Staff Report 29

**APPLICANT:**
City of Sacramento

**PROPOSED ACTION:**
Amendment of General Lease – Public Agency Use

**AREA, LAND TYPE, AND LOCATION:**
Sovereign land in the American River, below Nimbus Dam near Rancho Cordova and Fair Oaks, Sacramento County.

**AUTHORIZED USE:**
Replenishment of spawning gravel and establishment of additional side-channel habitat for the rehabilitation and restoration of Chinook salmon and steelhead spawning and rearing habitat.

**TERM:**
20 years, beginning August 23, 2019.

**CONSIDERATION:**
Public use and benefit; with the State reserving the right at any time to set a monetary rent if the Commission finds such action to be in the State's best interest.

**PROPOSED AMENDMENT:**
To comply with the California Natural Resources Agency grant funding requirements, amend the lease term from 20 years to 31 years, beginning August 23, 2019, and ending August 22, 2050.

All other terms and conditions of the lease shall remain in effect without amendment.
STAFF ANALYSIS AND RECOMMENDATION:

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

PUBLIC TRUST AND STATE’S BEST INTERESTS:
On August 8, 2019, the Commission authorized a General Lease – Public Agency Use of sovereign land in the American River, below Nimbus Dam, near Rancho Cordova and Fair Oaks, to the Applicant, for the Lower American River Anadromous Fish Habitat Restoration Project (Project). The Project was created by the U.S. Bureau of Reclamation and the Applicant, in association with the Sacramento Area Water Forum, to rehabilitate and restore Chinook salmon and steelhead spawning and rearing habitat (C23, August 8, 2019). On June 23, 2020, the Commission authorized an amendment of lease to authorize nine additional sites, for a total of 10, and to replace Exhibit A and Exhibit B (C25, June 23, 2020). That lease will expire on August 22, 2039. The Applicant is now applying for an amendment of its General Lease - Public Agency Use to extend the lease term.

The Applicant has applied for and been granted Project implementation funding from the California Natural Resources Agency (Resources Agency) to construct Phase 1 including approximately 3 acres of spawning and 2.5 acres of rearing habitat near Nimbus Dam and approximately 13 acres of spawning and 5 acres of rearing habitat at Lower Sailor Bar beginning August 1, 2022; and constructing Phase 2 including approximately 5 acres of spawning and 9 acres of rearing habitat at Upper River Bend beginning August 1, 2023. The Resources Agency funding requires that the Applicant actively monitor and manage the efficacy of the habitat improvements until 2050.

The proposed lease amendment to extend the lease term will enable the Applicant to comply with the requirements of the grant. Staff recommends extending the lease term as it would provide the Applicant with the funding resources necessary to help restore the salmon spawning and rearing habitat which would benefit the fish species and overall river habitat. This would support ecosystem health and is a statewide public benefit.

CLIMATE CHANGE:
The project area is in a portion of the American River that is not tidally influenced and therefore, would not be subject to sea level rise. However, as stated in Safeguarding California Plan: 2018 Update (California Natural Resources Agency
2018), climate change is projected to increase the frequency and severity of natural disasters related to flooding, drought, and storms. In rivers, more frequent and powerful storms can result in increased flooding conditions and damage from storm-created debris as well as decreased bank stability and structure. Conversely, climate change induced droughts could decrease river levels and flow for extended periods of time.

The restoration project would include spawning gravel replenishment, floodplain and side channel creation/enhancement, and instream habitat structure placement. The future conditions noted above could increase the likelihood of damage to restored areas within the lease premises during the term of the lease. Active management during the lease term may reduce the effects of climate change to the restoration areas.

**CONCLUSION:**
For all the reasons above, staff believes the issuance of this lease amendment is consistent with the common law Public Trust Doctrine; will not substantially interfere with the Public Trust needs and values at this location, at this time, and for the foreseeable term of the proposed lease; and is in the best interests of the State.

**OTHER PERTINENT INFORMATION:**

1. Approval or denial of the lease amendment is a discretionary action by the Commission. Each time the Commission approves or rejects a use of sovereign land, it exercises legislatively delegated authority and responsibility as trustee of the State’s Public Trust lands as authorized by law. Upon expiration or prior termination of the lease, the lessee also has no right to a new lease or to renewal of any previous lease.

2. This action addresses the traditional role of the Public Trust in managing and improving fisheries in collaboration with other agencies for future generations and is consistent with “Leading Climate Activism” and “Meeting Evolving Public Trust Needs” Strategic Focus Areas of the Commission’s 2021-2025 Strategic Plan.

3. The staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, title 14, section 15301.

EXHIBITS:

A. Land Description
B-1. Site and Location Map Nimbus Basin
B-2. Site and Location Map Upper Sailor Bar
B-3. Site and Location Map Lower Sailor Bar
B-4. Site and Location Map Sunrise
B-5. Site and Location Map Lower Sunrise
B-6. Site and Location Map Sacramento Bar
B-7. Site and Location Map El Manto River
B-8. Site and Location Map Ancil Hoffman
B-9. Site and Location Map Upper Riverbend
B-10. Site and Location Map Riverbend

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:
Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, title 14, section 15061 as a categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, title 14, section 15301.

PUBLIC TRUST AND STATE’S BEST INTERESTS:
Find that the proposed amendment will not substantially interfere with the Public Trust needs and values at this location, at this time, and for the foreseeable term of the Lease; is consistent with the common law Public Trust Doctrine; and is in the best interests of the State.

AUTHORIZATION:
Authorize the amendment of Lease Number PRC 9574, a General Lease – Public Agency Use, effective April 1, 2022, to extend the lease term from 20 years to 31 years, from August 23, 2019 to August 22, 2050; all other terms and conditions of the lease will remain in effect without amendment.
A parcel of submerged land situate in the bed of American River in Sacramento County, California, adjacent to on the right bank Rancho Rio De Los Americanos, approved May 29, 1857 and more particularly described as follows:

Bounded on the east by the most easterly line of Parcel 3 in judgement recorded in Book 2247, Page 437 of Official Records in said county as shown on that amended record of survey dated July 1971 and filed in Book 29, Page 7 of Surveys, Sacramento County records;
Bounded on the south by the low water mark of the American River;
Bounded on the west by a line lying parallel with and 1500 westerly of said most easterly line of Parcel 3;
Bounded on the north by low water mark of the American River.

EXCEPTING THEREFROM any portions lying landward of the low water mark of the left and right banks of the American River.

END OF DESCRIPTION

PREPARED 5/31/2022 BY THE CALIFORNIA STATE LANDS COMMISSION BOUNDARY UNIT.
THIS EXHIBIT IS SOLELY FOR PURPOSES OF GENERALLY DEFINING THE LEASE PREMISES, IS BASED ON UNVERIFIED INFORMATION PROVIDED BY THE LESSEE OR OTHER PARTIES AND IS NOT INTENDED TO BE, NOR SHALL IT BE CONSTRUED AS, A WAIVER OR LIMITATION OF ANY STATE INTEREST IN THE SUBJECT OR ANY OTHER PROPERTY.

EXHIBIT B-1
PRC 9574
CITY OF SACRAMENTO
GENERAL LEASE - PUBLIC AGENCY USE
SACRAMENTO COUNTY

MAP SOURCE: USGS QUAD

MJF 5/31/2022
UPPER SAILOR BAR, RIVER MILE 22.5-22.75

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NO SCALE

SUNRISE, RIVER MILE 19.75-20.5

LOCATION

SITE 1
SITE 3
SITE 4
SITE 5
SITE 6
SITE 7
SITE 8
SITE 9
SITE 10

MAP SOURCE: USGS QUAD

EXHIBIT B-4

PRC 9574
CITY OF SACRAMENTO
GENERAL LEASE -
PUBLIC AGENCY USE
SACRAMENTO COUNTY

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MJF 5/31/2022
LOCATION

SITE 4 - SITE 3 - SITE 7 - SITE 1
SITE 8 - SITE 9 - SITE 5 - SITE 2
SITE 6 - SITE 10

MAP SOURCE: USGS QUAD

EXHIBIT B-5
PRC 9574
CITY OF SACRAMENTO
GENERAL LEASE - PUBLIC AGENCY USE
SACRAMENTO COUNTY

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MJF 5/31/2022
NO SCALE

SITE 6

PROJECT SITE AREA
SIDE CHANNEL
GRAVEL AUGMENTATION
APPROX. SHORELINE

SACRAMENTO BAR, RIVER MILE 18.5-19.0

LOCATION

SITE 4  SITE 3  SITE 1
SITE 7
SITE 2
SITE 8  SITE 9
SITE 5
SITE 6
SITE 10

EXHIBIT B-6
PRC 9574
CITY OF SACRAMENTO
GENERAL LEASE - PUBLIC AGENCY USE
SACRAMENTO COUNTY

MAP SOURCE: USGS QUAD

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MJF 5/31/2022
EL MANTO, RIVER MILE 18.0-18.5

LOCATION

SITE 4 - SITE 3 - SITE 1
SITE 8 - SITE 9
SITE 7
SITE 2 - SITE 5
SITE 6
SITE 10

EXHIBIT B-7
PRC 9574
CITY OF SACRAMENTO
GENERAL LEASE - PUBLIC AGENCY USE
SACRAMENTO COUNTY

MAP SOURCE: USGS QUAD

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MJF 5/31/2022
This exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any state interest in the subject or any other property.
UPPER RIVERBEND, RIVER MILE 14.5-15.5

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