She might have issues with her audio at the moment.

Either she's unable to hear us or she's unable to connect with audio.

EXECUTIVE OFFICER LUCCHESI: In the meantime, Chair --

CHAIRPERSON KOUNALAKIS: Yes.

EXECUTIVE OFFICER LUCCHESI: -- I can provide some responses per your earlier request. And --

CHAIRPERSON KOUNALAKIS: Jennifer -- Ms. Lucchesi, why don't we wait until we finish all of the public comment, unless -- is that -- Katie, is that the last person?

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Yes, this is the this -- um-hmm, yes, last speaker.

CHAIRPERSON KOUNALAKIS: Okay. So we'll try one more time. Christina, can you hear us and unmute
Okay. Go ahead, Ms. Lucchesi. Thank you.

EXECUTIVE OFFICER LUCCHESI: All right. Great.

So in response to the comments that we've received about Ballona Wetlands. First, I really want to extend our appreciation for everyone who has spoken this morning relating to Ballona wetlands and in our previous meetings. As the Commission knows, they have been very strong advocates for their position relating to Ballona Wetlands and it takes a lot of time and energy to participate in all of these public meetings. So we appreciate their participation.

I can't really go into a lot of details about the Ballona Wetlands Project. The California Department of Fish and Wildlife certified the EIR about a year ago. And that is currently in litigation at this moment. So it's really best not to provide too much detail about that because of pending litigation.

Relating to the methane storage issue, we will -- staff will follow up with CalGEM, who is the primary regulatory authority relating to methane storage issues, and be able to provide an update to the Commission earlier next year.

CHAIRPERSON KOUNALAKIS: Jennifer, on that, thank you for that, because as it was noted, I was in Glasgow a
few weeks ago at COP26, and the commitment to reduce
methane emissions is -- was one of the side agreements.
So I think it would be helpful to talk about this in that
context for the public.

EXECUTIVE OFFICER LUCCHESI: Certainly. And if
it -- if it -- if there's no objections by you, Chair, I'd
also like to provide just a response to the comments about
the Poseidon Huntington Beach desalination?

CHAIRPERSON KOUNALAKIS: Yes. Thank you.

EXECUTIVE OFFICER LUCCHESI: Yeah, I --

CHAIRPERSON KOUNALAKIS: And I also just want to
be clear that we can't necessarily respond on every issue
that comes before us in public comment immediately. But
these two issues there were many speakers, and so I think
maybe just reiterating some of the public information that
we've revealed in the past is appropriate.

EXECUTIVE OFFICER LUCCHESI: Certainly. And I
also want to extend my gratitude to the speakers
participating this morning to comment on the Poseidon
project. We will be following up with Ms. Jordan and her
colleagues about their concerns about the lease terms
relating to the GHG emission and learning more about those
concerns and making sure we follow up with them on that as
well. And we'll report back to the Commission next year
on that.
CHAIRPERSON KOUNALAKIS: Okay. Thank you very much. Katie, were we able to get the final speaker teed up?

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Yes. Thank you, Madam Chair. I believe Christina was able to unmute herself a moment ago. So let's see if she's able to do so now.

MS. KU: Hi there. Yes. Commissioners, I actually did speak earlier under Chris Ku.

CHAIRPERSON KOUNALAKIS: Yes.

MS. KU: So thank you so much for being aware of that.

CHAIRPERSON KOUNALAKIS: Okay. All right. Very good. Thank you so much. All right. So that concludes our public comment period. The next item of business will be the adoption of the minutes from the Commission's meeting of October 21st, 2021. May I have a motion to approve the minutes and a second.

COMMISSIONER YEE: I'll move adoption, Madam Chair.

ACTING COMMISSIONER MILLER: And I'll second.

CHAIRPERSON KOUNALAKIS: We have a motion by Commissioner Yee and a second by Commissioner Miller. Ms. Lucchesi, will you please conduct a roll call vote.

EXECUTIVE OFFICER LUCCHESI: Certainly.
Commissioner Yee?

COMMISSIONER YEE: Aye.

EXECUTIVE OFFICER LUCCHESI: Commissioner Miller?

ACTING COMMISSIONER MILLER: Aye.

EXECUTIVE OFFICER LUCCHESI: Chair Kounalakis?

CHAIRPERSON KOUNALAKIS: Aye.

EXECUTIVE OFFICER LUCCHESI: The motion passes unanimously.

CHAIRPERSON KOUNALAKIS: Thank you.

The next order of business is the Executive Officer's report. Ms. Lucchesi, may we please have that report.

EXECUTIVE OFFICER LUCCHESI: Certainly. So I want to update the Commission and our participants on our two oil and gas programs. We've hit a couple of milestones this week. As you know, for Platform Holly, well plug and abandonment operations resumed in October after an approximate 528 day hiatus owning to the COVID pandemic. We just completed the fourth well, so as of today, four of the 30 wells have been permanently sealed. Staff estimates that the remaining work will be complete in the next 12 to 18 months.

We are also, in partnership with the City of Goleta, hosting a virtual town hall tonight at 6 p.m. to update the community and stakeholders about the well plug
and abandonment work on Platform Holly and the eventual
decommissioning.

And finally, as it relates to this project, the
Commission is the lead agency for the Piers 421
Decommissioning Project. This is a project to
decommission and remove the two caissons, pier structures,
and associated facilities on Haskell's Beach in the City
of Goleta. We established a joint review panel comprised
of the City of Goleta and the Coastal Commission to
collaborate on the preparation of the Environmental Impact
Report. We anticipate releasing the Draft EIR for this
project early next year.

Next, I want to update the Commission on our SB
44 Legacy Well Remediation Program. We just completed two
days ago, the reabandonment of the Duquesne Well at
Summerland Beach. Similar to the Olsson Well we
reabandoned this past July, there was no offshore
component to this well reabandonment. The project site
was accessible from shore and all equipment remained on
the beach above the waterline. This reabandonment work is
an essential part of the Commission's effort to
permanently stop oil from leaking from legacy wells into
surrounding waters and onto Summerland Beach. As a
reminder, funding for the Duquesne Well remediation came
from SB 44, which provides the Commission with up to $2
million a year for seven years to plug abandoned oil wells in California. Staff will continue to monitor and investigate remaining legacy wells off of Summerland Beach and plan for additional reabandonments in the coming years.

And I want to pivot from our oil and gas projects to some retirements that we are facing this year. I want to acknowledge and really celebrate two of our really exceptional staff members, family at the State Lands Commission.

First, Renee Wurster. Renee has served the people of California for over 13 years. She joined State service in February 2008, as an Accountant Trainee with the Employment Development Department. One year later, she transferred to Department of Corrections and Rehabilitation, and a mere six months later, in 2009, Renee put down her roots as a member of our State Lands family, working initially as an Accountant Trainee in our Accounting Unit. Renee's value was immediately apparent and in less than sixth months, she promoted. And nine months later, the Commission needed assistance in our Business Services Unit and Renee volunteered to step into that role as a Business Services Assistant.

Between September of 2011 and June 2015, Renee ascended the ranks through the Staff Services Analyst and
Associate Governmental Program Analyst classifications, and contributed to the Commission in our Business Services and Budgeting Programs. In June of 2015, the Commission's needs changed yet again and Renee was once again willing to switch gears to contribute her talents to the Accounting Unit, where she returned as the Commission's Accounting Manager. She has held this position for the last six years and will be retiring as an Accounting Administrator.

She, along with our former Admin Services Chief, orchestrated the Commission's transition into the FI$Cal system and has been a critical player in our implementation efforts throughout the last three years.

Renee's consummate professionalism, technical prowess, and resilience have made her a valuable and respected member of the Commission's management team. Her dedication and commitment to her work and to public service are greatly admired and her good nature positively will be incredibly missed by all of us.

Next, I also want to acknowledge and thank Pam Griggs. Pam has given the State of California over 21 years of dedicated and distinguished public service. Pam, after receiving her Bachelor of Arts Degrees in history in 1979 from Oberlin College in Ohio, continued her post-graduate history education through publications in
the Journal of History and ultimately earning her law
degree from the University of California at Davis.

Before joining the Commission, Pam worked as a
historian, editor, and Cultural Resource Specialist for
the Bureau of Reclamation and the National Parks Service.
Pam joined the Commission in 2000 -- in the year 2000 as a
graduate legal assistant and began representing the
Commission as an attorney thereafter.

In her time with the Commission, Pam used her
prior work experience to provide expert technical and
legal analysis and recommendations on a broad spectrum of
items. Pam ascended through the ranks in our Legal
Division and became the Commission's Assistant Chief
Counsel in 2014. Pam, through her compassionate
leadership, has helped guide the Legal Division through
several difficult issues, including the successful defense
of numerous CEQA lawsuits and the development and
mentoring of our amazing attorneys.

Pam took on the stewardship of the Commission's
ship wreck database, worked closely with team members on
the abandoned mine remediation partnership, participated
on the Bolsa Chica Interagency Team, where she received a
conservation achievement award, worked as the Commission's
lead attorney on Owens Lake and Lower Owens River
Management Team, and worked as the Commission's lead
attorney on the defense of the Commission's EIR addressing sand mining leases in San Francisco Bay, and she has generally been regarded by her peers and colleagues as one with of the best CEQA attorneys the Commission has ever had.

As a result of her conscientious commitment, dedication, and integrity, Pam has exceeded in compiling an impressive record of career achievements, earning her the admiration and respect of her peers. Those who've had the privilege of working with her and also those representing opposing interests. We commend Pam and thank her for her distinguished record of professional public service for over 21 years serving the Commission, and we extend our heartfelt wishes to Pam and her husband, Dave, for a rewarding and gratifying retirement.

And just in conclusion, these retirements are always so bitter sweet, because we are so happy for both Renee and Pam to take on this next adventure of their life and to really enjoy life without work, but selfishly, we're going to miss them tremendously, both in terms of what they provide the Commission and the people of California, but also working (inaudible) and enjoying their personalities, and their contributions, and just their friendship.

So with that, I turn it back to you, Chair
CHAIRPERSON KOUNALAKIS: Thank you very much, Ms. Lucchesi. And let me extend my congratulations to Pam and Renee on so many years of dedicated service and their retirement. Some one once said they were retired, but not tired. And I suspect that we are going to be seeing more things from the two of you in your next chapter. And we very much hope that you will stay in close touch with the Commission, and that we will see you again.

So, Commissioner Yee, do you have any comments or questions?

COMMISSIONER YEE: Thank you, Madam Chair. Just a couple of comments. Let me also add my congratulations. You know, I think when I look at the State Lands Commission and just the small but mighty staff team that does support all of the work of this Commission, it does make these retirements, you know, just really significant, because the contributions made by each one of the team members are lasting and I know that the work will continue to just serve us well as we move forward. So congratulations to both Pam and -- excuse me -- and to Renee, and all best wishes for a healthy and happy retirement.

I also just wanted to say, in terms of the State
Lands Family, I just wanted to announce that we have adopted a former member of the State Lands family, Kristina Kunkel is the -- just joined us as the Deputy Controller for Environmental Policy. She's familiar to many of you at the State Lands Commission, as a former Sea Grant Fellow, and has presented before this Commission on sea level rise. And so just very happy to have her rejoin the State Lands family from the Controller's office.

Thank you, Madam Chair.

CHAIRPERSON KOUNALAKIS: Thank you.

Nice to see you, Kristina.

Commissioner Miller, do you have any comments or questions?

ACTING COMMISSIONER MILLER: No. Thank you so much, Madam Chair. Just echoing the comments of the Controller and welcoming Ms. Kunkel to our team. And always, always just so much admiration for all the work that the Commission does.

CHAIRPERSON KOUNALAKIS: Thank you very much, Commissioner Miller. So today is the last meeting of 2021. And I'd like to take a moment to share some of the highlights from a very productive year for the Commission. And, of course, it is my last meeting as Chair and will be turning it over again in January to Commissioner Yee to Chair this body.
But first, I'd just like to acknowledge that 2021 was indeed another year shaped by COVID-19 and the global pandemic. All of our meetings were virtual and Commission staff continued to carry out their important work following COVID precautions in place. Thank you all. Thank you all at the staff level for your dedication to keep the work at the Commission going and for being able to allow us to convene with every passing Commission meeting more efficiently in this virtual space.

I also think it's important to note that this year the Commission adopted a new five-year strategic plan to guide us through 2025. We did that at the very beginning of the year and I want to acknowledge, Commissioner Yee again, your role many years in process of developing this strategic plan, but it's critically important now more than ever, because the climate is indeed warming, sea levels are rising, and California is on its way to transitioning to clean energy.

Of course, we have also had a year where we have seen racial and environmental injustices persist. And the new 2021 to 2025 strategic plan positions the Commission to respond and lead in these and other areas. The new strategic plan lays out the core values and guiding principles that will serve as the lens by which the Commission approaches its work.
We also this year made significant process in decommissioning oil and gas wells. Phase one of the Rincon Well abandonment and decommissioning project was completed under budget and ahead of schedule. As of June 30th, 2021, all production wells onshore and all offshore wells on Rincon Island were plugged and abandoned in accordance with Commission and CalGEM regulations, and the island and onshore site clearance work were completed.

Plug and abandonment work of the 30 wells on Platform Holly resumed in October, 520 days after the pandemic shut down this work. And in just the last two months, the -- as Ms. Lucchesi noted, the Commission has plugged and abandoned three wells and is currently abandoning a fourth well. There are two other offshore legacy wells that we've been working on, one which was successfully abandoned this year and we've begun work on another just in the last few weeks.

So the other area of focus for State Lands this year, in the era of COVID, is our focus on working to support California ports, particularly those who were hit the hardest by the pandemic. We adopted a resolution earlier this year in support of directing funding from the American Rescue Plan Act to California ports to mitigate negative impacts resulting from the COVID-19 pandemic and allowed them to sustain their essential services and
maintain the critical infrastructure California relies so heavily on -- California, by the way, and the country rely so heavily on.

The Commission was appropriated $250 million of ARPA funds in the State budget, and we have an item on today's agenda to distribute about half of these funds.

Also this year, the Commission took several actions to advance offshore wind energy in California, something which is very, very exciting for us all. BOEM recently announced wind energy areas and is preparing environmental assessments for each of these areas.

The Commission also is participating in early outreach to the fishing community and Native American tribal governments. As part of the team of State agencies generally organized around the recently enacted Assembly Bill AB 525, which directs this group of State agencies to develop a strategic plan for developing offshore wind in federal waters off the coast of California. Again, I consider this to be a very major step forward. I was very proud to be supportive and an early co-sponsor of AB 525. We've had many conversations about the potential for offshore wind globally and what it can mean for California.

And so the strategic plan that California will develop to have a broad based look at what the future of
offshore wind looks like by our State is a critically important first step, and many of us, including myself, have very high hopes of what the future can bring for our State in terms of helping us to meet our 2045 goals.

The Commission also authorized environmental review for two proposed offshore wind energy products near Vandenberg Space Force Base in Santa Barbara County. This is important, because conducting this environmental review will include: identification of data gaps and necessary baseline studies; disclosure and analysis of potentially significant impacts; identification of feasible measures to avoid, minimize, and mitigate those impacts; and identification of feasible alternatives all in a transparent, inclusive, and public process. So the ability to use this process to gather information to inform what the future looks like is also going to be very helpful to us, as I -- as we make our way toward developing significant wind energy in the future.

The Commission also was very engaged in State legislation. We sponsored Assembly Bill 1390 by Tasha Boerner Horvath that will make it easier to manage school lands and generate review to support retired teachers.

The Commission also supported Senate Bill 796 that would authorize Los Angeles County to convey Bruce's Beach in Manhattan Beach to the Bruce family descendents.
This is an effort to right a wrong that occurred a century ago and is part of a broader conversation about racial injustices. This is an issue that has garnered national attention, and the Governor signed this historic bill into law earlier this year.

On the federal side, the Commission supported several bills that would permanently ban offshore drilling on the outer continental shelf off the coast of California, Oregon, and Washington. This action reinforces the Commission's commitment to transitioning to a clean energy future and re-memorializes its opposition -- our opposition to new offshore oil and gas development in federal waters.

The Commission also this year took action to facilitate the review and analysis of a potential carbon capture and sequestration project in the California Delta. The California Department of Water Resources transferred its jurisdiction over significant portions of land at Sherman Island to the Commission to enable the Commission to process a lease application, the first step in a project's trajectory. The Commission also agreed to enter into a memorandum of understanding with the Department to facilitate coordination and review of a proposed carbon capture and sequestration project application.

I'd also like to note on some of the important
work that the Commission did this year related to the abandonment of vessel -- abandoned vessel removal and other waterfront clean-up actions. As part of its long-term effort to remove abandoned vessels in the Delta, the Commission authorized staff to take ownership of and remove two abandoned vessels, in Seven Mile Slough in the Delta. This action enables staff to remove and dispose of the vessels, improving navigation, water quality, Delta habitat, and the overall recreational and fishing experience.

The Commission also authorized staff to contract to remove derelict or abandoned remnants of the Nantucket Restaurant and marina facilities along the Crockett Waterfront in order to protect public health and safety. When complete, the work will result in the Crockett shoreline being free of marine debris and returned to its most natural condition in decades.

And finally, I'd like to say a word about our work as it relates to homelessness. This year, the Commission authorized an amendment to an existing lease with California State Parks to facilitate the use of a small portion of the Candlestick State Recreation Area as a temporary vehicle triage center that will serve people experiencing homelessness and in need of services and safe shelter.
The vehicle triage center will safely shelter over 200 people and provide lighting, portable restrooms, shower, and laundry facilities. Clearly, it has been a very productive year, and we have made progress on a wide variety of issues that I have just outlined. And I want again to thank everyone for their incredible support and involvement in making this year a productive one for this State Lands Commission.

COMMISSIONER YEE: Madam Chair.

CHAIRPERSON KOUNALAKIS: Yes, ma'am.

COMMISSIONER YEE: Thank you, Madam Chair for the -- just the articulation of all of the highlights in a very, very challenging year of work. But I wanted to thank you for your leadership during this time. You know, it's really -- I think as we look back during this period going forward, I hope that people will remember that although this may have been some of the most challenging of times, it also has been some of the most rewarding productive of times. And I know that this Commission has not missed a beat, in terms of just really evolving with our changing times. And you spoke about many of those points.

As stewards of the Public Trust, we constantly have to be looking at just what some of the emerging needs are and really look to work with our partners on
addressing those. But really your chairing the Commission during this time where we've had to meet virtually, I just want to commend you, because I do believe that our public comment and just participation by the public has continued to be enhanced. And we've not taken any shortcuts with respect to public participation, and I think that's always a good sign of a healthy Commission, when we are accessible and even more so during this pandemic with our virtual platform.

Of course, I miss everyone in person. I hope that we will be able to be meeting in person again, but I think we were only able to get really a lot accomplished with our ability to continue to stay engaged and connected with the communities at large for whom we are acting as our -- as stewards of our Public Trust. So thank you very much, Madam Chair, and congratulations.

CHAIRPERSON KOUNALAKIS: Thank you very much, Commissioner Yee. The next order of business will be the regular calendar, items 1 and 2. Item 1 -- Item 1 is to consider distributing funds from the American Rescue Plan Act to California ports to mitigate negative economic impacts resulting from the COVID-19 pandemic. May we have the presentation, please.

EXECUTIVE OFFICER LUCCHESI: Certainly. Reid Boggiano our Granted Lands Liaison will be providing
staff's recommend -- staff's presentation and recommendation.

(Thereupon a slide presentation.)

PUBLIC LAND MANAGEMENT SPECIALIST BOGGIANO: Good morning, Chair and Commissioners. Thank you.

In May 2021, Governor Newsom announced a one-time 250 million allocation from the federal American Rescue Plan Act of 2021 to California Ports to mitigate the negative economic impacts resulting from the COVID-19 Pandemic. The 250 million allocation is intended to help California ports recover from the dramatic losses in revenue they experienced.

Ports have a significant impact on the state's recovery effort. Approximately one million California jobs are linked to trade activities at public ports. An infusion of federal funds will have a significant impact in targeting the unemployment -- unemployed residents of port communities by helping ports rehire or bring on new essential workers, as well as retaining existing employees. The funds may also be used for activities such as supporting safe operations and funding projects delayed by pandemic-related fiscal impacts.

After working closely with the Department of Finance, Commission staff released the application package on October 8th, 2021 and provided ports with 30 days to
submit a funding application. When considering funding requests, Commission staff considered the amount of a port's revenue impacts, and port's direct costs due to the pandemic, and whether the ports received funds from a county or city's local fiscal recovery funds. Ports that rely on tourism-based revenues suffered drastically because of reduced revenues. On the other hand, ports with large cargo operations may have had increase in revenues in some operations that helped offset other losses.

Ports were required to provide a list of proposed projects, the amount of funding they anticipate committing the recovery funds to, a description and cost estimate of the programs or projects, and a narrative of how the project will allow the Port to continue to invest in services that were impacted and that support economic recovery.

Some of the proposed projects include: major maintenance and repair projects that are necessary to maintain port assets so that they are safe, accessible, and available as revenue generating assets in the future; terminal equipment and IT upgrades; infrastructure to strengthen port industries and retain existing tenants; efforts to avoid direct layoffs and fill positions left vacant during the pandemic; loan programs for financially
distressed businesses; and services that will continue to bring visitors and commercial business to the waterfront, such as the installation of electric vehicle charging stations, commercial fishing upgrades, and projects that keep tourism areas safe and clean.

The Commission, through this year's budget act, has discretion over the distribution of funds to achieve the purpose of addressing negative economic impacts experienced by the ports. The Commission also considers the state's best interests when exercising its discretionary authority.

To ensure that the ARPA funds are used as effectively as possible, staff requested that each port provide its COVID-19 related revenue losses and direct costs. These metrics help ensure that we direct funds to ports that were most drastically impacted by the pandemic. For this tranche of disbursement, staff focused on revenue losses and direct costs in calendar year 2020. And, Phil, can you please bring up the slide of staff's recommended disbursements.

--o0o--

PUBLIC LAND MANAGEMENT SPECIALIST BOGGIANO:
Perfect. Thank you. I'll now go over staff's recommendations for the recovery fund disbursements.

To the Port of San Diego, staff recommends
distribution of $61,390,747. The Port of San Diego requested 103.4 million for both the 2020 and 2021 calendar years. The Port of San Diego can apply for additional funds in the future based on 2021 calendar year costs and revenue losses.

To the Port of San Francisco, staff recommends distribution of $56,616,130. The Port's funding request summary applied for $57,292,567, but the revenue loss calculations and proposed project expenditures are equal to staff's recommendation.

To the Port of Oakland, staff recommends distribution of $14,258,400, which was the requested amount in the Port's application.

To the Oxnard Harbor District, also known as Port Hueneme, staff recommends distribution of $2,337,563 out of the $3,010,912 requested in the District's application. The District calculated revenue losses using only their auto cargo segment. To objectively compare the application with other ports, staff requested that the District provide their total operating revenue losses. Although the guidelines allow ports to use different methods to calculate losses, staff believes the total operating revenue is a more accurate comparison to use because it's comparable to the other port calculation methods we received.
California ports are facing similar financial hardships and using the total operating revenue losses allows funding to be distributed based on a port's current financial situation.

To the Ventura Port District, staff recommends distribution of $1,060,484, which was the requested amount in their application.

To the Humboldt Bay Harbor Recreation and Conservation District, staff recommends distribution of $506,191 dollars, which was also their requested amount in their application.

The Port of Long Beach requested $34,426,138 of funding. The Port calculated its revenue losses using fiscal years and did not include the number of months in its calculation. Staff recalculated the revenue loss using the method described in the request summary for a total request loss of approximately 22.3 million. Because the Port of Long Beach has seen an increase in container cargo businesses as the pandemic has progressed, reviewing only 2021 -- 2020 calendar year losses may not provide an accurate map of the pandemic's overall impact to port revenue. Staff is recommending the Commission not distribute funds to the Port at this time and consider an application from the Port of Long Beach during the next tranche of disbursements based on the Port's losses during
the 2020 and 2021 calendar years.

As a condition of fund disbursements, the ports must sign a funding agreement. This agreement formalizes the ARPA's use restrictions and the Commission's role in ongoing monitoring. They are given -- the agreement also requires the ports to reimburse the State for any misused funds.

The total amount for this initial disbursement authorization, as recommended by staff, is $136,239,515 out of the 250 million. This leaves $113,760,485 left to distribute at a future Commission meeting. Staff will recommend subsequent disbursements based on calendar year 2021 losses at a future meeting. Ports that either did not apply during this disbursement tranche or that received an amount less than their requested amount may reapply for consideration.

Thank you and I'm available to answer any questions.

CHAIRPERSON KOUNALAKIS: Thank you very much for that presentation, Mr. Boggiano. Commissioner Yee, do you have any questions or comments?

COMMISSIONER YEE: Thank you, Madam Chair. I just wanted to thank Jennifer and the staff for really working through these applications and working with the administration on this. I know that for many of the ports
that were listed, this has been a very, very challenging
time, and the funding could not be more welcome. And this
is -- these were issues that were in place from the
beginning of the pandemic, and, of course, now with the
additional attention focused on the supply chain issues,
it's -- the ports have been certainly challenged.

And so I really appreciate the processing of the
applications and then also being thoughtful with respect
to the second tranche of the funding. As we know, there
is still a lot in flux with respect to what the ports are
undergoing and expectations of them. And so we look
forward to the ongoing discussions with respect to the
second tranche of the funding.

Thank you.

CHAIRPERSON KOUNALAKIS: Thank you.

Commissioner Miller, do you have any questions or
comments?

ACTING COMMISSIONER MILLER: No. Just echo.
I -- the only additional comment I would make is just a
huge thanks to the ports. I think, you know, because of
the extraordinary year and how complicated it really is to
make sure that we're adhering to the letter of the law of
the federal law and also making sure that we get everyone
exactly what they need in terms of this funding, I think
it really was the definition of a group effort. And I
would like to shout-out our team at the Department of Finance as well. I think they did a fantastic job on this, and of course as always, the State Lands Commission. So a great example of team work and making sure that we get the right answers for all the parties involved, so thank you very much.

CHAIRPERSON KOUNALAKIS: Thank you very much. I'll just add my sentiments to those. Thank you to the ports. This has not been an easy process to be able to identify the mechanisms to be able to contribute these funds and truly to Governor's office for his recognition of the importance of the health, the economic health, of our ports and our state. People may be wondering why do the ports need additional support, when there's more shipping than ever coming through them? And the fact is that our ports do many things, and particularly those which have a high reliance on tourism. Early on in the pandemic, they were giving generous support to their tenants, so that small businesses weren't forced into bankruptcy, being very flexible and accommodating. And so the ability to channel federal -- first of all, obtain the federal support and then find the mechanism to be able to direct it to them, it has all been a very complicated process and one that's required a lot of -- a lot of entrepreneurial thinking.
And so I think it has taken us a lot to get here and is just the right place to be able to support such an important component of the California economy.

Katie, do we have any public comment?

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Yes. Thank you, Madam Chair. We do have several hands raised to provide comment on this item.

First, we have Mayor Alejandra Sotelo-Solis.

CHAIRPERSON KOUNALAKIS: Madam Mayor, you have the floor.

NATIONAL CITY MAYOR SOTEOLO-SOLIS: Gracias. It's the -- you're muted. I wanted to hit the button before I started talking.

Okay. Well, again, buenos dias. Mayor Sotelo-Solis here from the City of National City to share my thoughts on item 1 regarding ARPA funding.

On August 18th when funding was being discussed to be distributed to the port district, the City Council unanimously submitted a letter on behalf of the City, respectfully requesting the San Diego Port of San Diego, our port district, to prioritize ARPA funding for National City's Balanced Plan, Maritime Clean Air Strategy, and Maritime Industrial Impact Fund.

National City has suffered from the highest COVID-19 case rates in the county, easily making a case
for a formal request for its fair share of those ARPA funds and a counterbalance of the inequities of past decades.

A quick background, our Balanced Plan is an effort and an actual plan that has been discussed for easily two decades. And it makes drastic -- drastically needed improvements along the port waterfront at the Pepper Park in National City, a little thumbprint at Pepper Park, connectivity to future commercial and transportation options to have easier and safer access to the waterfront, as well as offset environmental impacts that National City residents that are adjacent to industrial and maritime operations have had.

The Balanced Plan completion is equally essential to providing funding and mitigation efforts to implement the Maritime Clean Air Strategy, MCAS, and prioritize ARPA funding for MCAS projects and ongoing MIIF Maritime Industrial Impact Fund.

Annually, $17 million in revenue is raised out of the Port of San Diego. The Port, located specifically in National City, raises those $17 million. And yet for decades, industrial operations on tidelands and limited access to the water -- to the waterfront have contributed to economic, environmental, and health inequity challenges for the people of National City. That's why we ask for 25
1 million in public improvements for the Balanced Plan and
2 in solidarity with our Barrio Logan neighbors, we
3 requested that the port district allocate an additional 20
4 million to MCAS and five million to tideland.
5
6 Before -- as before you, National City has
7 received roughly $10 million, although not all on the
8 community side of the fence line. A total of three
9 million for the Balanced Plan, 850 for Pepper -- 850,00
10 for Pepper Park improvements, and six million for
11 electrification for offshore power at NC Terminal.
12
13 National City understands and appreciates the
14 port's important role in the region as an economic engine
15 and environmental steward. As an agent of State public
16 lands, the port district must conduct itself on principles
17 of equity, sustainability, and resilience. National City
18 has been a historical victim of the interpretation of
19 these higher ideals. ARPA has provided an opportunity for
20 port district to fund these long-standing equity goals.
21
22 And again, we appreciate the opportunity to share
23 this information. I will be submitting this letter for
24 the record for the members to review.
25
26 Thank you.
27
28 CHAIRPERSON KOUNALAKIS: Thank you very much.
29
30 Katie, do we have any other speakers?
31
32 ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Yes.
Thank you, Madam Chair.

Our next speaker is Job Nelson.

MR. NELSON: Good morning. Thank you. For the record, my name is Job Nelson. I am a VP of Strategy and Policy at the Port of San Diego.

I wanted to start my time this morning by -- with a number of thank yous. First, I wanted to thank your Executive Director Jennifer Lucchesi. She has been amazing to work with keeping things moving rapidly, while still seeking our input along the way. I would remiss if I didn't -- I'd be remiss if I didn't thank Ben and Reid, who have been meeting weekly -- multiple times a week to make sure that we get the program set up in just the right way to ensure dual goals of flexibility and accountability. And I would also like to thank the Commissioners. I would like to -- I know personally that you Madam Lieutenant Governor and you Madam Controller personally made calls to help land this money in the first place and then have been available as various hiccups have occurred and you've been great to work with.

And Commissioner Miller, I would also like to personally thank you. You worked with us and your finance staff to help land this plane. I will never forgot sitting on the floor of the Disney Grand California Conference Center on a conference call, because you pulled
together an emergency meeting to help alleviate all of our concerns. And I'm happy to report that my wife has forgiven me for interrupting our birthday celebration to be on that call.

You have all heard our story. We are -- over the last 20 months, we've experienced about $100 million in lost revenue. We have been hindered on our major maintenance, technology upgrades, our move forward on many of electrification initiatives. And you heard this morning from Mayor Solis, even our Maritime Industrial Impact Fund, we weren't able to fund it the last two years. Although, I am happy to report that we've funded it for 2020. And we will now be looking to replace 2021 in the coming year.

And we have been hindered in terms of our opportunities to make California ports the cleanest in the world. And I will commit to you that we will be putting the money to good use to help California rebound not only strong, but better in so many ways. Around 40 percent of this money will go to major maintenance on critical piers. We have piers and wharves that are a century old and we are literally coning off sections of terminal right now, because they might collapse under the weight of machinery. This money will help to fix that.

We are taking a quarter of the funding and
putting it towards electrification activities that will
benefit nearby disadvantaged communities. And we will be
also taking over 15 percent of our funds and engaging in
projects that benefit disadvantaged communities,
communities like National City, Chula Vista, and Imperial
Beach, which were some of the hardest hit by COVID.

Let me close by giving a very real example of how
this will help the State rebound not only stronger, but
better. If this decision happens to today, we will be
taking to our board next week a contract to buy a fully --
a fully electric crane system to replace Old Blue, our
Gottwald crane, which has broken down multiple times. It
was our single dirtiest piece of equipment on our
terminals. Not only will it be replaced by clean
technology, we will -- it will also create a new ultra
heavy lift capacity, one of the few ports on the west
coast to have such capabilities.

We have done the analysis using Caltrans data,
and many of our companies have to import or export ultra
heavy goods through the Gulf. This will give them a clean
California option, saving them time and money. Your
action today will set the groundwork for this and similar
activities at our port and others to happen. So thank you
and we urge your support.

CHAIRPERSON KOUNALAKIS: Thank you very much.
Katie, any other -- anyone else who would like to make a comment?

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Yes.

Thank you, Madam Chair.

Our next speaker is Danny Wan.

CHAIRPERSON KOUNALAKIS: Hello, Danny. You have the floor.

MR. WAN: Thank you. Thank you Lieutenant Governor. Thank you, Commissioners, Controller Yee. And I want to echo the comments that were just made about our thanks to both staff and to the Commission for facilitating this. It's fair to say that without you, this would not have been possible to have distributed funds in such an efficient and timely manner, and also to really do it in a way that it does -- it in deed is going to help us get on track and retain our workers, as well as advance very important infrastructure projects that we are badly in need of because of the delay by the pandemic. So on behalf and being the President of the -- of California Association of Port Authorities, I thank you for the work.

And as the Director of the Port Oakland, I want to note that the funding is going to help us get our storm water and assessment -- assess deficiencies that had been delayed because of the pandemic, and getting the people to work on that, and also to assert the community, both in
terms of water quality and upgrading our system to serve
the business.

And as you know, the Port of Oakland has three
lines of business, airport, as well as a commercial real
estate visitor-oriented component, as well as the seaport.
So obviously, our visitor-oriented business has suffered
greatly during the pandemic, but even the seaport, just
the logistical chain kind of mystical way that we work.
Even though LA and Long Beach has been congested, just to
let you know, in October '20, the Port of Oakland actually
had a 20 percent drop in volume since the year before.
And we are -- we have capacity and we're working that out
with our shipping lines. So this congestion issue still
needs to be worked out and we need -- we're working very
hard at it, but with your help, we're going to get there.

Thank you very much.

CHAIRPERSON KOUNALAKIS: Thank you very much.
It's nice to see you, Danny, and thank you for everything
you and your colleagues are doing in Oakland.

MR. WAN: Thank you very much.

CHAIRPERSON KOUNALAKIS: Do we have any other
speakers, Katie?

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Yes.
Thank you, Madam Chair.

Our next speaker is Elaine Forbes.
MS. FORBES: Good afternoon, Chair Kounalakis and members of the State Lands Commission. I'm so pleased to be here today and I just couldn't miss the opportunity to say what a remarkable coming together this has been. You know, Controller Yee, you said it was the best of times and -- the worst of times and the best of times. And getting these funds was really for our port the best of times, in terms of the collaboration and the leadership that came from the Governor and definitely from you, Lieutenant Governor Kounalakis and definitely from Controller Yee. I really don't think we would be here today with such a -- such ability to celebrate the recovery of our port without your leadership.

Then I'll turn to the logistics of getting this done. It was complicated. It required pivoting. I can't tell you how incredibly professional, and kind, and thorough your Executive Director Jennifer Lucchesi has been through this process, how incredibly creative Gayle Miller and her team have been in getting us by the letter of the law, but getting the funds together.

And in terms of what it means for the Port of San Francisco, it means we can keep many of our tenants, specifically targeting our BIPOC tenants. It means that those leases won't go empty and vacant, so folks can continue to flourish on our San Francisco waterfront. It
means that we won't have to let go of operations staff and lose really talented people in the crafts, and really talented port employees to keep our operations going, and it means we can invest in our infrastructure.

When you go to the Port of San Francisco and see us doing well, it is in very much large part to this collaboration that has come together to distribute very deeply needed funds from our revenue loss. My team and I are deeply grateful. We'll continue to be grateful. And the port waterfront will flourish as a result of this incredible creativity, collaboration, and once in a lifetime really coming together to support the ports.

So I thank you very sincerely.

CHAIRPERSON KOUNALAKIS: Thank you, Elaine, and thank you for your leadership and creativity in this process, and your advocacy as well. And back to you, Katie. Any additional speakers?

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Yes. Thank you, Madam Chair. Our -- the next speaker is Martha Miller. And currently, this is the last hand raised.

CHAIRPERSON KOUNALAKIS: Okay. Martha, now --

MS. MILLER: Sorry.

CHAIRPERSON KOUNALAKIS: -- now we can hear from you.

MS. MILLER: Speaking at the correct time now.
(Laughter.)

MS. MILLER: I'll just -- you know, I don't want to be duplicative, but, you know, sincere thanks to everyone. As the Executive Director of the California Association of Port Authorities cannot, you know, thank the list of staff and leadership for Lieutenant Governor, Madam Controller, Commissioner Miller, Jennifer Lucchesi and Reid and Ben, everyone has just really come together on this to make the single largest investment in our California ports in recent memory. So it's just hugely important. You've heard what those projects are going to go to and we just want to thank you for your support.

CHAIRPERSON KOUNALAKIS: Thank you very much. Okay. So with that, if there are no other people seeking recognition, may we have a motion to adopt staff's recommendation and a second.

COMMISSIONER YEE: Madam Chair, so moved.

ACTING COMMISSIONER MILLER: Second, please.

Thank you.

CHAIRPERSON KOUNALAKIS: We have a motion by Commissioner Yee and a second by Commissioner Miller. Ms. Lucchesi, will you please call the roll.

EXECUTIVE OFFICER LUCCHESI: Certainly.

Controller Yee?

COMMISSIONER YEE: Aye.
EXECUTIVE OFFICER LUCCHESI: Commissioner Miller?
ACTING COMMISSIONER MILLER: Aye.
EXECUTIVE OFFICER LUCCHESI: Chair Kounalakis?
CHAIRPERSON KOUNALAKIS: Aye.
The motion --
EXECUTIVE OFFICER LUCCHESI: The motion passes unanimously.
CHAIRPERSON KOUNALAKIS: All right. Okay. Truly historic. Thank you again everybody.

Item 2 is to consider approval of the 2011 Lake Tahoe, Donner Lake Categories 1 and 2 benchmark rental rates for sovereign land in El Dorado, Placer, and Nevada counties. May we have the presentation, please.

EXECUTIVE OFFICER LUCCHESI: Certainly. Brian Bugsch of our Land Management Division will be giving staff's presentation.

LAND MANAGEMENT DIVISION CHIEF BUGSCH: I think Phil has the PowerPoints. He'll bring that up. Thank you.

(Thereupon a slide presentation.)

LAND MANAGEMENT DIVISION CHIEF BUGSCH: Good Morning, Madam Chair and Commissioners. My name is Brian Bugsch and I'm Chief of the Commission's Land Management Division, and I'm here to present on Item 2.

Next slide, please.
LAND MANAGEMENT DIVISION CHIEF BUGSCH: Staff recommends the Commission approve updates to the Category 1 Lake Tahoe berths and buoys benchmarks and establish a Category 2 Lake Tahoe non-water dependent use benchmark. All three benchmarks apply to recreational use leases at Lake Tahoe in El Dorado and Placer counties and at Donner Lake in Nevada County.

While staff generally referred to these benchmarks as the Lake Tahoe benchmarks, they also apply to leases on sovereign lands at Donner Lake.

The use -- next slide, please.

LAND MANAGEMENT DIVISION CHIEF BUGSCH: The use of benchmarks is authorized by the California Code of Regulations. Benchmarks are used to establish uniform rental rates in specific geographic areas with large concentrations of similar facilities. Benchmarks improve consistency, transparency, and predictability throughout that geographic area.

Commission appraisal staff generally updates benchmarks every five years. And the benchmarks are then used as the foundation for the recommended rental rates approved by the Commission for individual lease authorizations and rent revisions.
LAND MANAGEMENT DIVISION CHIEF BUGSCH: These are the authorities and regulations that kind of govern our ability to charge rent.

Next slide, please.

LAND MANAGEMENT DIVISION CHIEF BUGSCH: And we'll keep going through. These are the benchmarks throughout the state.

Next slide.

LAND MANAGEMENT DIVISION CHIEF BUGSCH: And these are the current benchmarks.

Next slide, please.

LAND MANAGEMENT DIVISION CHIEF BUGSCH: The current Lake Tahoe berths' benchmark is $0.79 per square foot. And the Category 1 Lake Tahoe buoys benchmark is at $377 per mooring buoy.

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LAND MANAGEMENT DIVISION CHIEF BUGSCH: The current rates were set in 2012. At that time, the Commission reviewed the use of benchmarks at Lake Tahoe...
after hearing concerns from the lessee regarding the methodology. At the direction of the Commission, staff met with Lake Tahoe stakeholders and lessees, and reviewed and analyzed numerous alternative methods for determining rent for the Lake Tahoe piers and buoys.

Other methodologies explored resulted in significantly higher rental values. Ultimately, staff determined the existing benchmark methodology was the most reasonable approach and the best methodology to continue using. In May 2012, the Commission agreed with staff's recommendation and authorized staff to continue using the Category 1 Lake Tahoe benchmarks.

As mentioned previously, benchmarks are generally updated every five years, so we commenced again with studying the benchmarks in 2017. During that -- during this process, two homeowner groups hired consultants to review, analyze, and develop alternatives to the Commission's proposed benchmarks.

Staff met with the homeowner groups' representatives, reviewed the consultant's input, and participated in two public stakeholder meetings. The primary critique was that the 2012 benchmark accounted for the year-round occupation of State land by annualizing the in-season marina rates.

The consultants pointed out that demand is much
higher during the in-season, and applying these rates to year-round occupancy was not an accurate reflection of market conditions. Based on this input, staff recommended a proposed benchmark that used the average in-season monthly rent multiplied by the average marina season of five months, instead of the 12 months in the 2012 benchmark. The proposed benchmarks were brought before the Commission for consideration at its February 8, 2018 meeting.

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LAND MANAGEMENT DIVISION CHIEF BUGSCH: This slide demonstrates the methodology used to calculate the 2012 first benchmark. The in-season marina rate was annualized and applied to year-round occupancy, and that arrived at the $0.79 per square foot.

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LAND MANAGEMENT DIVISION CHIEF BUGSCH: This shows the methodology to calculate the 2012 buoys benchmark where marinas with buoys are surveyed and a percentage change is determined based on the average surveyed monthly rent and then applied to prior benchmark rate.

Next slide.
LAND MANAGEMENT DIVISION CHIEF BUGSCH: This is the calculation used for the proposed 2017 benchmark, where the average in-season marina rate is multiplied by the five percent annual rate of return, and then converted to a per square foot value. Thank you.

Next slide.

LAND MANAGEMENT DIVISION CHIEF BUGSCH: And this slide shows the calculation of the proposed 2017 buoys benchmark. And rather than applying a percentage change, as was done for the 2012 and prior buoy benchmarks, an average of in-season rental -- marina rental rates was determined and the five percent rate of return applied to arrive at the number.

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LAND MANAGEMENT DIVISION CHIEF BUGSCH: Next slide, please.

LAND MANAGEMENT DIVISION CHIEF BUGSCH: So stakeholder -- stakeholders involved with the Lake Tahoe Science and Lake Improvement Account expressed concerns about impacts of the lower benchmark rental rates. At the February meeting, the Commission deferred action on the
2017 proposed benchmarks and approved the continuation of the 2012 benchmarks.

The Commission directed staff to hire a consultant for an independent third-party evaluation. In 2019, staff hired the Doré Group. In September 2020, staff released the Doré Group's draft Lake Tahoe rent methodology study that included evaluation of various rent methodologies and a recommendation for a rent-setting methodology and benchmark rates.

Lessees and stakeholders were notified by letter and staff hosted a virtual town hall in November of 2020. In March 2021, the Doré Group updated and finalized the study.

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LAND MANAGEMENT DIVISION CHIEF BUGSCH: The Doré Group looked at various methods available to the Commission under the California Code of Regulations for charging rent and developed eight methodologies. Ultimately, Doré settled on two preferred methods among the eight for setting the Category 1 benchmarks, method one based on an upland land value, and method seven based on a submerged land value.

They then proposed bench -- a benchmark based on a weighted average of the two methodologies. For the
Category 1 berths benchmark, the Doré Group recommended a rent value of $2.84 per square foot.

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LAND MANAGEMENT DIVISION CHIEF BUGSCH: For the buoys benchmark, the Doré Group recommended a similar methodology based on a weighted average of methods one and seven. The proposed benchmark was $450 per buoy.

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LAND MANAGEMENT DIVISION CHIEF BUGSCH: Lessees and stakeholders expressed concerns with some of the assumptions made. Difficulty following and understanding the Doré Group's methodology and questioned the fairness of implementing a complex methodology that cannot be clearly explained or understood. Staff share many of the same concern. Staff did not understand the reasoning behind some of the assumptions made and the relevance of using some of the data.

This methodology is complex and is a significantly different approach and methodology used for the Commission's other Category 1 benchmarks throughout the state. If the Doré Group's methodology is adopted, it may necessitate similar changes to all the Commission's Category 1 benchmarks and would likely require hiring
consultants to do the benchmark updates, which could lead to delays and significant cost increases. That could nullify many of the benefits of benchmarks, which include time and resource savings, and cost savings for both the applicant and the State.

Staff continues to support a rent-setting method that is transparent, understandable, easy to update, and straightforward to implement, while ensuring that the Commission is receiving fair rental rates for the use of sovereign lands. Adopting the Doré methodology would be inconsistent with these criteria.

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LAND MANAGEMENT DIVISION CHIEF BUGSCH: So after 10 years of discussion and debate, and considerable internal staff review, staff believes that a benchmark methodology based on commercial marina rates is the most appropriate methodology. This slide shows the calculation for a berths benchmark using this methodology. It is substantially the same methodology used throughout the state and what was used for the Lake Tahoe benchmarks in 2017.

However, the 2017 calculation did not account for a pier's year-round occupation of State lands. Year-round occupancy was accounted for in the 2012 and prior
benchmarks, but these benchmarks in-season rates were annualized. Annualizing in-season rates assumes that boating activity and marina income at Lake Tahoe during the winter is the same as it is during the summer. Although not all piers are used during the winter for boating, a pier is a permanent structure and the land it occupies still has value throughout the year, whether it is used or not.

Staff determined that an accurate and fair rental should incorporate compensation for both the in-season and off-season and to treat the two components separately. While most the marinas throughout the State rent berths on a monthly basis, berths are more commonly rented on a seasonal basis of Tahoe.

As shown in this slide, staff surveyed the marinas and the rent berths -- that rent berths to determine a combined in-season and off-season rate of $11,476. In-season component is the average in-season rate for marinas, which is $8,362, and the off-season component is the low end of the off-season rate for marinas, which is $3,114.

Combined, this is the revenue that can be generated on sovereign lands for the entire year. We then applied the five percent annual rate of return and converted it to a per square foot value to arrive at the
recommended benchmark of $0.814 per square foot. It should be noted that staff considered several different approaches to determine the off-season rate, such as applying a minimum rate -- a minimum rent for a pier's occupancy during the off-season, calculating the off-season rate as a percentage of the in-season rate, and applying upland value.

But in the end, staff felt these methods were more arbitrary and less precise than relying on market data.

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LAND MANAGEMENT DIVISION CHIEF BUGSCH: Unlike berths, none of the marinas reported renting buoys in the off-season. Therefore, no off-season market data was available. In addition, many buoy floats are detached from their anchors and removed from the water during the winter, so they do not obstruct public access.

The use and occupation of buoys are limited to the in-season. Consequently, the in-season buoy rate is effectively the annual rate and accounts for all the income generated during the year. The average in-season buoy rate is $5,450. Applying the five percent rate of return yields a proposed 2021 Tahoe buoy benchmark of $273 per buoy.
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LAND MANAGEMENT DIVISION CHIEF BUGSCH: After extensive review of the Doré report, stakeholder input, and staff's analysis, staff believes the proposed Category 1 Lake Tahoe berths and buoys benchmarks accurately reflect market conditions by accounting for the use and year-round occupancy of State land.

The recommended method is simple, efficient, easy to understand, and more transparent than any of the other methods analyzed. It also does not impact the Commission's methodology for other Category 1 benchmark rental rates.

Because staff can update the benchmarks using this methodology, updates would not require hiring a consultant every five years, saving significant time and money. Staff believes the proposed benchmarks are in the State's best interests.

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LAND MANAGEMENT DIVISION CHIEF BUGSCH: The impact area is an additional area beyond the physical footprint of a structure, where a lease conducts activities. For Tahoe, the impact area is
generally a nine-foot area along a pier or under a boat lift. These areas include -- are included in the lease and rent as charged.

Some stakeholders suggested that the State should not charge for the impact area because boats are only moored on the pier for limited times to load and unload. However, impact areas are applied throughout the state and rent is not reduced based on whether a boat is moored there and for how long. Based on the very low probability that impact areas are used during the off-season, staff recommends charging rent only when use is active during the in-season. Therefore, staff recommends applying the in-season benchmark component to calculate rent for the impact area and excluding the off-season component.

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LAND MANAGEMENT DIVISION CHIEF BUGSCH: Moving to the Category 2 recommendations. Staff recommend setting a Category 2 Tahoe benchmark to establish the fair rental value for non-water dependent use on sovereign land in Tahoe and Donner. In the Tahoe area, these uses predominantly include sundecks situated above boat houses, as well as a few areas of fill, and a few enclosed residential spaces on piers. These uses are not associated with traditional Public Trust consistent uses.
of docking and mooring of boats.

As for all the current Category 2 benchmarks, appraisal staff researches nearby upland property sales to determine average per square foot value, which is then multiplied by the State's required nine percent of return. In 2017, staff determined a rate of $10.80 per square foot.

In using the Category 2 benchmarks, the Commission's practice is to apply a discount of up to 75 percent in situations where the sovereign land being leased may not have the same utility as the upland properties. The discount and value is relative to the adjacent developed property, because it has a lower utility and generally cannot be developed to the same highest and best use, but still enhances or contributes value to the property. In 2017, the discounted rate was $2.70 per square foot.

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LAND MANAGEMENT DIVISION CHIEF BUGSCH: Next slide, please.

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LAND MANAGEMENT DIVISION CHIEF BUGSCH: The Doré Group recommended a Category 2 rate at $9.18 per square foot. The Doré Group's methodology is based on a
submerged land value with an upland value derived using sales comparison techniques supplied indirectly. The Doré Group also advised that a nine percent annual rate of return stipulated in the Commission's regulations appeared to be high and that a broader general market typically supports rates between four and six percent. Therefore, the Doré Group applied a five percent rate of return.

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LAND MANAGEMENT DIVISION CHIEF BUGSCH: As with the Doré Group's methodology for Category 1, staff had concerns with the Doré Group's Category 2 methodology and is also uncertain if a five percent rate is reflective of the market. The regulated rate is nine percent -- of nine percent is consistent with other public entities that similarly issue ground leases. Therefore, staff recommends using the same methodology as used for all Category 2 benchmarks throughout the state.

Applying the current market land value, the rate -- the proposed rate is $13.05 per square foot with a discounted rate of $3.26 per square foot.

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LAND MANAGEMENT DIVISION CHIEF BUGSCH: Now, I
just want to provide an example of how -- of a typical Lake Tahoe lease with a pier and two buoys to show a comparison between existing benchmarks and the proposed benchmarks and how it might impact rent.

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LAND MANAGEMENT DIVISION CHIEF BUGSCH: In this example, the current benchmark is on the left, the proposed benchmark is on the right. And as you can see the value for the pier increase slightly, the value for the impact area increases, and the value for the mooring buoys decline significantly.

Overall on this example, the rent declines $94, or seven percent, from $1,341 to $1,247. Rent for individual leases will obviously vary. Those with larger piers and less buoys will probably see the rents go up, while those with more buoys and less pier will -- the rents will probably decline. But we think that on average most rents will hold steady or decline slightly.

For example, for the Tahoe items on this December consent agenda, 20 -- 21 items will see a decrease in rent relative to the existing benchmarks, five will see an increase, and one had no change. Almost all the changes are less than $250 and with most of them less than $100.

Next slide.
LAND MANAGEMENT DIVISION CHIEF BUGSCH: All revenue generated from the Commission's leases at Lake Tahoe is deposited into the Lake Tahoe Science and Lake Improvement Account, which was created by SB 630. SB 630 authorizes the money to be expended by the California Natural Resources Agency for activities and projects on the lake, such as aquatic invasive species prevention, public access improvement, and near-shore water quality monitoring.

As mentioned earlier, in 2017, stakeholders involved in the account express concern regarding the impact to the fund. If the Commission adopts staff's proposed benchmark recommendations, conservative projections show that the funds will gradually increase every year despite a proposed decrease in the buoy's benchmark.

Next slide, please.

LAND MANAGEMENT DIVISION CHIEF BUGSCH: Now, this slide is a comparison of the existing benchmarks with all the proposed benchmarks over the past 10 years. With a proposed reduction for the buoys benchmark, lessees may want to recalculate their rent before expiration of their leases. To do so, they would need to apply for a lease...
amendment, which currently requires an approximate expense
deposit of $1,500 with a non-refundable filing fee of $25.

Lessees are requesting a reduction in the cost
associated with the amendment. Staff believes costs would
likely not exceed $1,000 to process the amendment for the
reduction in rent. Therefore, if the Commission approves
the proposed benchmarks, staff recommends the Commission
consider a delegation to the Executive Officer to reduce
the approximate expense deposit from $1,500 to $1,000 for
those lessees applying for a lease amendment.

Staff is not recommending a cap. The actual cost
to process an application will be applied, but this
reduction would not apply to any additional amendment
actions of either.

With the -- next slide, please.

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LAND MANAGEMENT DIVISION CHIEF BUGSCH: So with
the intent to develop a rent-setting method that is fair,
transparent, easy to implement, easy to update, and easy
for lessees and stakeholders to understand, staff believes
its recommended methodology is the most appropriate
methodology. Staff's recommended methodology is
consistent with the method used for the Commission's other
benchmarks, as well as all the relevant statutes and
regulations that govern the Commission's rent-setting
authority.

Staff understands that no matter what we propose, we do not have -- we will not have universal commitment. However, after extensive discussions and input from many interested stakeholders over the past 10 years, and efforts to explore alternative methodologies, including hiring an independent third-party appraiser, staff believes the proposed methodology is the most equitable approach to determine fair rental values. Staff recommends support of our recommendation.

Thank you and that concludes my presentation.

Staff is available to answer questions.

CHAIRPERSON KOUNALAKIS: Thank you very much. Before I ask the other Commissioners if they have comments, let me just thank everyone, first and foremost, all of those watching, all of those who've been here to speak in the past, who participated in this process for their input throughout the process, and again for those who I'm sure we're going to be hearing from.

This has not been easy. And I do want to acknowledge that we understand there are people who still have concerns, and we hear you. But I will say that staff had done an extraordinary job employing their greatest abilities, when it comes to critical thinking, and information gathering, and being able to balance all of
the factors including the history of how we got here.

I do feel that staff is proposing a fair and transparent solution to the question, which is at the heart of this issue, and that question is how do we calculate the rent for the use of Public Trust Lands in a fair and transparent process.

There are many ways the Commission could assign value. And as the last ten years have shown, it is not always clear what the best methodology is. And ultimately, the deliberations over the last 10 years have led us to the conclusion that the benchmark methodology must be transparent, understandable to everyone involved, easy enough for Commission staff to implement without subjective criteria, or extensive research, and ultimately fair.

The previous benchmark methodologies did not meet those criteria. The Doré Group analysis proved to be too cumbersome for everyone to understand and for the Commission to implement. Earlier methodologies did not consider that piers are in the water the entire year.

Similarly, it would not be fair to apply a summer rate to structures in the winter. Ultimately, the approach that staff has developed threads this needle and I do intend to support it today.

And finally, I think it's important that we keep
in mind that the revenues collected from the rent of these structures go back into improving Lake Tahoe. It is relatively rare for revenues collected at one location to go right back into improving that location. And I think we can all agree that it is important to invest in the jewel of the Sierras, beautiful Lake Tahoe, which is so important to our state. And as someone who grew up on that lake in my life growing up in Sacramento, I can certainly attest to the extraordinary jewel that it is.

So with that, I would like to ask the other commissioners, Commissioner Miller, if you have any questions or comments.

ACTING COMMISSIONER MILLER: No. I align myself with all of your comments, Madam Chair. I think -- I completely agree with the work and understand how complicated this can be, but think that this really does thread a fine needle. And I do sit on the Conservancy Board for Tahoe as well and I think the -- obviously, what we do with these funds is pretty remarkable as well. So I think that's just an important piece to keep in mind.

CHAIRPERSON KOUNALAKIS: Thank you. Commissioner Lee -- Yee had to leave early today. Ms. Kunkel, Deputy Controller, do you have any questions or comments.

ACTING COMMISSIONER KUNKEL: Not at this time.

Thank you
CHAIRPERSON KOUNALAKIS: Katie, do we have any public comments? If anyone would like to comment, please raise your Zoom hand.

Katie.

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Thank you, Madam Chair. We have a couple of speakers who would like to provide public comment. And our first speaker is Bill Magrath.

CHAIRPERSON KOUNALAKIS: Mr. Magrath, please unmute your microphone.

MR. MAGRATH: Hi. Thank you. I just have unmuted my microphone. Can you hear me?

CHAIRPERSON KOUNALAKIS: Okay. Yes, we can. Please proceed.

MR. MAGRATH: Great. Thank you very much. First of all, good morn -- good afternoon. I guess we're now past noon. Thank you, Lieutenant Governor. Thank you, members of the Commission. It's really an honor to speak with you directly and we appreciate giving input in this area.

My name is Bill Magrath. My wife and I are lessees of the California State Lands Commission for a pier and two buoys at Lake Tahoe in the Rubicon Bay area. I'm an attorney for 45 years. I'm also the owner of an 85-year old retail business in Lafayette, California.
We're shooting for a hundred years here in a couple years
down the road.

I'm here representing the Meeks Bay Vista
Property Owners Association. We are one of the two
stakeholders that Mr. Bugsch just recently mentioned, who
were very actively involved in this, starting back in
2012, but more importantly in the 2017 range. Our
President is Bill Lyons. He's a rancher from Modesto who
has previously served the State of California. I believe
many of the Commissioners know Bill personally. He wrote
a letter which addressed many of the issues that we are
discussing here today.

I'm very -- I'm very happy to hear the Lieutenant
Governor's early comments, because it makes my job much
easier. We are here to tell you that we've been involved.
We've spent thousands of dollars on consultants and
appraisers. And I am very happy to say that the State
staff have been wonderful to work with. I have to
compliment every single person of your staff, Mr. Bugsch
Ninette Lee, Chaun Wong, Warren Crunk, even Colin Connor
who worked with us back in 2017. They are wonderful
ambassadors of your organization and were very cautious,
and careful, and gave us the time to meet with them, so I
compliment them.

I'm speaking on behalf of our association. And I
contacted Mr. Bugsch earlier about getting additional
time. And one of the people who signed up to speak is a
gentleman by the name of Rob May. Mr. May is on the
sign-up list as a speaker today. He has ceded me his
three minutes, if that's possible, because I do have a few
comments to go through on the overall recommendation.

CHAIRPERSON KOUNALAKIS: That's fine. I'll allow
it.

MR. MAGRATH: Thank you very much. I appreciate
that.

CHAIRPERSON KOUNALAKIS: That's three -- so you
have about three and a half minutes left.

Go ahead.

MR. MAGRATH: Thank you very much. I appreciate
that. They can let the time run down to zero and start
over. I'll be quick.

I do want to say this, and that is that we have
been involved from the beginning. And I don't know why
our little association of a hundred members on the west
shore down by Meeks Bay and Rubicon Bay got so deeply
involved, but we are committed to fairness in this
process. And I admire your staff for listening to us and
allowing us to have that input. We formed complex
appraisers, consultants. We sent in staff. I made two
trips to Sacramento with Bill Lyons and met with Mr.
Bugsch, and Colin Connor, and we have met with Mr. Wong. And your staff was terrific. They accepted it. They realized that maybe the 2012 numbers weren't done correctly, because they were annualized and they came up with a more fair analysis.

We were there in 2018 supporting that staff recommendation, and the decision was made to postpone it, hire the Doré Group, and we then participated. I had Mr. Lance Doré on my deck and explained to him our feelings as homeowners at Lake Tahoe. We then saw the Doré Group come out and were -- like Mr. Bugsch just recently said, we were completely flummoxed by the general complicated analysis of the Doré Group and we're very happy to see that your staff recommended a more fair, simple Category 1 and Category 2 process.

We, as the members of my little association, 100 people, fully support the staff recommendations for Category 1 and Category 2. I will tell you we don't agree with everything that was done. We have some who are unhappy with the CPI increase each year. We have some who are unhappy that it doesn't differentiate between El Dorado County and Placer County. We're in El Dorado County. Placer County rents are much higher.

And there's one other matter, although we fully support and urge you to vote in support of the staff
recommendation. There's one other matter that we'd like to bring to your attention. You know, we've all seen on television these smash and grab operations where retail businesses are stormed and beautiful goods are stolen. At Lake Tahoe, there are approximately 1,000 unpermitted buoys. People are using your submerged sovereign lands for free. All of us who are paying our rent would hope that you or TRPA would take action to stop that, because maybe that buoy owner will pay you a lease, like I do, an annual rental.

TRPA and California State Lands should attempt to stop these scofflaws from using your land unfairly. And we hope that you will consider that, albeit it's not part of this recommendation. We've spoken with Mr. Bugsch about this, et cetera.

The final other comment I'd make is that the regulation clearly provides that you can make a discount for the public benefit provided by piers. If you're on a boat and your boat breaks down, you're hopeful that you can paddle to a pier or a buoy. And that's provided by the public for free -- by our private members for free. We think there's a benefit and a discount should be applied.

But I urge you to support this. I greatly appreciate the chance to speak to you? I'm honored. This
is a great system. Your technical people are wonderful. It's nice to be able to speak our piece from our offices or our homes. We appreciate what you do. And I want to again compliment your staff. They are a first class group. Thank you.

CHAIRPERSON KOUNALAKIS: Thank you. Thank you very much. Katie, do we have anyone else who would like to speak on this item?

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Yes. Thank you, Madam Chair. Our next speaker is the Tahoe Lakefront Owners' Association.

CHAIRPERSON KOUNALAKIS: Please unmute yourself. You have the floor.

MS. BRISCO: Thank you. This is Jan Brisco with Tahoe Lakefront Owners Association. And we appreciate the opportunity to speak with you today. I think this is a historic event after really so many years, decades really, of really trying to negotiate this very difficult issue and issues. We are so appreciative of the Commission staff for the number of hours, the hard work, the analysis, the time spent attending webinars for our association, at night and on the weekends, and in-person and virtually. They have made themselves completely available and answered questions. We do appreciate that very much. It's -- it is in the hopes of obtaining a very
open and transparent process. And so we really wanted to
let you know how much we appreciate that and your support
of this item on the agenda today.

While we believe that it is a good resolution at
this time, we just want to let you know we're going to
continue to be at the table to represent all of the
California lakefront owners. We have so many who would be
here in support of this today, and we're speaking on
behalf of many of them, of course.

But as we move forward, we just want you to know
that there are -- there is still work to do and there are
issues to address. And so we will be at the table. We
will be working with staff to really find the fair and
right solution for these as additional analysis,
additional information becomes available.

But again, I just wanted to say and not take up
too much of your time. We appreciate and look forward to
implementing the new benchmark system.

Thank you very much.

CHAIRPERSON KOUNALAKIS: Thank you very much.

Katie, next speaker, please.

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Thank
you, Madam Chair. At this time, we have no other hands
raised to provide public comment.

CHAIRPERSON KOUNALAKIS: Okay. In that case, may
I have a motion to adopt staff's recommendation and a second.

Commissioner Miller, are you still there? I see you turned your camera off. There we go. May I have a motion and a second.

ACTING COMMISSIONER MILLER: Yes, please. I'm so sorry, Madam Chair. I'd like to move approval of staff recommendation, please.

ACTING COMMISSIONER KUNKEL: And I'll second that motion.

CHAIRPERSON KOUNALAKIS: Very good. We have a motion from Commissioner Miller and a second from Commissioner Kunkel. Have I said that correctly, Kristina?

ACTING COMMISSIONER KUNKEL: Yes, that's correct. Thank you.

CHAIRPERSON KOUNALAKIS: All right. Ms. Lucchesi, please call the roll.

EXECUTIVE OFFICER LUCCHESI: Certainly. Commissioner Kunkel?

ACTING COMMISSIONER KUNKEL: Aye.

EXECUTIVE OFFICER LUCCHESI: Commissioner Miller?

ACTING COMMISSIONER MILLER: Aye.

EXECUTIVE OFFICER LUCCHESI: Chair Kounalakis?

CHAIRPERSON KOUNALAKIS: Aye.
EXECUTIVE OFFICER LUCCHESI: The motion passes unanimously.

CHAIRPERSON KOUNALAKIS: All right. Thank you, everybody.

The next order of business will be the adoption of the consent calendar. Commissioner Kunkel, Commissioner Miller, are there any items you would like removed from the consent calendar?

All right. Ms. Lucchesi, could you please indicate which items, if any, have been removed from the consent calendar.

CHAIRPERSON KOUNALAKIS: At this point, we have -- we are removing consent items 28 and 45 from the agenda completely and those will be considered at a later time.

Based on requests to speak on consent agenda items, we are removing Item 72 from the consent agenda to the regular agenda. That will be heard after Item 76.

I do see that we have one hand raised from -- for public comment on consent agenda.

CHAIRPERSON KOUNALAKIS: Can you tell us which is Item 72?

EXECUTIVE OFFICER LUCCHESI: Item 72 is a request by the City of Long Beach for the Commission to review and expenditure of tidelands funds for the Queen Mary. So
that will be removed to the regular agenda, where staff will give a presentation.

CHAIRPERSON KOUNALAKIS: Very good. Is there anyone joining us virtually who would like to speak on any items remaining on the consent calendar. If so, please raise your Zoom hand now.

Katie, is there anyone there who would like to speak?

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Thank you, Madam Chair. Jessica Alvarenga had her hand raised, but she's lowered it. I'm not sure if she still wants to speak now or wait for staff's presentation.

CHAIRPERSON KOUNALAKIS: Okay. In that case, may I have a motion to adopt the consent agenda and a second?

ACTING COMMISSIONER MILLER: Move the consent agenda please as described by Ms. Lucchesi.

ACTING COMMISSIONER KUNKEL: I'll second that motion.

CHAIRPERSON KOUNALAKIS: We have a motion from Commissioner Miller and a second from Commissioner Kunkel. Ms. Lucchesi, please call the roll.

EXECUTIVE OFFICER LUCCHESI: Commissioner Kunkel?

ACTING COMMISSIONER KUNKEL: Aye.

EXECUTIVE OFFICER LUCCHESI: Commissioner Miller?

ACTING COMMISSIONER MILLER: Aye.
EXECUTIVE OFFICER LUCCHESI: Chair Kounalakis?

CHAIRPERSON KOUNALAKIS: Aye.

EXECUTIVE OFFICER LUCCHESI: The motion passes unanimously.

Okay. The next order of business will be the regular calendar. Item 75 is an informational progress report on the Commission's third year implementing its Environmental Justice Policy. May we please have the presentation.

EXECUTIVE OFFICER LUCCHESI: Yessica Ramirez, our Environmental Justice Liaison, will be providing staff's presentation.

(Thereupon a slide presentation.)

ENVIRONMENTAL JUSTICE LIAISON RAMIREZ: Thank you. Thank you, Madam Chair and Commissioners. My name is Yessica Ramirez and I am the Environmental Justice Liaison at the Commission.

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ENVIRONMENTAL JUSTICE LIAISON RAMIREZ: Over this past year, our staff have diligently and carefully worked to implement the Commission's Environmental Justice Policy. Today I will provide an update on our progress during the third year of implementation.

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J&K COURT REPORTING, LLC (916)476-3171
ENVIRONMENTAL JUSTICE LIAISON RAMIREZ: Much like our first two years, staff has worked internally and externally on policy implementation, collaborating with environmental justice organizations, tribal government representatives and other agencies to implement the policy. Today, I will provide a brief overview of our policy, launching our justice, equity, diversity, and inclusion team. I will discuss our interagency partnership and development of processes for environmental justice outreach, and I will conclude with an outlook for the year ahead.

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ENVIRONMENTAL JUSTICE LIAISON RAMIREZ: When the Commission adopted a comprehensive Environmental Justice Policy and Implementation Framework in 2018, it committed to the principle that past environmental injustices will not define California's future and that commitment is just as important today, if not more so, than it was in 2018.

The policy outlines 12 bold and transformative goals reflecting input from community outreach and guidance from an environmental justice working group. They are also reflective of climate change and how the impact on human health disproportionally affects marginalized and disadvantaged communities.
As the Commission works to adopt -- adapt to climate change and promote climate resiliency, addressing environmental justice will be imperative.

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ENVIRONMENTAL JUSTICE LIAISON RAMIREZ:
Commission staff created and implemented its first ever Justice, Equity, Diversity, and Inclusion team. This new team known as the JEDI team is a participatory decision-making team comprised of staff from each Division. The JEDI team is dedicated to promoting equity, inclusion, and diversity, and addressing environmental justice within the Commission and throughout its work.

The JEDI team consists of four subcommittees. They are our Diversity, Inclusion, and Hiring Subcommittee, Environmental Justice Policy Implementation, Outreach and Engagement, and an Equity Matters Newsletter. Each subcommittee focuses on advancing goals that will help the Commission continue to successfully implement its Environmental Justice Policy and racial equity action plan, and to develop other initiatives to embed justice, equity, diversity, and inclusion into the Commission's programs, practices, and culture.

The Commission's JEDI teamwork also aligns with its 2021-2025 Strategic Plan. When the Commission was
developing its new strategic plan, staff was intentionally -- intentional in ensuring that the strategic plan aligned with the efforts and goals of the JEDI team. Staff also ensured that the strategic plan reflected the Commission's commitment to addressing social, economic, and environmental justice, in committing to collaborative leadership among other things.

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ENVIRONMENTAL JUSTICE LIAISON RAMIREZ: JEDI team meetings this year provided educational opportunities for staff, as well as a safe space to engage in difficult conversations covering topics of equity, diversity, and inclusion. Staff engaged in an insightful presentation and discussion about microaggressions and the impact they play in the workplace. Additional meeting topics include defining and understanding meaningful community outreach and engagement and how to success -- and successfully conduct community engagement, as well as sharing examples of challenges of other State departments that also have JEDI teams.

Commission staff also had the opportunity to learn from a sister agency on their work to evaluate a major permit application through the lens of environmental justice, and lessons learned on their engagement with the
environmental justice community.

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ENVIRONMENTAL JUSTICE LIAISON RAMIREZ:

Commission staff is part of an interagency partnership that includes the California Coastal Commission, State Coastal Conservancy, Ocean Protection Council, San Francisco Bay Conservation and Development Commission, and the National Oceanic and Atmospheric Administration. Staff participates in monthly coordinated -- coordination meetings with these agencies to discuss equity and environmental justice and to learn from one another.

Discussion topics include how agencies evaluate the effectiveness of environmental justice policies, how well community engagement is working, and how environmental justice is analyzed in regulatory settings. Other topics include peer-to-peer sharing, trainings, policy initiatives, and resource sharing.

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ENVIRONMENTAL JUSTICE LIAISON RAMIREZ: Staff developed a worksheet that our Land Management and Mineral Resources Management divisions use to determine when environmental justice outreach is necessary. This past
year, staff sent over 200 letters related to 13 lease applications for proposed projects. As a result of the outreach, staff meaningfully engaged with 12 environmental justice organizations.

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ENVIRONMENTAL JUSTICE LIAISON RAMIREZ: Among the key actions that involved environmental justice outreach and engagement this year includes the Commission's two off-shore wind energy applications off the coast of Vandenberg Space Force Base in Santa Barbara County and the Rincon Island Decommissioning Project in Ventura County. Both outreach efforts resulted in engagement with local community advocates. Staff gained valuable insight regarding the need to incorporate equity into the offshore wind projects workforce. Some advocates in Ventura County expressed their desire to have Rincon Island become a public space for their community to visit and enjoy.

Staff will continue its community engagement as the offshore wind energy applications are processed and Rincon Island Decommissioning Project unfolds.

And as we heard during the public comment from Mayor Sotelo-Solis, staff participated in a meeting with representatives from National City, a predominantly minority city in San Diego County, that is geographically
considered coastal, yet has no beach access and very limited access to San Diego Bay.

Most of National City's waterfront has been industrialized. Staff joined the mayor, city manager, city attorney, deputy city attorney, and a port commissioner on an environmental justice tour. Staff learned that National City is working on addressing a multitude of environmental justice issues. They have completed several toxic site clean-ups and have converted remediated land to open space, affordable housing, and community gardens.

Staff witnessed firsthand the disparities this community faces daily, and conducting more site visits, such as this one, will be crucial for staff to observe, listen, and learn from environmental justice communities.

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ENVIRONMENTAL JUSTICE LIAISON RAMIREZ:

Leveraging technology is an important aspect of the Commission's work and a key focus area in its 2021-2025 Strategic Plan. Consistent with this focus area, staff transformed its environmental justice webpage. Staff created and incorporated infographics to illustrate the 12 policy goals and implementation blueprint. These changes resulted in a much more vivid, enriching, and
informative webpage.

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ENVIRONMENTAL JUSTICE LIAISON RAMIREZ: Staff also added a GIS story map that illustrates case studies an environmental justice working group prepared for the Commission when it was developing its updated Environmental Justice Policy. This new feature provides an engaging and interactive way for the public to learn more about the Commission's Environmental Justice Policy.

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ENVIRONMENTAL JUSTICE LIAISON RAMIREZ: Another focus area this year was -- has been transforming the agency-wide community engagement and outreach training conducted in February 2020 into a model curriculum available to other State departments. Staff worked with each module presenter to record each module and develop written content supporting the presentations. Staff is working with the California Natural Resources Agency and the training outreach team to finalize the model curriculum and feature it on the Agency's website to be a broadly available resource for other governmental entities.

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ENVIRONMENTAL JUSTICE LIAISON RAMIREZ: Staff is eager to continue implementing the Commission's Environmental Justice Policy in the year to come knowing that meaningful results are a result -- are outcomes of successful implementation. Staff intends to continue building and sustaining relationships and partnerships with environmental justice communities and advocates, and to strengthen and grow its interagency partnership. Staff is excited to continue building on the efforts of the JEDI team and to strengthen its racial equity action plan.

Staff is also looking forward to conducting regional outreach in environmental justice communities to identify community needs and ensure that environmental justice concerns are reflected in the Commission's work.

Additionally, staff intends to focus on Policy Goal 12, Accountability. One of the strategies outlined in the implementation blueprint to accomplish this goal is to establish an external environmental justice advisory group to advise the Commission and staff on the Environmental Justice Policy's effectiveness and provide input on ways to improve and adapt our work. The advisory group's expertise will foster accountability and help ensure that the Commission is progressing in its Environmental Justice Policy implementation, and doing so
in a way that is beneficial to disadvantaged and vulnerable communities. And I am sure that there will be many other ways we will be implementing the policy in 2022 as we continue to grow, learn, and adapt.

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ENVIRONMENTAL JUSTICE LIAISON RAMIREZ: The Commission and its staff have enthusiastically embraced the challenge to implement an Environmental Justice Policy that is meaningful to the communities it serves and to the people of California. We are incredibly thankful for the work our JEDI team and Commission staff have invested to implement the policy and we are excited to continue to build on those efforts. We are grateful for the considerable support from the Commission's executive leadership and from the Commissioners. We are also grateful for the community advocates that have taken time to engage with us. We are also grateful for the partnerships that we have with sister agencies and we have learned so much from one another.

Thank you and I am happy to answer any questions.

CHAIRPERSON KOUNALAKIS: Thank you very much, Ms. Ramirez and for you and your colleagues' work on this incredibly important work that we do at the Commission and for that great presentation.
Commissioner Miller, do you have any questions or comments?

ACTING COMMISSIONER MILLER: (Shakes head.)

CHAIRPERSON KOUNALAKIS: Commissioner Kunkel, any questions or comments?

ACTING COMMISSIONER KUNKEL: No, thank you.

CHAIRPERSON KOUNALAKIS: Katie, do we have anyone from the public who would like to address this item?

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Thank you, Madam Chair. At this time, we have no hands raised to provide public comment.

CHAIRPERSON KOUNALAKIS: Okay. Well, with that, again, thank you staff for the important work that you're doing and for that great presentation.

Our next item is Item 76, but looking at the time, Ms. Lucchesi, as you know, I need to step away. And I have asked my Chief of Staff, Dr. Matt Dumlao to step in for the remainder of the Commission meeting today. So Matt, if you are there, you can be elevated to Panel. There he is. And again, we're through most of today's work. And let me just say again, as my last meeting for a while as Chair, thanking everyone for another great year.

Okay. Matt, I will hand it over to you. Thank you, everyone.

ACTING CHAIRPERSON DUMLAO: Thank you, Lieutenant
Governor. As the Lieutenant Governor mentioned, I am her Chief of Staff, and I am happy to lead things for the rest of today's meeting.

So with that, Ms. Lucchesi, what is the next order of our -- of business?

EXECUTIVE OFFICER LUCCHESI: Our next order of business is Item 76. I will be giving staff's presentation on this item. But before we do that, I do want to just state for the record, a little known rule that comes into play when both of our Constitutional officers on this Commission are represented by alternates. So in a situation like this, according to the California Government Code, only one of the alternates can vote on any single action. The Department of Finance's representative can always vote.

So we still have a quorum. We can still proceed with the rest of the meeting. But as we lead into the vote for the next two items, we will need to make a decision on which one of you votes, whether it's Commissioner Kunkel or Chair Dumlando.

ACTING CHAIRPERSON DUMLAO: Sure. We can alternate.

EXECUTIVE OFFICER LUCCHESI: Yes.

ACTING CHAIRPERSON DUMLAO: I think we have a couple -- a couple of votes left here. So I can go ahead
and take the first one and then the Commissioner Kunkel can take the next one. And is there any -- anything we should know about making the motion and seconding it, anything particular there?

EXECUTIVE OFFICER LUCCHESI: That's a great question. So I recommend that on this next item if you're going to be participating, Commissioner -- Chair Dumlao, that Commissioner Kunkel not participate in making any of the motions.

ACTING CHAIRPERSON DUMLAO: Okay. Sounds good. All right.

EXECUTIVE OFFICER LUCCHESI: Great. Thank you.

ACTING CHAIRPERSON DUMLAO: Thank you.

EXECUTIVE OFFICER LUCCHESI: All right. So unless there are objections, I'm happy move on with Item 76 with staff's presentation.

So Item 76, staff is recommending the Commission adopt a resolution in support of the San Francisco Bay Conservation and Development Commission's, "Bay Adapt: Regional Strategy for a Rising Bay". The Bay Adapt joint platform is a result of a stakeholder-led process to determine the best ways for the Bay Area to become regionally resilient to rising sea levels. While the bay shoreline constitutes one-third of the California coastline, the Bay Area will likely experience two-thirds
of the negative economic impacts due to the flooding caused by rising sea levels, absent any measures to adapt and protect our people, our places, and our habitat in the Bay Area.

As sea level rises at an accelerating rate, the confluence of more intense winter storms, extreme high tides, and higher runoff with higher sea levels will increase the frequency and duration of shoreline flooding long before areas are permanently inundated by sea level rise alone. We've seen some of that in the last couple of days over the weekend with the King tides events.

In the face of this challenge, the Bay Area must protect and energize vulnerable and historically marginalized front-line communities, enhance and restore ecosystems, including our significant Public Trust Lands and resources that are already deeply affected by these activities, and we need to reduce flood risk for existing built infrastructure along the shoreline.

Thankfully, BCDC is leading this effort. As we know, increasingly frequent and severe impacts of the climate crisis do not conform to our government's jurisdictional boundaries or the planning and regulatory authorities of any one agency or organization. Bay Adapt begins to address these challenges by laying out a set of guiding principles, priority actions, and tasks that
public, private, and nonprofit organizations, including local and State governments with (inaudible) can implement in a coordinated and collaborative manner to adapt faster and more equitably to a rising San Francisco Bay.

I really appreciate the foundational principle of the Bay Adapt Strategy, which is essentially togetherness. As I mentioned, the climate crisis and sea level rise don't conform to each of our jurisdictions and authorities, and that is a fundamental principle of the Bay Adapt Strategy, so that we can all work together and collaborate to move forward to develop a more resilient bay.

And as such, we recommend that the Commission adopt the resolution in substantially the form as shown in Exhibit A of the staff report. Thank you and I'm happy to answer any questions. And I also believe that Executive Director Goldzband with BCDC is available to make comments and answer any questions as well.

ACTING CHAIRPERSON DUMLAO: Fantastic.

Commissioner Miller or Commissioner Kunkel, do either of you have any comments at this point?

ACTING COMMISSIONER MILLER: No comments. I'm happen to move -- happy to move approval when appropriate.

ACTING COMMISSIONER KUNKEL: No comment. Thank you.
ACTING CHAIRPERSON DUMLAO: Thank you. And Katie, do we have any public comments? If anyone would like to comment, please raise your Zoom hand now.

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Thank you. At this time, we have no hands raised.

EXECUTIVE OFFICER LUCCHESI: I do want to mention real quick through the Chair, that Executive Director Goldzband is -- has been promoted to panelist and I believe he wants to make some comments.

ACTING CHAIRPERSON DUMLAO: Fantastic. Please. Please. Executive Director, please go ahead.

BCDC EXECUTIVE DIRECTOR GOLDZBAND: Thank you very much. Can you hear me?

ACTING CHAIRPERSON DUMLAO: Yes, we can.

BCDC EXECUTIVE DIRECTOR GOLDZBAND: Marvelous. The last thing I want to do is kill a sale, so I'll be very short.

My name is Larry Goldzband. I'm Executive Director of the San Francisco Bay Conservation Development Commission. And I first want to thank the State Lands Commission staff, headed by Jennifer Lucchesi, not only for their work on Bay Adapt, but for everything we've done with them over the past three or four years. Jennifer and I looked at each other probably four years ago or so and said we need to just be working far more closely together,
far more collaboratively, and candidly far earlier on a whole host of issues.

And I just want to say that it has been a delight not only working with Jennifer and Sherry Pemberton who represents the State Lands Commission on BCDC, but your entire staff. And we always look forward to great discussions and really, I think, good, solid, productive discussions with your staff. So we ask you to keep them going.

With regard to Bay Adapt, let me say that I can't really add much to what Jennifer has already said with three different things to say very quickly. First of all, our Commission wants a voluntary, collaborative way to deal with accelerating rising sea level, and that's what Bay Adapt is all about. It's not about mandates. It's about making sure there's not a tragedy of the commons and ensuring that different jurisdictions work together collaboratively. We have 46 cities, nine counties, and scores of special districts that touch San Francisco Bay. And getting them all in a room is probably pretty impossible, but we can make sure that on a subregional basis, on a county basis, we can all work together, and we can knit things together in a way that will make everything work.

Second, the leadership advisory group on which
Jennifer sat and on which Sherry also worked was tremendous. It included over 30 representatives from major and, candidly, previously unknown groups, which included everybody from the Silicon Valley Leadership Group, it included environmental groups, it included business groups, it included environmental justice groups, as well as State and local groups. And as a result, we got a real diverse group and it came -- it came out in October with a real solid let's get it done type of program. And we're very, very proud of that. In addition, we had well over 200 or 250 volunteers including the public be part of the process.

And then finally, let me say that the actual Bay Adapt joint platform includes nine actions, everything from dealing with actual people, because we have to deal with people, to the environment, to process, to how we measure progress, and 21 separate tasks that we, and you, and everybody involved will be part of in terms of not only participating but also leading. So we're very, very, very, very excited about it. We're very excited that the State Lands Commission not only wanted to be part of it, but wants to continue to be part of it, because that's tremendously important for the Bay Area and its residents, and its environment.

So with that, Chair Dumlao, I'm happy to answer
any questions.

    ACTING CHAIRPERSON DUMLAO: Thank you very much. I appreciate your comments. Unless anyone has any other comments, they'd like to make, I can just say it's incredibly important what BCDC is doing. And I know that the State Lands Commission is eager and willing to be a part of the process. There is so many entities that have to be corralled, and put on the same page, and the only way we can really address sea level rise in the region is through a collaborative process. So thank you very much for your leadership at BCDC and we are eager to be a part of the process over here at State Lands.

    Commissioner Miller, may I have a motion?

    ACTING COMMISSIONER MILLER: May I move approval, please.

    ACTING CHAIRPERSON DUMLAO: Thank you. And I second the motion.

So we have a motion from Commissioner Miller and a second from me. Ms. Lucchesi, can you do a roll call vote, please?

    EXECUTIVE OFFICER LUCCHESI: Certainly.

Commissioner Miller?

    ACTING COMMISSIONER MILLER: Aye.

EXECUTIVE OFFICER LUCCHESI: Chair Dumlao?

    ACTING CHAIRPERSON DUMLAO: Aye.
EXECUTIVE OFFICER LUCCHESI: The motion passes 2 to 0 with Commissioner Kunkel abstaining.

ACTING CHAIRPERSON DUMLAO: Fantastic. All right.

BCDC EXECUTIVE DIRECTOR GOLDZBAND: Thank you very much.

ACTING CHAIRPERSON DUMLAO: Thank you. All right. So I believe our next order of business are items that were removed from the consent calendar, is that correct, Ms. Lucchesi?

EXECUTIVE OFFICER LUCCHESI: That's correct. So that is only Item 72. I will provide staff's brief presentation. Item 72 involves expenditure of tidelands funds by the City of Long Beach. The City of Long Beach is a trustee of sovereign tide and submerged lands granted by the Legislature. The City's statutory trust grant authorizes the City to spend tideland oil revenue for specific uses, and requires the City to notify the Commission of proposed expenditures. Revenues must be expended for uses and purposes consistent with the City's granting statutes, and be for statewide purposes as opposed to purely local interests.

The City is required to file a detailed description of any proposed expenditure exceeding $100,000 with the Commission 60 days before disbursement. The
Commission typically revert -- view -- excuse me, reviews several city expenditures every year. The granting statute limits the Commission's role in its review to only the consistency of the expenditure with the statutory trust grant and in the best interests of the State. The Commission does not have approval authority, but rather its role is to ensure that proposed expenditures are not inconsistent with the statutory trust grant.

On November 17th, the City notified the staff of a proposed five million expenditure to fund critical repairs that the City deems are necessary for the health and safety of future occupants. The Queen Mary is considered one of the largest ships of the early 20th century. It is now a tourist attraction permanently stationed in Long Beach harbor.

The City has leased the Queen Mary and adjacent facilities to seven different lessees over the last 40 years. Part of the lease agreements held the operator responsible for the cost of operation, maintenance, and capital improvements of the ship. Recently, as part of the bankruptcy proceedings involving the lessee, or the operator, the court terminated the most recent lease with the operator and returned responsibility for day-to-day operations of the Queen Mary to the City.

The ship is currently closed for urgent repairs.
Staff understands that there are over $41 million in critical repair work. The City has inspected, surveyed, and evaluated the condition of the Queen Mary and determined that approximately five million in critical repairs are immediately necessary for the health and safety of future occupants.

Based on the information provided by the City, the proposed capital improvement project appears consistent with the uses set forth in the City's statutory trust grant. Staff recommends approving the proposed expenditure in the amount of $5 million for the Queen Mary located on legislatively granted sovereign land in City of Long Beach.

That concludes staff's presentation. We're happy to answer any questions. And I will note that there are representatives from the City of Long Beach, if there are any questions more appropriately directed towards them.

Thank you, Chair.

ACTING CHAIRPERSON DUMLAO: Thank you. Commissioner Miller, any comments?
Commissioner Kunkel, any comments, at this point?

ACTING COMMISSIONER MILLER: (Shakes head.)
ACTING COMMISSIONER KUNKEL: (Shakes head.)

ACTING CHAIRPERSON DUMLAO: Great. Katie, do we have any people wishing to provide comment on this item?
If anyone does, please raise your Zoom hand now.

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Thank you, Chair Dumlao. We do have one speaker who has their hand raised. Jessica Alvarenga, you should be able to unmute yourself and turn on your video.

MS. ALVARENGA: Hello.

ACTING CHAIRPERSON DUMLAO: Hi, Jessica. We can -- we can hear you.

Jessica, are you there? We heard you for a moment.

MS. ALVARENGA: Hello. Can you guys hear me?

ACTING CHAIRPERSON DUMLAO: Yes, we can. Please go ahead.

MS. ALVARENGA: Okay. Thank you. So good morning, Chief of Staff and Commissioners. I'm Jessica Alvarenga with the Pacific Merchant Shipping Association. We represent terminal operators and ocean carriers operating throughout the west coast on regular -- regulatory issues.

I would like to oppose the action at hand. The City previously paid upwards of 23 million in urgent repairs for the Queen Mary between 2016 and 2018. Page 13 of the 2021 city auditor's Queen Mary report lists the items deemed urgent that the 23 million were meant for. And among those items are the same items that staff are
now requesting $5 million for. And this is one of many
problems.

The current condition of the Queen Mary and lack
of City oversight for decades is well documented in
reports by the city auditor and in documents filed in
federal bankruptcy court. The history of the Queen Mary
is one of over 40 years of failure, multiple bankruptcies,
coupled with ongoing corrosion threats, the structure
integrity of the hotel and vessel. These issues have
rendered the ship unsafe for visitors unable to operate as
an attraction and left with no course to follow.

According to a 2017 marine survey of the vessel
hotel, the Queen Mary needs approximately $289 million for
repairs. The report stated that at this rate of
corrosion, some internal collapse of the Queen Mary
structure will occur within 10 years unless major action
is taken soon. Little has been done to the vessel since.
And that report was -- since that report was written and
court filings by the City of Long Beach filed on April
9th, they declare that the City's own expert called the
2017 marine survey comprehensive and stated those issues
noted as urgent in 2017 are even more emergent now --
urgent more now with the passage of time.

No one can claim ignorance with regard to the
Queen Mary, as there is a long an extensive paper trail
and detailed media coverage. The vessel is in such dire
condition that in a recent bankruptcy proceeding after
extensive outreach, no one bid on the Queen Mary, a
commentary in and of itself, which should guide public
officials.

They're highly skeptical that the requested five
million will be enough to put the Queen Mary in a
condition to safely reopen. And there is no guarantee
that the City staff will come back with requests for more
funding for the seemed urgent repairs like they have in
the past. We request the Commission and the City have an
honest assessment and discussion.

Thank you.

ACTING CHAIRPERSON DUMLAO: Thank you, Ms.
Alvarenga. Appreciate your comments.

Katie, do we have any other people wishing to speak.

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Yes.
Thank you. Our next speaker is Eric Lopez.

MR. LOPEZ: Hello, everybody. Eric Lopez with
the City of Long Beach.

ACTING CHAIRPERSON DUMLAO: Please go ahead. We
can hear you. Thank you.

MR. LOPEZ: Perfect. I'm here to just answer any
questions that may come up. I wanted to say hello and
thank the Commission for this opportunity to present this
item, and answer questions.

Just a little background about me. I'm the
City's Director of Public Works. I've actually personally
overseen the completion of hundreds of millions of dollars
in tidelands capital improvements from improving piers, to
improving water quality, to rebuilding bridges, seawalls,
stabilizing bluffs, doing wetlands restorations. We've
done it all here in the city for the benefit of the
tidelands area, and are -- not just our residents, but all
of the visitors that we get every year.

Needless to say, the Queen Mary is a major
attraction and brings countless people to our coastline,
and, you know, that's all kind of consistent with our
goals here. So just proud to be here, proud to answer
questions. We also have one of our deputy city attorneys
on the line that can help answer any questions, if the
need arises.

Thank you.

ACTING CHAIRPERSON DUMLAO: Thank you.

Katie, do we have anyone else who wishes to
speak?

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Thank
you. At this time, we have no other hands raised to
provide public comment.
ACTING CHAIRPERSON DUMLAO: Great. All right.
Do any of the Commissioners have any comments they'd like to make?

ACTING COMMISSIONER KUNKEL: (Shakes head.)

ACTING COMMISSIONER MILLER: (Shakes head.)

ACTING CHAIRPERSON DUMLAO: All right. So I will sit out the rest of this item, but may we have a motion and a second, please?

ACTING COMMISSIONER KUNKEL: I'll move approval.

ACTING COMMISSIONER MILLER: And I'll second, Mr. Chair.

ACTING CHAIRPERSON DUMLAO: Thank you. We have a motion from Commissioner Kunkel and a second from Commissioner Miller.

Jennifer, may we have the roll call vote.

EXECUTIVE OFFICER LUCCHESI: Certainly.

Commissioner Kunkel?

ACTING COMMISSIONER KUNKEL: Aye.

EXECUTIVE OFFICER LUCCHESI: Commissioner Miller?

ACTING COMMISSIONER MILLER: Aye.

EXECUTIVE OFFICER LUCCHESI: It passes 2 to 0 with Chair Dumlao abstaining.

ACTING CHAIRPERSON DUMLAO: Fantastic. All right, Ms. Lucchesi, what's the next order of business?

EXECUTIVE OFFICER LUCCHESI: The next order of
business is our second public comment period.

ACTING CHAIRPERSON DUMLAO: Great. So if anyone wants to address the Commission on any matter that is not on today's agenda and did not already speak earlier in our meeting, please raise your hand, and you will have three minutes to do so. Katie, if we do have anyone, can you please call on that individual?

ENVIRONMENTAL SCIENTIST ROBINSON-FILIPP: Thank you, Chair Dumlao, currently, we have no hands raised to provide public comment.

ACTING CHAIRPERSON DUMLAO: All right.

Well that will then conclude our second public comment period.

Do any of the Commissioners have any comments or questions they'd like to make at this point?

ACTING COMMISSIONER KUNKEL: Not at this time.

ACTING CHAIRPERSON DUMLAO: Thank you very much. All right, Ms. Lucchesi, what is the next order of business?

EXECUTIVE OFFICER LUCCHESI: Our next order of business is typically closed session. However, we do not have any items to discuss in a closed session, so through the Chair, I recommend we adjourn the meeting.

ACTING CHAIRPERSON DUMLAO: Fantastic. All right. Well, in that case, that will conclude our meeting
and we are adjourned. Thank you, everyone, for participating today.

(Thereupon the California State Lands Commission meeting adjourned at 1:01 p.m.)
CERTIFICATE OF REPORTER

I, JAMES F. PETERS, a Certified Shorthand Reporter of the State of California, do hereby certify:

That I am a disinterested person herein; that the foregoing California State Lands Commission videoconference meeting was reported in shorthand by me, James F. Peters, a Certified Shorthand Reporter of the State of California;

That the said proceedings was taken before me, in shorthand writing, and was thereafter transcribed to the best of my ability, under my direction, by computer-assisted transcription.

I further certify that I am not of counsel or attorney for any of the parties to said meeting nor in any way interested in the outcome of said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand this 17th day of December, 2021.

JAMES F. PETERS, CSR
Certified Shorthand Reporter
License No. 10063