Meeting Date: 06/05/23 Lease Number: 5383

Staff: L. Ward

# Staff Report 37

## **APPLICANT:**

Delta Beach Properties, Incorporated

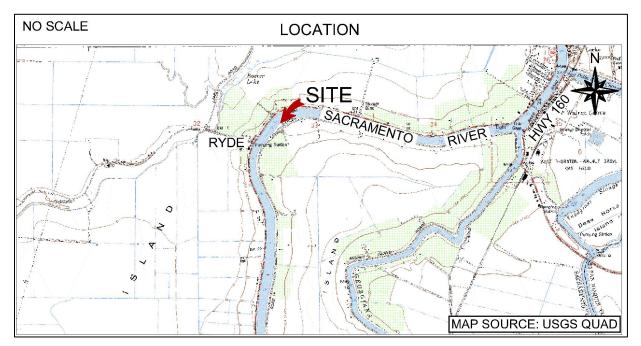
# PROPOSED ACTION:

Issuance of a General Lease – Recreational Use

## AREA, LAND TYPE, AND LOCATION:

Sovereign land in the Sacramento River, adjacent to 14250 Isleton Road, Isleton, Sacramento County (as shown in Figure 1).

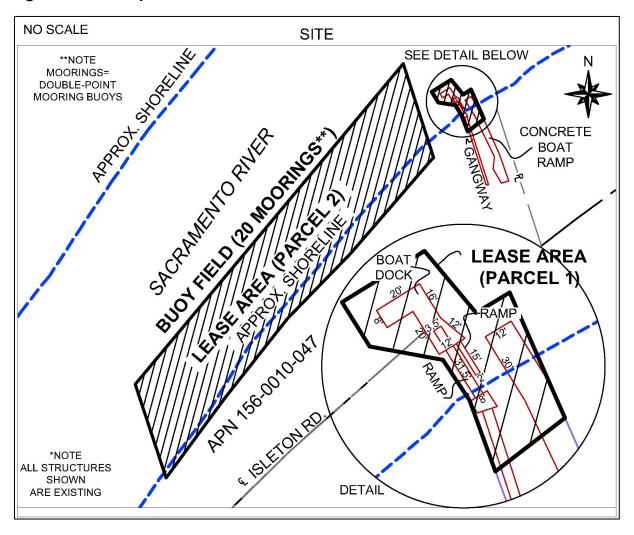
Figure 1. Location



#### **AUTHORIZED USE:**

Use of an existing boat launch ramp, accommodation dock, and 20 double-point mooring buoys (as shown in Figure 2).

Figure 2. Site Map



NOTE: This depiction of the lease premises is based on unverified information provided by the applicant or other parties and is not a waiver or limitation of any State interest in the subject or any other property.

#### TERM:

10 years, beginning June 5, 2023.

#### **CONSIDERATION:**

\$3,335 per year, with an annual Consumer Price Index adjustment.

## **SPECIFIC LEASE PROVISIONS:**

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

• Lessee acknowledges that the hazards associated with climate change may require additional maintenance or protection strategies regarding the improvements on the lease premises.

# STAFF ANALYSIS AND RECOMMENDATION:

#### **AUTHORITY:**

Public Resources Code sections 6005, 6216, 6301, 6501.1, 6503, and 6505.5; California Code of Regulations, title 2, sections 2000 and 2003.

## PUBLIC TRUST AND STATE'S BEST INTERESTS:

On February 21, 2014, the Commission authorized a General Lease – Recreational Use to Delta Beach Properties, Inc. for the use of a boat launch ramp, accommodation dock, and 20 double-point mooring buoys in the Sacramento River adjacent to 14250 Isleton Road, near Isleton, Sacramento County (Item 16, February 21, 2014).

On October 18, 2018, the Commission authorized a revision of rent, as specified in the lease term provided in the lease (<u>Item 35, October 18, 2018</u>) This lease expires November 30, 2023.

The Applicant is applying for a General Lease – Recreational Use for the use of the existing boat launch ramp, accommodation dock, and 20 double-point mooring buoys. Accounting records show that the lease is paid through November 30, 2023 and therefore staff recommends issuance of a General Lease – Recreational Use to the Applicant, to take effect on December 1, 2023.

The subject facilities are privately owned and maintained by the Applicant and facilitate recreational boating. Recreational boating is a water-dependent use that is generally consistent with the common law Public Trust Doctrine. The California Legislature has identified private recreational boating facilities as an authorized us of Public Trust land (Pub. Resources Code, § 6503.5).

The facilities are located directly waterward of the upland property and occupy a relatively small area of the river. The proposed lease will not interfere with navigation and does not substantially interfere with any Public Trust needs at this time or in the foreseeable future.

The proposed lease does not alienate the State's fee simple interest or permanently impair public rights. The lease is limited to a 10-year term, does not grant the lessee exclusive rights to the lease premises, and reserves an easement to the public for Public Trust-consistent uses. Upon termination of the lease, the lessee may be

required to remove all improvements from the State land and restore the lease premises to their original condition.

The proposed lease requires the lessee to insure the lease premises and indemnify the State for any liability incurred as a result of the lessee's activities thereon. The lease also requires the payment of annual rent to compensate the people of the State for the occupation of the public land involved.

## **CLIMATE CHANGE:**

Climate change impacts, including sea level rise, more frequent and intense storm events, and increased flooding and erosion, affect both open coastal areas and inland waterways in California. The leased facilities are located on the Sacramento River in a tidally influenced site vulnerable to flooding at current sea levels at a higher risk of flood exposure given projected scenarios of sea level rise.

The California Ocean Protection Council updated the <u>State of California Sea-Level Rise Guidance</u> in 2018 to provide a synthesis of the best available science on sea level rise projections and rates. Commission staff evaluated the "high emissions," "medium-high risk aversion" scenario to apply a conservative approach based on both current emission trajectories and the lease location and structures. The San Francisco tide gauge was used for the projected sea level rise scenario for the lease region as listed in Table 1.

Table 1. Projected Sea Level Rise for San Francisco

Year	Projection (feet)
2030	0.8
2040	1.3
2050	1.9
2100	6.9

Source: Table 13, State of California Sea-Level Rise Guidance: 2018 Update

Note: Projections are with respect to a 1991 to 2009 baseline.

This effect could increase the Sacramento River's inundation levels within the lease area, and this risk of flood exposure is likely to increase with time. In addition, as stated in <u>Safeguarding California Plan: 2018 Update</u> (California Natural Resources Agency 2018), climate change is projected to increase the frequency and severity of natural disasters related to flooding, fire, drought, extreme heat, and storms (especially when coupled with sea level rise). In rivers and tidally influenced waterways, more frequent and powerful storms can result in increased flooding conditions and damage from storm-created debris as well as decreased bank stability and structure. Climate change and sea level rise will further influence

riverine areas by changing erosion and sedimentation rates. Flooding and storm flow, as well as runoff, will likely increase scour and decrease bank stability at a faster rate.

The combination of these projected conditions could increase the likelihood of damage and affect access to structures within the lease premises during the term of the lease. For example, the potential for more frequent and stronger storm events may expose the lease area structures to higher flood risks and cause facilities to be damaged or dislodged, presenting hazards to public safety as well as dangers for navigation within the channel. Conversely, prolonged drought conditions could lower water levels, exposing previously submerged structures to the elements and potentially leading to increased wear and tear on the facilities within the lease area. Lowered water levels could also reduce navigability of the channel, thereby increasing hazards and impacting the function and utility of the lease area structures.

The floating dock and gangway are adaptable to variable water levels, allowing them to rise and fall with storms and droughts and increasing their resiliency to some climate change impacts, but they may require more frequent maintenance or replacement to ensure continued function during and after storm seasons and to avoid disloagement. The fixed features may need reinforcement and possibly replacement to withstand higher levels of flood exposure and more frequent storm events. The bank has minimal vegetation and remains at risk of accelerated deterioration from currents and floods. A bank protection strategy, such as bank restoration, may be required to protect the anchoring points of the other structures in the lease premise and reduce flood impacts to the upland parcel (not within the lease area).

Regular maintenance, as referenced in the lease, may reduce the likelihood of severe structural degradation or dislodgement. Pursuant to the proposed lease, the Applicant acknowledges that the lease premises and adjacent upland (not within the lease area) are located in an area that may be subject to effects of climate change, including sea level rise.

## CONCLUSION:

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

## **OTHER PERTINENT INFORMATION:**

- 1. Approval or denial of the application is a discretionary action by the Commission. Each time the Commission approves or rejects a use of sovereign land, it exercises legislatively delegated authority and responsibility as trustee of the State's Public Trust lands as authorized by law. If the Commission denies the application, the Applicant may be required to remove the existing boat launch ramp, accommodation dock, and 20 double-point mooring buoys and restore the premises to their original condition. The lessee has no right to a new lease or to renewal of any previous lease.
- 2. This action is consistent with the "Meeting Evolving Public Trust Needs" and the "Leading Climate Activism" Strategic Focus Areas of the Commission's 2021-2025 Strategic Plan.
- 3. Staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, title 2, section 2905, subdivision (a)(2).

Authority: Public Resources Code section 21084 and California Code of Regulations, title 14, section 15300 and California Code of Regulations, title 2, section 2905.

# **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 2, section 2905, subdivision (a)(2).

## PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed lease will not substantially impair the public rights to navigation and fishing or substantially interfere with the Public Trust needs and values at this location, at this time, and for the foreseeable term of the proposed lease; is consistent with the common law Public Trust Doctrine; and is in the best interests of the State.

## **AUTHORIZATION:**

Authorize issuance of a General Lease – Recreational Use to the Applicant beginning December 1, 2023, for a term of 10 years, for the use of a boat launch ramp, accommodation dock, and 20 double-point mooring buoys; with annual rent in the amount of \$3,335, with an annual Consumer Price Index adjustment; and liability insurance in an amount no less than \$1,000,000 per occurrence.