Meeting Date: 10/19/23 Lease Number: 6412 Staff: D. Romero

Staff Report 40

APPLICANT:

Del Ray Yacht Club

PROPOSED ACTION:

Issuance of a General Lease – Recreational Use

AREA, LAND TYPE, AND LOCATION:

0.075 acre, more or less, of sovereign land in Catalina Harbor, Santa Catalina Island, Los Angeles County (as shown in Figure 1).

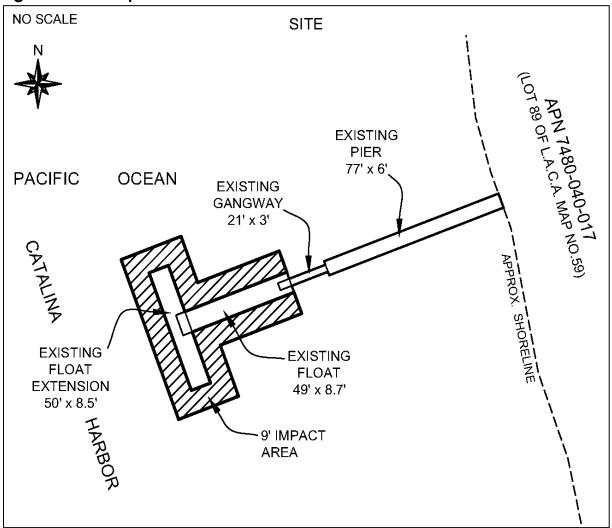
Figure 1. Location Map



AUTHORIZED USE:

Use of an existing pier, gangway, float, and float extension (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 May 1, 2023.

CONSIDERATION:

\$1,475 per year, with an annual Consumer Price Index adjustment.

SPECIFIC LEASE PROVISIONS:

• Liability insurance in an amount no than \$2,000,000 per occurrence.

- This Lease does not include any mooring site designated in State Lands
 Commission Lease Number 3639 to the Santa Catalina Island Company and the
 Santa Catalina Island Conservancy.
- Should Lessee's Yacht Club License Agreement with Catalina Island Company, formerly known as Santa Catalina Resort Services, Inc., for use of the uplands terminate, this Lease shall also terminate.
- Lessee shall provide sufficiently large and numerous containers on or immediately adjacent to the lease premises to receive and contain trash and refuse generated aboard all vessels using Lessee's facilities.
- Lessee shall not keep, allow, nor provide any polystyrene foam containers or packaging of a type, design, or condition appropriate to the preparation of food.
- Lessee agrees that all packaging for prepared food that is consumed on or off the premises, or for takeout service, shall be degradable.
- Lessee agrees and 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, 6503.5, and 6505.5; California Code of regulations, title 2, sections 2000 and 2003.

Public Trust and State's Best Interests:

On August 15, 2014, the Commission authorized a General Lease – Recreational Use to Del Ray Yacht Club for the use and maintenance of a dinghy pier, gangway, float, and float extension in Catalina Harbor, Santa Catalina Island, Los Angeles County (Item C52, August 15, 2014). This lease expired on April 30, 2023.

The Applicant is now applying for a General Lease – Recreational Use for the use of an existing pier, gangway, float, and float extension.

Monthly invoices have been paid through August 31, 2023. Staff recommends payments received be applied to the first year's rent and charge the Applicant the remaining balance of \$887 through April 30, 2024.

The subject facilities are privately owned and maintained and have existed at this location for many years and is used for the docking of dinghies by the Applicant.

The pier, gangway, float, and float extension are used for the docking and mooring of recreational boats. Recreational boating is water-dependent and is generally consistent with the common law Public Trust Doctrine. The California Legislature has identified private recreational boating facilities as an authorized use of Public Trust lands (Pub. Resources Code, § 6503.5).

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 leased premises. Upon termination of the lease, the lessee may be required to remove all improvements from State land. 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 use of public land.

CLIMATE CHANGE:

Climate change impacts, including sea level rise, more frequent and intense storm events, increased flooding and erosion, and changes in sand deposition, affect open coastal areas in California. The improvements are in Catalina Harbor and offshore of Santa Catalina Island, which is a tidally influenced site.

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

Table 1. Projected Sea Level Rise for Los Angeles

Year	Projection (feet)
2030	0.7
2040	1.2
2050	1.8
2100	6.7

Source: Table 28, State of California Sea-Level Rise Guidance: 2018 Update

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

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, drought, and storms (especially when coupled with sea level rise). The combination of these conditions will likely result in increased wave run up, storm surge, and flooding in coastal areas. In tidally influenced waterways, more frequent and powerful storms can result in increased flooding conditions and damage from storm-created debris. Climate change and sea level rise will further influence coastal areas by changing erosion and sedimentation rates. Beaches and coastal landscapes will be exposed to increased wave force and run up, potentially resulting in greater erosion than previously experienced.

The combination of these projected conditions could increase the likelihood of damage to structures within the lease premises during the term of the lease. For example, the potential for more frequent and stronger storm events may cause both the floating and fixed features to be damaged or dislodged, presenting hazards to public safety as well as dangers for navigation within Catalina Harbor. The pier, in particular, may need to be raised or reinforced to withstand future storm surges, wave run-up, erosion around the pilings, and flooding.

Regular maintenance, as required by the terms of the lease, will 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 the effects of climate change, including sea level rise.

CONCLUSION:

For all the reasons above, staff believes approval of the proposed lease will not substantially interfere with Public Trust needs at this location, at this time, or for the remaining term of this lease; is consistent with the common law Public Trust Doctrine; and is in the best interest of the state.

OTHER PERTINENT INFORMATION:

 Approval or denial of the application is a discretionary action by the Commission. Each time the Commission approves or rejects a use of sovereign land, it exercises legislatively delegated authority and responsibility as trustee of the State's Public Trust lands as authorized by law. If the Commission denies the application, the Applicant as prior lessee may be required to remove the pier, gangway, float, and float extension 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 "Leading Climate Activism" and "Meeting Evolving Public Trust Needs" Strategic Focus Area of the Commission's 2021-2025 Strategic Plan.
- 3. The upland property adjacent to the Lease Premises is owned by the Catalina Island Company and its use is licensed to Del Ray Yacht Club. The license term began on May 1, 2023, and will end on December 31, 2023. Del Ray Yacht Club has the option to extend the license for five years following the expiry of the original term. After December 31, 2023, should Del Ray Yacht Club fail to renew their license with the Catalina Island Company, this lease will terminate.
- 4. Staff recommends that the Commission find that issuance of the lease is exempt from the requirements of CEQA as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, title 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 term of the 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 May 1, 2023, for a term of 10 years, for the use of an existing pier, gangway, float, and float extension; annual rent in the amount of \$1,475, with an annual Consumer Price Index adjustment; and liability insurance in an amount no less than \$2,000,000 per occurrence.