

MEETING
STATE OF CALIFORNIA
STATE LANDS COMMISSION

ZOOM PLATFORM
HOLIDAY INN SACRAMENTO DOWNTOWN-ARENA
300 J STREET
SACRAMENTO, CALIFORNIA

TUESDAY, DECEMBER 5, 2023
10:00 A.M.

JAMES F. PETERS, CSR
CERTIFIED SHORTHAND REPORTER
LICENSE NUMBER 10063

APPEARANCES

COMMISSION MEMBERS:

Eleni Kounalakis, Lieutenant Governor, Chairperson

Malia Cohen, State Controller, also represented by
Kristina Kunkel

Joe Stephenshaw, Director, Department of Finance,
represented by Gayle Miller

STAFF:

Jennifer Lucchesi, Executive Officer

Seth Blackmon, Chief Counsel

Maren Farnum, Senior Environmental Scientist, Division of
Engineering, Science, Planning, and Management

Grace Kato, Assistant Chief, Land Management Division

Michelle Pelka, Office Technician

Jeffrey Plovnick, Land Management Specialist, Land
Management Division

Jason Ramos, Senior Environmental Scientist, Division of
Environmental Science, Planning, and Management

Drew Simpkin, Public Land Manager, Land Management
Division

Ehsan Tajer, Mineral Resources Management Division

Michael Wells, Staff Environmental Scientist, Division of
Engineering, Science, Planning, and Management

ATTORNEY GENERAL:

Andrew Vogel, Supervising Deputy Attorney General

APPEARANCES CONTINUED

ALSO PRESENT:

Mia Astbury

Crystal Barajas, Heal the Bay

Carey Batha, California Coastal Commission

Brady Bradshaw, Center for Biological Diversity

Tina Calderon, Sacred Place Institute for Indigenous People

Emily Cohen, San Francisco Department of Homelessness and Supportive Housing

Anna Christensen, Sierra Club, Los Cerritos Wetlands Task Force

Katie Davis, Sierra Club Santa Barbara-Ventura Chapter

Robert Del Junco

Sarah Donald

Tyler Gerlach, Asian Pacific Chamber of Commerce, African American Chamber of Commerce, Hispanic Chamber of Commerce

Jacob Janzen, Candlestick Heights Community Alliance

Linda Krop, Environmental Defense Center

Andrea Lueker, Responsible Energy Adaptation for California's Transition (REACT)

Russell Morine

Mandy Sackett, Surfrider Foundation

Mariza Sullivan, Coastal Band of the Chumash Nation

Barb Tassa, Bayview Resident

Lily Tsukayama, Port of San Diego

Jonathan Ullman, Sierra Club Santa Barbara-Ventura Chapter

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I	Open Session	1
II	Public Comment	4
	Public comments will be heard 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 19, 2023 and November 20, 2023 meetings	7
IV	Executive Officer's Report	8
	Continuation of Rent Actions to be taken by the Executive Officer pursuant to the Commission's Delegation of Authority:	
	- Sacramento Valley Conservancy (Lessee): Continuation of rent at \$500 per year for a General Lease of sovereign land known as Camp Pollock, located in the City of Sacramento, Sacramento County. (PRC 9033)	
	Tomales Bay Assignment Actions to be taken by the Executive Officer pursuant to the Commission's Delegation of Authority:	
	- No items for this section.	
V	Consent Calendar 01-54	19
	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	

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- 01 2500 WLB PROPERTIES, LLC (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 2500 West Lake Boulevard, near Tahoe City, Placer County; for an existing pier with two boat slips, a boat lift, and two mooring buoys. CEQA Consideration: categorical exemption. (Lease 4158; A4263; RA# 2023064) (A 1; S 1, 4) (Staff: M. Sapunor)
- 02 JAMES F. BAGAN AND MEREDITH H. BAGAN (LESSEE); SEA FOR YOURSELF PARTNERS, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider termination of Lease Number 3592, a General Lease - Recreational Use; and an application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 4760 North Lake Boulevard, near Carnelian Bay, Placer County; for an existing pier and one mooring buoy and installation and use of one additional mooring buoy. CEQA Consideration: categorical exemptions. (Lease 3592; A4278; RA# 2023043) (A 1; S 1, 4) (Staff: D. Romero)
- 03 ROBERT G. BUSSEY AND BARABRA G. BUSSEY, TRUSTEES OF THE ROBERT G. BUSSEY AND BARBARA G. BUSSEY FAMILY TRUST DATED MARCH 14, 2002 (LESSEE/APPLICANT): Consider amendment of Lease Number 5728, a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 3115 West Lake Boulevard, near Tahoe City, Placer County; for the installation and use of one additional mooring buoy. CEQA Consideration: categorical exemption. (Lease 5728; A4213; RA# 2022388) (A 1; S 1, 4) (Staff: D. Romero)
- 04 COLLEEN CASEY, TRUSTEE OF THE PAUL LEBARON THIEBAUD ADMINISTRATIVE TRUST U/A DTD 05/24/2002 (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use of sovereign land located in the Sacramento River, adjacent to 41820 South River Road, near Clarksburg, Yolo County; for an existing boat dock and appurtenant facilities, debris deflector, and bank protection. CEQA Consideration: categorical exemption. (Lease 8326; A3507; RA# 2021226) (A 4; S 3) (Staff: L. Anderson)
- 05 CHATEAUX DU LAC ASSOCIATION, INC. (APPLICANT): Consider application for a General Lease -

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- Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 709 Lakeview Avenue, near South Lake Tahoe, El Dorado County; for an existing pier. CEQA Consideration: categorical exemption. (Lease 9079; A4224; RA# 2023014) (A 1; S 1, 4) (Staff: L. Ward)
- 06 GREGORY FAIRRINGTON AND KATHRYN OATES-FAIRRINGTON, TRUSTEES OF THE GREGORY FAIRRINGTON AND KATHRYN OATES-FAIRRINGTON LIVING TRUST DATED SEPTEMBER 15, 2011 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 6730 Powderhorn Lane, near Tahoma, Placer County; for an existing pier and one mooring buoy. CEQA Consideration: categorical exemption. (Lease 2336; A4179; RA# 2022353) (A 1; S 1, 4) (Staff: D. Romero)
- 07 KLAUS MARTIN HIRT AND SABINE GABRIELE HIRT (LESSEE); WINDANCE WEST SHORE PARTNERS LIMITED (APPLICANT): Consider acceptance of a lease quitclaim deed and issuance of a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 8477 Meeks Bay Avenue, near Tahoma, El Dorado County; for construction and use of a new joint-use pier; installation of a boat lift; use of one existing mooring buoy; and removal of one existing mooring buoy. CEQA Consideration: categorical exemptions. (Lease 9278; A3528; RA# 2021288) (A 1; S 1, 4) (Staff: L. Ward)
- 08 GERALD E. JOHNSTON AND CYNTHIA M. JOHNSTON, TRUSTEES OF THE GERALD E. JOHNSTON AND CYNTHIA M. JOHNSTON TRUST, UNDER THE DECLARATION OF TRUST DATED APRIL 26, 2002; CYRUS A. JOHNSON, TRUSTEE OF THE JOHNSON FAMILY REVOCABLE TRUST OF 1989; CAROLE J. GRAY, (FORMERLY CAROLE E. JOHNSON) AND STEPHEN N. GRAY, CO-TRUSTEES OF THE GRAY FAMILY REVOCABLE TRUST DATED AUGUST 7, 1999; JULIE LANDIS, TRUSTEE OF THE JULIE LANDIS REVOCABLE TRUST OF 2015 (LESSEE); GRAY LANDIS FAMILY PROPERTIES LLC AND HOMEWOOD CAMP LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider termination of Lease Number 5120, a General Lease - Recreational Use and an application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 5020 and 5040 West Lake Boulevard, Homewood, Placer

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- County; for an existing joint-use pier and four mooring buoys. CEQA Consideration: categorical exemption. (Lease 5120; A4247; RA# 2023022) (A 1; S 1, 4) (Staff: M. Waldo)
- 09 MICHAEL JAMES KING, TRUSTEE OF THE MICHAEL JAMES KING SEPARATE PROPERTY TRUST DATED 6/29/99 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 6970 West Lake Boulevard, Tahoma, Placer County; for an existing pier, boat lift, and two mooring buoys. CEQA Consideration: categorical exemption. (Lease 7568; A4178; RA# 2022352) (A 1; S 1, 4) (Staff: M. Waldo)
- 10 LE PETIT VISTA LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider application for a General Lease - Recreational Use of sovereign land located in Lake Tahoe, adjacent to 7238 North Lake Boulevard, near Tahoe Vista, Placer County; for two existing mooring buoys not previously authorized by the Commission. CEQA Consideration: categorical exemption. (A3649; RA# 2021350) (A 1; S 1, 4) (Staff: L. Ward)
- 11 RCD TAHOE LP, A CALIFORNIA LIMITED PARTNERSHIP; AND DAVID J. TEECE (APPLICANT): Consider recission of approval of a General Lease - Recreational Use and issuance of a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 9125 Emerald Bay Road and 256 Four Ring Road, near Rubicon Bay, El Dorado County; for an existing joint-use pier, boathouse with boat lift, and four mooring buoys. CEQA Consideration: categorical exemption. (Lease 2223; A3622; RA# 2021334) (A 1; S 1, 4) (Staff: D. Romero)
- 12 DOUGLAS E. READ AND LAURA B. READ, TRUSTEES OF THE READ FAMILY TRUST DATED 2001 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 2870 Lake Terrace Avenue, near Tahoe City, Placer County; for installation and use of two mooring buoys. CEQA Consideration: categorical exemption. (A4250; RA# 2023030) (A 1; S 1, 4) (Staff: D. Romero)

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- 13 JAMES C. SEEGER AND BRENDA LEAH SEEGER (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 7460 North Lake Boulevard, near Tahoe Vista, Placer County; for two existing mooring buoys not previously authorized by the Commission. CEQA Consideration: categorical exemption. (A4014; RA# 2022248) (A 1; S 1, 4) (Staff: M. Sapunor)
- 14 MAGGIE SEKUL, TRUSTEE OF THE MAGGIE SEKUL REVOCABLE TRUST DATED DECEMBER 12, 2006 AND BRITT LEE JOHNSON, AS TRUSTEE OF THE BRITT LEE JOHNSON REVOCABLE TRUST DATED DECEMBER 12, 2006 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 3155 West Lake Boulevard, near Homewood, Placer County; for installation and use of two mooring buoys. CEQA Consideration: categorical exemption. (A4260; RA# 2023031) (A 1; S 1, 4) (Staff: M. Sapunor)
- 15 SUM M. SETO PROPERTIES, LLC AND JENNY P. SETO PROPERTIES, LLC (LESSEE): Consider continuation of rent and revision of bond to Lease Number PRC 2164, a General Lease - Commercial Use, of sovereign land located in the Albion River, Albion, Mendocino County; for a commercial marina. CEQA Consideration: not a project. (PRC 2164) (A 2; S 2) (Staff: V. Caldwell)
- 16 EARL L. SKIDMORE AND ANN D. SKIDMORE, TRUSTEES OF THE SKIDMORE LIVING TRUST DATED DECEMBER 16, 1991 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Lake Tahoe, adjacent to 4390 North Lake Boulevard, near Carnelian Bay, Placer County; for an existing pier and one boat lift. CEQA Consideration: categorical exemption. (Lease 4467; A4182; RA# 2022355) (A 1; S 1, 4) (Staff: L. Ward)

Bay / Delta Region

- 17 BEL WEST, L.P. (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in Corte Madera Creek, adjacent to 975 South Eliseo Drive, Greenbrae, Marin County; for an existing boat dock and appurtenant facilities. CEQA Consideration: categorical exemption. (Lease 4898;

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- A4253; RA# 2023027) (A 12; S 2) (Staff: M. Waldo)
- 18 KAREN A. BESHAK, AS TRUSTEE OF THE KAREN A. BESHAK FAMILY TRUST, DATED APRIL 1, 2011 (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Sacramento River, adjacent to 3061 Garden Highway, near Sacramento, Sacramento County; for an existing boat dock, appurtenant facilities, and bank protection. CEQA Consideration: categorical exemption. (Lease 8715; A4017; RA# 2022279) (A 6; S 8) (Staff: L. Anderson)
- 19 CALIFORNIA LAND AND WATER COMPANY, A CALIFORNIA CORPORATION (APPLICANT): Consider issuance of a General Lease - Recreational Use, of sovereign land located in Montezuma Slough, adjacent to Assessor's Parcel Number 0046-200-010, near Suisun City, Solano County; for an existing boat dock and appurtenant facilities. CEQA Consideration: categorical exemption. (Lease 7727; A4234; RA# 2023016) (A 11; S 3) (Staff: D. Romero)
- 20 CALIFORNIA RESOURCES PRODUCTION CORPORATION (APPLICANT): Consider application for a General Lease - Right-of-Way Use, of sovereign land located in the Old River, at Union Island, near Tracy, Contra Costa and San Joaquin Counties; for an existing natural gas pipeline. CEQA Consideration: categorical exemption. (Lease 7493; A2749; RA# 2020308) (A 13; S 5) (Staff: M. Schroeder)
- 21 TED CONSTANTINE AND NICOLA CONSTANTINE (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Sacramento River, adjacent to 3777 Garden Highway, Sacramento, Sacramento County; for an existing boat dock and appurtenant facilities. CEQA Consideration: categorical exemption. (Lease 5933; A4203; RA# 2022382) (A 6; S 8) (Staff: M. Waldo)
- 22 JOSHUA EVANS AND NICOLE EVANS (LESSEE/ASSIGNOR); LINDSAY K. EYLER (APPLICANT/ASSIGNEE): Consider assignment of Lease 8414, a General Lease - Recreational Use, of sovereign land located in Three-Mile Slough, adjacent to 18164 Sherman Island

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- East Levee Road, Rio Vista, Sacramento County; for an existing boat dock and appurtenant facilities. CEQA Consideration: not a project. (Lease 8414; A4176; RA# 2022351) (A 11; S 3) (Staff: D. Romero)
- 23 DEAN GIANNETTO (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Calaveras River, adjacent to 2881 Calariva Drive, Stockton, San Joaquin County; for an existing boathouse with dock and appurtenant facilities. CEQA Consideration: categorical exemption. (Lease 7338; A4235; RA# 2023019) (A 13; S 5) (Staff: M. Waldo)
- 24 MARY KATHLEEN HILDEBRAND, TRUSTEE OF THE MARY KATHLEEN HILDEBRAND REVOCABLE TRUST (LESSEE): Consider a revision of rent to Lease Number PRC 2511, a General Lease - Right-of-Way Use, of sovereign land located in the historic bed of the San Joaquin River, near Manteca, San Joaquin County; for an earthen fill access road and culvert. CEQA Consideration: not a project. (PRC 2511) (A 9; S 5) (Staff: V. Caldwell)
- 25 RECLAMATION DISTRICT NO. 2037 (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land located in Disappointment Slough, adjacent to Assessor's Parcel Numbers 071-120-11, 071-120-13, and 071-050-24, between Bishop Tract and Rindge Tract, near Stockton, San Joaquin County; for an existing bridge previously authorized by the Commission and existing bank protection not previously authorized by the Commission. CEQA Consideration: categorical exemption. (Lease 2849; A3717; RA# 2022043) (A 13; S 5) (Staff: J. Holt)
- 26 SFPP, L.P. (APPLICANT): Consider application for a General Lease - Right-of-Way Use, of sovereign land located in the San Joaquin River, near Stockton, San Joaquin County; for installation of a Horizontal Directionally Drilled petroleum products pipeline. CEQA Consideration: statutory exemption. (A4061; RA# 2022346) (A 13; S 5) (Staff: M. Schroeder)
- 27 SFPP, L.P. (LESSEE): Consider a revision of rent and bond to Lease Number PRC 9040, a General Lease - Right-of-Way Use, of sovereign land located in the Carquinez Strait, Contra Costa and Solano Counties;

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- for two petroleum product pipelines. CEQA
Consideration: not a project. (PRC 9040) (A: 11, 15;
S: 3) (Staff: V. Caldwell)
- 28 SFPP, L.P. (LESSEE): Consider a revision of rent and
bond to Lease Number PRC 9041, a General Lease -
Right-of-Way Use, of sovereign land located in San
Francisco Bay, San Mateo and Alameda Counties; for two
petroleum product pipelines. CEQA Consideration: not a
project. (PRC 9041) (A: 18, 20, 21; S: 9, 13) (Staff:
V. Caldwell)
- 29 SFPP, L.P. (LESSEE): Consider a continuation of rent
and revision of bond to Lease Number PRC 9042, a
General Lease - Right-of-Way Use, of sovereign land
located in various waterways and various counties,
statewide; for petroleum product pipelines. CEQA
Consideration: not a project. (PRC 9042) (A & S:
Statewide) (Staff: V. Caldwell)
- 30 PAUL D. THAYER AND MARTHA H. LENNIHAN AS TRUSTEES OF
THE PAUL D. THAYER AND MARTHA H. LENNIHAN 2016
REVOCABLE TRUST, DATED MARCH 14, 2016 (LESSEE); KEVIN
B. CRISP, TRUSTEE OF THE CRISP FAMILY TRUST, DATED
DEC. 11, 2018 (APPLICANT): Consider acceptance of a
lease quitclaim deed and issuance of a General Lease -
Recreational and Protective Structure Use of sovereign
land located in the Sacramento River, adjacent to 6645
Garden Highway, near Sacramento, Sacramento County;
for an existing boat dock, appurtenant facilities, and
bank protection. CEQA Consideration: categorical
exemption. (Lease 6042; A4229; RA# 2023012) (A 6; S 8)
(Staff: L. Anderson)
- 31 JAY MICHAEL UHALT AND MARLA M. UHALT, CO-TRUSTEES OF
THE JAY AND MARLA UHALT 1998 TRUST (LESSEE); JACK
BAKER II AND CHERYL BAKER (APPLICANT): Consider
termination of Lease 8626, and issuance of a General
Lease - Recreational Use, of sovereign land located in
the Sacramento River, adjacent to 18075 State Highway
160, Rio Vista, Sacramento County; for an existing
boat dock and appurtenant facilities. CEQA
Consideration: categorical exemption. (Lease 8626;
A35867; RA# 2021294) (A 11; S 3) (Staff: M. Waldo)
- 32 UNITED STATES GEOLOGICAL SURVEY (LESSEE/APPLICANT):
Consider Recission of Approval of Lease 2407, a

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General Lease - Other of sovereign land located in the Sacramento River and Amendment of Lease Number PRC 7650, a General Lease - Public Agency Use, of sovereign land in the Old River, Middle River, San Joaquin River, Holland Cut, False River, South Fork Mokelumne River, North Fork Mokelumne River, Little Potato Slough, Three Mile Slough, Sacramento River, Sutter Slough, Steamboat Slough, Georgiana Slough, Miner Slough, Cache Slough, and Suisun Bay, in Contra Costa, San Joaquin, Sacramento, Yolo, and Solano Counties; for an existing 2-pile dolphin. CEQA Consideration: categorical exemption. (PRC 7650; Lease 2407; RA# 2022136) (A 7,9,11; S 3,5,6) (Staff: M. Schroeder)

Central / Southern Region

33 COUNTY OF SANTA BARBARA (LESSEE): Consider a revision of rent to Lease Number PRC 9527, a General Lease - Public Agency Use, of sovereign land in the Pacific Ocean, near Carpinteria, Santa Barbara County; for a rock revetment. CEQA Consideration: not a project. (PRC 9527) (A: 37; S: 21) (Staff: V. Caldwell)

34 DEL JUNCO CHILDREN'S INVESTMENTS, LLC, A CALIFORNIA LIMITED LIABILITY COMPANY (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Main Channel of Huntington Harbor, adjacent to 16592 Somerset Lane, Huntington Beach, Orange County; for an existing boat dock, access ramp, and cantilevered deck. CEQA Consideration: categorical exemption. (Lease 3170; A4107; RA# 2022302) (A 72; S 36) (Staff: J. Plovnick)

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35 MICHAEL J. HILGERT AND JACQUELINE D. HILGERT, AS TRUSTEES OF THE HILGERT FAMILY TRUST, DATED 5/18/2018 (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Colorado River, adjacent to 1230 Beach Drive, Needles, San Bernardino County; for an existing boat dock, walkway, gangway, stairway, sundeck, access ramp, and riprap bankline. CEQA

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- Consideration: categorical exemption. (Lease 9092; A4227; RA# 2023055) (A 36; S 18) (Staff: J. Plovnick)
- 36 JAMES AND TYREE T. HUNTER (LESSEE); GEORGE PORTER, RENEE WIDMANN, AND LISA WIDMANN (APPLICANT): Consider termination of Lease 9190, a General Lease - Protective Structure Use and issuance of a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Colorado River, adjacent to 1108 Beach Drive, Needles, San Bernardino County; for an existing riprap bankline, and construction of a stairway, landing with stairway, gangway, and boat dock. CEQA Consideration: categorical exemptions. (Lease 9190; A3778; RA# 2022067) (A 36; S 18) (Staff: J. Plovnick)
- 37 IMPERIAL IRRIGATION DISTRICT (LESSEE): Consider a revision of rent to Lease Number PRC 2344, a General Lease - Right-of-Way Use, of sovereign land in the Colorado River, Imperial County, near Yuma, Arizona; for an existing overhead transmission line and a telephone line. CEQA Consideration: not a project. (PRC 2344) (A 36; S 18) (Staff: V. Caldwell)
- 38 LONG POINT DEVELOPMENT, LLC (LESSEE): Consider a revision of rent to Lease Number PRC 8814, a General Lease - Non-Commercial Use, of sovereign land located in the Pacific Ocean, near Rancho Palos Verdes, Los Angeles County; for a vegetated storm water drainage channel, beach replenishment, and beach area. CEQA Consideration: not a project. (PRC 8814) (A 66; S 24) (Staff: V. Caldwell)
- 39 ROBERT E. MASON AND MARY E. MASON (APPLICANT): Consider application for a General Lease - Recreational and Protective Structure Use, of sovereign land located in the Colorado River, adjacent to 1214 Beach Drive, Needles, San Bernardino County; for an existing concrete patio with rock retaining walls, two concrete stairways with railings and rock walls, and riprap bankline protection. CEQA Consideration: categorical exemption. (Lease 9089; A4211; RA# 2022387) (A 36; S 18) (Staff: G. Asimakopoulos)
- 40 MINH T. NGUYEN AND TIEN M. NGUYEN (APPLICANT): Consider application for a General Lease -

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- Recreational Use, of sovereign land located in the Midway Channel of Huntington Harbor, adjacent to 3581 Courtside Circle, Huntington Beach, Orange County; for an existing boat dock, access ramp, and cantilevered deck. CEQA Consideration: categorical exemption. (Lease 6073; A3774; RA# 2022056) (A 72; S 36) (Staff: L. Ward)
- 41 J.M. OTIS, CO-TRUSTEE FOR THE OTIS TRUST DATED 9-01-88 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Midway Channel of Huntington Harbor, adjacent to 3352 Gilbert Drive, Huntington Beach, Orange County; for an existing dock, ramp, and two pilings not previously authorized by the Commission. CEQA Consideration: categorical exemption. (A4169; RA# 2022376) (A 72; S 36) (Staff: M. Waldo)
- 42 SANTA BARBARA COUNTY FLOOD CONTROL DISTRICT (APPLICANT): Consider application for a General Lease - Public Agency Use, of sovereign land located in the Goleta Slough watershed and the Pacific Ocean adjacent to Goleta Beach County Park, Goleta, Santa Barbara County; for periodic dredging and beach nourishment. CEQA Consideration: Subsequent Environmental Impact Report, adopted by the Santa Barbara County Flood Control District, State Clearinghouse No. 2000031092, and Mitigation Monitoring Program, Findings, and Statement of Overriding Considerations. (Lease 7763; A4078; RA# 2022340) (A 37; S 19) (Staff: J. Plovnick) 154
- 43 SANTA BARBARA COUNTY PARKS DIVISION (LESSEE); COUNTY OF SANTA BARBARA COMMUNITY SERVICES DEPARTMENT (APPLICANT/SUBLESSOR); MIRAMAR ACQUISITION CO., LLC (SUBLESSEE): Consider termination of Lease Number PRC 7082.1, a General Lease - Public Agency Use; an application for Lease Number 7082, a General Lease - Public Agency Use, of sovereign land located in the Pacific Ocean, near Goleta, Montecito, and Summerland, Santa Barbara County; and an endorsement of a sublease under Lease Number 7082, for the seasonal placement of swim and channel

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- marker buoys, floats, and signs to create Special Use Areas at Miramar Beach, Arroyo Burro Beach, Butterfly Beach, Goleta Beach, and Lookout Beach; an existing boat launch corridor at Goleta Beach; and the proposed seasonal placement and use of a swim platform and two anchors. CEQA Consideration: categorical exemptions. (Lease 7082; A4252; RA# 2023028) (A 37; S 19) (Staff: J. Toy)
- 44 KEITH ALLEN SENN (LESSEE); KENNETH D. CIRKS AND KATHLEEN L. CIRKS, TRUSTEES OF THE VENTURE HOLDINGS TRUST DATED FEBRUARY 22, 2023 (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Main Channel of Huntington Harbor, adjacent to 3542 Venture Drive, Huntington Beach, Orange County; for an existing boat dock, access ramp, and cantilevered deck. CEQA Consideration: categorical exemption. (Lease 5245; A3947; RA# 2022202) (A 72; S 36) (Staff: D. Romero)
- 45 STACY M. WEST AND MARIA L. WEST, TRUSTEES OF THE STACY AND MARIA WEST REVOCABLE LIVING TRUST (APPLICANT): Consider application for a General Lease - Recreational Use, of sovereign land located in the Main Channel of Huntington Harbor, adjacent to 16652 Coral Cay Lane, Huntington Beach, Orange County; for an existing boat dock, ramp, and cantilevered deck. CEQA Consideration: categorical exemption. (Lease 5750; A4202; RA# 2022375) (A 72; S 36) (Staff: M. Waldo)

School Lands

- 46 CALIFORNIA STATE LANDS COMMISSION; BARSTOW SPANISH TRAIL, LLC (PARTIES): Consider amendment to the "Offer to Purchase Real Estate in the County of San Bernardino and Acceptance of Offer to Purchase" for approximately 63.3 gross acres of indemnity school lands in Barstow, San Bernardino County; to extend the closing date. CEQA Consideration: not a project. (SA 5772; RA# 24716) (A 34; S 12) (Staff: D. Simpkin)
- 47 GEYSERS POWER COMPANY, LLC (APPLICANT): Consider application for a General Lease - Right-of-Way Use, 5.91 acres, more or less, of State Indemnity school lands located east of Cloverdale in Section 19,

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- Township 12 North, Range 8 West, MDM, Lake County; Section 24, Township 12 North, Range 9 West, MDM, Lake County; and Section 26, Township 12 North, Range 9 West, MDM, Mendocino County; for non-exclusive use of portions of an existing access road and vegetation management. CEQA Consideration: categorical exemption. (Lease 8959; A4137; RA# 2022322) (A 4; S 2) (Staff: J. Holt)
- 48 PACIFIC WIND DEVELOPMENT, LLC (LESSEE): Consider acceptance of a lease quitclaim deed and termination of Lease Number 9379 for a General Lease - Industrial Use, of State-owned school lands identified as Section 16, Township 16 South, Range 6 East, SBM, north of Boulevard, San Diego County; for a wind energy facility. CEQA Consideration: not a project. (Lease 9379; RA# 2023035) (A 75; S 18) (Staff: D. Simpkin)
- Mineral Resources Management
- 49 CALIFORNIA STATE LANDS COMMISSION (PARTY): Consider approval of qualifying miles for Fiscal Year 2023-2024 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; A. Clark)
- 50 CSA OCEAN SCIENCES, INCORPORATED (APPLICANT): Consider application for a General Offshore Geophysical Survey Permit to conduct geophysical surveys on granted and ungranted tidelands and submerged lands statewide, from the mean high tide line to 3 miles offshore. CEQA Consideration: Mitigated Negative Declaration, Mitigation Monitoring Program, and addendum, State Clearinghouse No. 2013072021. (A4326; RA# 2023081) (A & S: Statewide) (Staff: C. Fox)
- 51 OCEAN INFINITY, INCORPORATED (APPLICANT): Consider application for a General Offshore Geologic Permit to conduct geological surveys on granted and ungranted tide and submerged lands statewide, from the mean high tide line to 3 miles offshore, under the jurisdiction of the California State Lands Commission. CEQA Consideration: categorical exemption. (A4328; RA# 2023092 (A & S: Statewide Offshore) (Staff: C. Fox)

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Marine Environmental Protection

- No items for this section.

Administration

- 52 CALIFORNIA STATE LANDS COMMISSION (PARTY): Consider granting authority to the Executive Officer to obtain quotes, negotiate fair and reasonable prices, and award and execute an agreement(s) through the appropriate procurement approach for specialized personnel consulting services. CEQA Consideration: not a project. (A & S: Statewide) (Staff: C. Connor, K. Forbes)
- 53 CALIFORNIA STATE LANDS COMMISSION (PARTY): Consider granting authority to the Executive Officer to solicit proposals for consultant services, negotiate a fair and reasonable price, and award and execute an agreement for preparation of the Commission's 2026-2030 Strategic Plan. CEQA Consideration: not a project. (W 27242) (A & S: Statewide) (Staff: C. Connor, K. Forbes, K. Beard)

Legal

- 54 CALIFORNIA STATE LANDS COMMISSION (PARTY): Consider amendment of the Commission's Delegation of Authority to update the ability of and language for the Executive Officer to issue letters of non-objection and emergency authorizations; delegate to the Executive Officer authority to execute certain CAL FIRE forms; and delegate to the Executive Officer authority to authorize certain non-controversial and routine surface lease applications or assignments. CEQA Consideration: not a project. (W 9301) (A & S Statewide) (Staff: W. Crunk)

Kapiloff Land Bank Trust Acquisition/Expenditure

- No items for this section.

External Affairs

Granted Lands

- No items for this section.

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- VI Informational Calendar
- See Regular Calendar.
- VII Regular Calendar 55-61 (please note that Items 55 and 56 will be considered by the Commission together as part of one presentation and, similarly, Items 57 and 58 will be considered by the Commission together as part of one presentation)
- 55 CALIFORNIA DEPARTMENT OF PARKS AND RECREATION (LESSEE/SUBLESSOR); CITY AND COUNTY OF SAN FRANCISCO (APPLICANT/SUBLESSEE): Consider an amendment and endorsement of a sublease under Lease Number PRC 6414, a General Lease - Public Agency Use, of filled sovereign land located within the Candlestick Point State Recreation Area in San Francisco, City and County of San Francisco to authorize the temporary use of an existing paved parking lot and public utilities for the Bayview Vehicle Triage Center. CEQA Consideration: categorical exemption. (PRC 6414; A4170; RA# 2022366) (A 17; S 11)
(Staff: M. Schroeder) 21
- 56 CITY AND COUNTY OF SAN FRANCISCO (APPLICANT): Consider an application for a General Lease - Public Agency Use, of filled sovereign land located adjacent to the Candlestick Point State Recreation Area in San Francisco, City and County of San Francisco; for improvements appurtenant to the Bayview Vehicle Triage Center. CEQA Consideration: categorical exemptions. (A4170; RA# 2022366) (A 17; S 11) (Staff: M. Schroeder) 21
- 57 PACIFIC OFFSHORE PIPELINE COMPANY (LESSEE): Consider amendment of Lease Number PRC 4977, a General Lease - Right-of-Way Use, for an existing gas pipeline serving platforms Hondo, Harmony, and Heritage (Santa Ynez Unit), of sovereign land located in the Pacific Ocean, near El Capitan State Beach, Santa Barbara County; to amend the terms of the lease. CEQA Consideration: categorical exemption. (Lease 4977; RA# 2021077) (A 37; S 19) (Staff: D. Simpkin) 52

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- 58 EXXON MOBIL CORPORATION (LESSEE): Consider amendment of Lease Number PRC 7163, a General Lease - Right-of-Way Use, for an existing water pipeline, an oil emulsion pipeline, and three power cables serving platforms Hondo, Harmony, and Heritage (Santa Ynez Unit), of sovereign land located in the Pacific Ocean, near El Capitan State Beach, Santa Barbara County; to amend the terms of the lease. CEQA Consideration: categorical exemption. (Lease 7163; RA# 2021079) (A 37; S 19) (Staff: D. Simpkin) 52
- 59 CALIFORNIA STATE LANDS COMMISSION (PARTY): Consider granting authority to the Executive Officer to solicit a Request for Qualifications for consultant services, negotiate a fair and reasonable price, award and execute agreements for the preparation of an Analysis of Public Trust Resources and Values (APTR) to assess the long-term risks and impacts to Public Trust resources of all 12 leases for existing offshore oil and gas pipelines under the Commission's leasing jurisdiction; and consider authorizing a temporary moratorium on the acceptance and consideration of new lease applications involving these offshore oil and gas pipelines, as well as the issuance of new oil and gas pipeline leases, until the APTR is complete and considered by the Commission. CEQA Consideration: not a project. (A & S: Statewide) (Staff: M. Wells, J. Ramos, C. Workman) 83
- 60 CALIFORNIA STATE LANDS COMMISSION: Consider adoption of the 2023 Shoreline Adaptation and the Public Trust Report, developed to guide analysis and inform decision-making for leasing ungranted state tidelands for shoreline protection and adaptation structures. CEQA Consideration: not a project. (A & S: Statewide) (Staff: M. Wells, M. Farnum) 101
- 61 CALIFORNIA STATE LANDS COMMISSION (INFORMATIONAL): Report on the Commission's progress in implementing AB 2257 (Boerner Horvath, Chapter 692, Statutes of 2022), which requires the Commission to develop a cost study that evaluates the fiscal impact of a voluntary

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relinquishment of any lease interests in active offshore oil and gas production leases in state waters and provide a status update to the Governor and the Legislature by December 31, 2023. CEQA Consideration: not applicable. (W 41006) (A & S: Statewide) (Staff: S. Meshkati, E. Tajer)	126
VIII Public Comment	157
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X Closed Session (No Closed Session)	157
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PROCEEDINGS

CHAIRPERSON KOUNALAKIS: I call this meeting to order. We have a quorum of two of the three representatives of the Commission. And I am Lieutenant Governor Eleni Kounalakis. I'm joined today by Deputy Controller Kristina Kunkel and we will shortly be joined by Gayle Miller representing the Department of Finance.

Ms. Lucchesi

EXECUTIVE OFFICER LUCCHESI: Certainly, Madam Chair. We can move on to the rest of the meeting. You've already identified the members of the Commission who are present today.

CHAIRPERSON KOUNALAKIS: Thank you.

For the benefit of those in the audience, 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 islands, and for preventing the introduction of marine invasive species into California's marine waters. Today, we will hear requests and presentations involving lands and resources within the Commission's jurisdiction.

I'd like to take a moment to acknowledge and express gratitude to the Nisenan, Wintun, and Miwok people

1 who have inhabited the Sacramento River corridor valley
2 and foothills for countless generations. I'd also like to
3 take a moment to honor the California Native American
4 communities all across the State for persisting, carrying
5 on diverse cultural, and linguistic traditions and
6 sustainably managing the land we now share. Native people
7 have maintained a constant presence on the landscape for
8 many thousands of years and they're essential stewardship
9 partners, whether along the coast, along our rivers and
10 valleys, or in our fragile deserts. We thank California
11 Native American communities for participating in this
12 Commission's activities and for their essential role in
13 maintaining and adding to our state's rich cultural
14 legacy.

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

23 EXECUTIVE OFFICER LUCCHESI: Thank you, Chair
24 Kounalakis. For public comment, we will take those
25 members of the public who are here in person first and

1 then hear comments from those members of the public who
2 are participating virtually. If you would like to speak
3 either during our open public comment period or during a
4 public comment period that is part of an agenda item,
5 please complete an electronic request to speak form
6 available on our website, or if you're here in the
7 audience out at our receptionist table. We'll call on you
8 in the order in which you submitted the electronic request
9 to speak form.

10 For those participating virtually, please make
11 sure you have your microphones or phones muted to avoid
12 background noise. To help us call on you through Zoom,
13 please raise your hand during the appropriate comment
14 section in one of two ways. If you are attending on the
15 Zoom platform, please raise your hand in Zoom. If you are
16 calling in and want to view the meeting, including the
17 PowerPoint presentations, please view the meeting through
18 the CAL-SPAN live webcast link. If you would like to make
19 a comment and you're on your phone, please dial star nine.
20 We will call on individuals who have raised their hands in
21 the order that they are raised using the name they are
22 registered with or the last three digits of their
23 identifying phone number. After you are called on, you
24 will be unmuted so you can share your comments. Please
25 also remember to unmute your computer or phone and

1 identify yourself.

2 You will have a limit of three minutes to speak
3 on an item, please keep your comments respectful and
4 focused. We will mute anyone who fails to follow these
5 guidelines or at worst dismiss them from the meeting. The
6 Commission has also established an email address to
7 compile public comments for our meetings. Its address is
8 cslc.commissionmeetings@slc.ca.gov. We've received
9 various emails from a variety of parties that have been
10 shared with all the commissioners prior to the meeting.
11 If we receive any emails during the meeting, they will be
12 shared with the commissioners and made -- be made
13 available on our website along with the public comment
14 emails we have already received.

15 Chair Kounalakis, that concludes my hybrid
16 meeting instructions. We are ready to move on to the
17 public comment period.

18 CHAIRPERSON KOUNALAKIS: Thank you very much.

19 Our next order of business is the public comment
20 period for anyone who would like to address the Commission
21 on any matter not on today's agenda. I will call on those
22 who are here in person first and you will have three
23 minutes to provide your comments. Next, we will move on
24 to those joining us virtually.

25 Michelle, please call on the first person who

1 would like to make a public comment.

2 OFFICE TECHNICIAN PELKA: Our first speaker is
3 Andrea Lueker. Andrea, you may unmute yourself and begin
4 you comment.

5 ANDREA LUEKER: Good morning. Are you able to
6 hear me?

7 CHAIRPERSON KOUNALAKIS: Yes, we are. Please
8 proceed.

9 ANDREA LUEKER: Fantastic. My name is Andrea
10 Lueker and I reside in San Luis Obispo County. As
11 background, I worked for the City of Morro Bay for 27
12 years including as their City Manager, and most recently
13 the Harbor Manager at Port San Luis District for seven
14 years now retired. Today, I'm speaking as a board member
15 of a recently formed non-profit organization called REACT
16 Alliance, R-E-A-C-T. REACT stands for Responsible Energy
17 Adaptation for California's Transition. REACT is
18 organizing local and regional individuals who have
19 concerns and are opposed to the offshore wind project on
20 our coast.

21 Recently, there was a town hall meeting in Morro
22 Bay with about a hundred folks attending. Of those, all
23 were opposed to offshore wind with the exception of a
24 person who worked for one of the offshore wind companies.

25 The offshore wind project proposed for the

1 Central Coast of California, San Luis Obispo County, are
2 moving along at a rapid and quite frankly alarming rate,
3 especially based on the significant knowledge gaps that
4 exist for such projects. This leaves the regional, local,
5 and even statewide community with many unanswered
6 questions and considerable unease.

7 Over the next few months, the REACT Alliance will
8 be providing fact-based data, scientific studies and
9 peer-reviewed articles to the community at large through
10 our website, public comment, Facebook, Alliance meetings,
11 and other modes of communication about the significant
12 impacts and risks posed to the marine ecosystem and marine
13 wildlife from all phases of the offshore wind projects.
14 These risks and impacts are diverse widely unknown to the
15 majority of folks both residing in the areas and beyond.
16 Onshore, near-shore, and offshore environmental impacts,
17 impacts to the fishing community, and industrialization to
18 Central Coast ports are among just of the few concerns.

19 Today, the most pressing issue identified by the
20 REACT Alliance are the site surveys to be conducted by the
21 offshore wind companies or their contractors, possibly in
22 2024 using technology that is detrimental to marine
23 mammals and fish. Our Board members and other members of
24 the public are attending the upcoming California Coastal
25 Commission in Santa Cruz, and requesting the Commission

1 re-agendize the conditional permit granted to BOEM for the
2 site surveys and look at material and data not previously
3 provided in terms the of the survey methods damaging a
4 number of marine species, including whales, dolphins, and
5 fish, specifically due to the decibel levels that are
6 proposed to be used.

7 Thank you for the opportunity to speak today. We
8 will be keeping you and other agencies involved in the
9 offshore wind project informed of our efforts and please
10 review our website at Reliance -- reactalliance.org, as
11 there is a multitude of information on their site. Have a
12 good rest of your meeting.

13 CHAIRPERSON KOUNALAKIS: Thank you very much.

14 Michelle, may we please have the next speaker.

15 OFFICE TECHNICIAN PELKA: We have no other hands
16 raised for comment at this time.

17 CHAIRPERSON KOUNALAKIS: Thank you, Michelle.
18 That concludes our public comment period.

19 The next item of business will be the adoption of
20 the minutes from the Commission's meeting of October 19th,
21 2023 and November 20th, 2023.

22 May I have a motion to approve the minutes.

23 ACTING COMMISSIONER KUNKEL: I'll move.

24 CHAIRPERSON KOUNALAKIS: I will second.

25 We have a motion by Commissioner Kunkel and a

1 second by myself.

2 Any objection to a unanimous vote?

3 ACTING COMMISSIONER KUNKEL: No.

4 CHAIRPERSON KOUNALAKIS: Ms. Lucchesi.

5 EXECUTIVE OFFICER LUCCHESI: Yes. The motion
6 passes unanimously.

7 CHAIRPERSON KOUNALAKIS: Thank you.

8 The next order of business is the Executive
9 Officer's report.

10 Ms. Lucchesi, may we have that report, please.

11 EXECUTIVE OFFICER LUCCHESI: Yes. Good morning.

12 So the only thing I wanted to mention in the
13 Executive Officer's report before I turn it over to the
14 Chair to talk about the Commission's 2023 accomplishments,
15 is that this year marks the State Lands Commission's 85th
16 anniversary. It was established in 1938. We are one of
17 the oldest natural resource agencies in the state. And as
18 a public land manager and public re -- land resource
19 manager that manages lands entrusted to our care pursuant
20 to the Public Trust Doctrine, we are one of the first
21 agencies in the State to really center and move forward on
22 managing our lands and resources under the large
23 environmental protections afforded us -- to us under the
24 Public Trust Doctrine.

25 Many of us know the State Lands Commission

1 because it was created in 1938 after a series of
2 malfeasance happening under the Governor's Director of
3 Finance at the time relating to oil and gas deals and
4 private land deals along the Southern California coast.

5 The membership of the State Lands Commission is
6 truly an independent commission outside of the specific
7 control of the administration. And that was set up very
8 specifically to ensure transparency, and accountability,
9 in all the actions the Commission takes. And like I said,
10 a lot of members of the public and people in State
11 government know the State Lands Commission as it relates
12 to managing our offshore oil and gas operations, but we
13 are also experts in water boundaries and at really
14 protecting our coastline for public access and ensuring
15 our tidelands and submerged lands are accessible to all
16 Californians regardless of who owns the upland properties.

17 And so what doesn't get talked about a lot is our
18 boundary surveyors and our attorneys in their really
19 expert knowledge of water boundaries along our coast and
20 protecting those State public tidelands for all
21 Californians. And that also serves as a foundation for a
22 lot of our coastal regulatory work through the Coastal
23 Commission, Department of Fish and Wildlife, and, of
24 course, Ocean Protection Council.

25 So with that, I just wanted to acknowledge this

1 really important milestone of our 85th anniversary and
2 also recognize the entire State Lands Commission staff,
3 over 240 people, who work day-in and day-out to protect
4 these precious lands and resources for current and future
5 generations of Californians.

6 Thank you.

7 CHAIRPERSON KOUNALAKIS: Thank you. Thank you
8 very much, Ms. Lucchesi. And how many -- of the 85 years,
9 how many have you been our Executive Director?

10 (Laughter).

11 EXECUTIVE DIRECTOR LUCCHESI: Way too many to
12 count. I was appointed in 2012 and I've been working with
13 the State Lands Commission or for the State Lands
14 Commission since 1999.

15 CHAIRPERSON KOUNALAKIS: Well, you recognized the
16 members of staff who have really made sure that the work
17 of this Commission in protecting the Public Trust has
18 been -- has been efficient, and effective, and
19 professionally done. And I would start with your service,
20 so thank you. And it really is hard to believe that it's
21 85 years.

22 I'm going to provide just a few reflections,
23 particularly as we're waiting for the other commissioners
24 to arrive this morning.

25 It has been an honor for me to serve as Chair of

1 the State Lands Commission now for the third time, since I
2 was elected in 2018. As we close out my time as Chair,
3 I'd like to just delve into some of the major
4 accomplishments that the State Lands Commission has had in
5 2023.

6 And first, I want to start by looking at some
7 statistics, because they are -- they tell a big story. In
8 the fiscal year 2023, the Commission generated over \$173
9 million to the general fund, over seven and a half million
10 to CalSTRS to benefit our retired teachers and over two
11 million to the Lake Tahoe Access Fund to help protect Lake
12 Tahoe. With approximately 248 positions, the total
13 revenue generated by the Commission equals over \$730,000
14 per position. With a little over a \$57 million operating
15 budget, the Commission clearly punches above its weight as
16 a government agency.

17 Over the past 11 months, the Commission issued
18 269 new leases and 32 lease amendments. Nearly half of
19 these leases had express public access provision. It is a
20 very important value of the State Lands Commission,
21 particularly taking into account the history of access
22 that the public -- that all members of the public have
23 equal access to some of the most beautiful resources
24 overseen by this Commission and I will say particularly
25 along California's dramatically beautiful California

1 coast.

2 This year, the Commission has been extremely
3 active in cleaning up and protecting our waterways. The
4 Commission removed the Chevron Point Orient Industrial
5 Wharf in Richmond and 443 pilings from Eckley Pier in the
6 Carquinez Strait, and negotiated an agreement with the
7 Salt River Construction Company to remove more than 25
8 derelict commercial vessels from Broad Slough. It looks
9 so much more beautiful out in this region as a result.
10 And again, big kudos to all of the staff for working with
11 the local community and the private interests to make that
12 happen.

13 As part of our Coastal Hazard and Legacy Well
14 Remediation Program, we successfully abandoned another two
15 legacy oil and gas wells offshore Summerland Beach
16 bringing the total count to seven since the program
17 started. And again, we were all out there to commemorate
18 that removal and just the difference for the public in
19 terms of what that beach now looks like and how it can be
20 enjoyed is just so dramatic.

21 Our internationally recognized Marine Invasive
22 Species Program continued to make an impact around the
23 world. Our staff authored or co-authored four
24 peer-reviewed papers in scientific journals and staff
25 represented the International Maritime Organization to

1 provide invasive species prevention training to the
2 shipping industry and government agencies in Brazil,
3 Mexico, and Ecuador. When we say California is leading
4 the way on new techniques to prevent invasive species,
5 particularly around shipping, it is our staff that is
6 leading the way.

7 From an environmental justice perspective, the
8 Commission helped launch the Coastal Justice Lab, a joint
9 program led by Azul, the Center for Land, Environment, and
10 Natural Resources at UC Irvine Law, and UCI Newkirk Center
11 for Science and Society. The Coastal Justice Lab will
12 advance environmental justice in coastal regions.

13 Additionally, the Commission and the City of
14 Vallejo negotiated an amendment to the Mare Island
15 settlement agreement to successfully transfer the
16 neglected Mare Island Cemetery to the U.S. Department of
17 Veterans Affairs for its care and management for the
18 benefit of our veterans. And again, I'd like to just
19 recognize this incredible landmark and encourage people to
20 go and to visit and pay their respects to some of our
21 earliest heroes of our country.

22 2023 was also a very busy year from an energy
23 perspective. Over 23 million barrels of renewable fuels
24 were transferred through our marine terminals, a 49
25 percent increase from last year. Through our leasing and

1 regulatory programs, we have approved the conversion of
2 two marine oil terminals to marine renewable fuels
3 terminals with a third one well on its way.

4 In February, the Commission approved a lease to
5 Windhub Solar for 112-acre solar energy facility on school
6 lands near Mojave in Kern County. It is the second
7 approved solar facility on lands managed by the
8 Commission. When constructed, the facility would -- will
9 generate approximately 20 megawatts of renewable energy
10 and up to 160 megawatt hours of battery storage. The
11 project also preserves 48 acres of a unique Joshua Tree
12 grove on the property.

13 In June, the Commission extended its lease to
14 PG&E for the intake and outfall structures to allow the
15 plant to continue to provide critical and reliable energy
16 to the state. The Commission completed three critical
17 reports related to port and workforce needs associated
18 with offshore wind in California. These reports lay the
19 foundation for the State's strategic plan for the
20 development of offshore wind pursuant to Assembly Bill
21 525. We also secured legislation designating the State
22 Lands Commission as the CEQA lead agency for offshore wind
23 energy projects. And as a co-sponsor of Assembly Bill
24 525, let me just say how much I am looking forward to
25 those projects coming before us, so that we can be

1 extremely proactive in the State's goals for offshore
2 wind.

3 And the commission authorized the Phase 2
4 agreement with ExxonMobil to commit them to
5 decommissioning Platform Holly. And we all took a trip
6 out to Platform Holly as well. This is the final major
7 contractual step in ensuring the decommissioning of the
8 last State oil platform in the Santa Barbara Channel.

9 For me, my personal highlight from 2023 was the
10 completion of the removal of two enormous oil piers in
11 Haskell's Beach and the City of Goleta. These were the
12 last remaining shore zone oil protect -- production piers
13 in California and were built in the 1920s and remained
14 operational until the 1990s.

15 The Commission embarked on the decommissioning
16 project after Venoco filed for bankruptcy in 2017. We had
17 the great fortune of commemorating the removal of these
18 oil piers and celebrating the restored coastline with our
19 tribal partners, legislative leaders, agency partners and
20 the local community, which was utterly thrilled by the
21 completion of this project. This project is a perfect
22 example of the Commission's commitment to a responsible
23 transition to a clean energy future and the reclaiming of
24 the natural coastline.

25 All of the examples I have mentioned and many,

1 many more represent countless staff hours, a significant
2 investment of resources, and a commitment by the entire
3 Commission team to serve all Californians in the
4 stewardship of our public lands and resources that are so
5 important to us all and represent the California way of
6 life.

7 Thank you, Commissioner Cohen and Commissioner
8 Miller, for allowing me to go down this path of memory
9 lane and acknowledge and celebrate our successes this year
10 as a commitment -- as a Commission. The State Lands
11 Commission is a small, lesser known agency, but our reach
12 and impact is tremendous. So in this 85th year of the
13 State Lands Commission, I'm incredibly proud to serve as
14 Chair and to serve the both of you.

15 So Commissioner Cohen, do you have any comments
16 or questions.

17 COMMISSIONER COHEN: Oh, okay. Good morning
18 everyone. Thank you very much. Do I have any questions
19 or comments on your report?

20 CHAIRPERSON KOUNALAKIS: We just had the report,
21 but any questions or comments on the work this year?

22 COMMISSIONER COHEN: I do. I want to talk -- I
23 do want to talk about the work, because I think it's been
24 outstanding staff work and it's been a great first year.
25 And I agree with you, the moment that when we stood on the

1 beach in Goleta was a very powerful moment. And one of
2 the things that I appreciate about doing this work is the
3 personal satisfaction of growing up in the state of
4 California, growing up specifically in the Bay Area,
5 loving the beach and now being able to serve California
6 and take care of the coastline and take care of this --
7 these natural resources. So I am really proud of the work
8 that this Committee -- this Commission has done.

9 And when I was listening to you read your report,
10 it really reminded me of the school days. Back when I was
11 in school and we would go on field trips and how exciting
12 it would be. And then you report out on what you learned
13 and things that you didn't know.

14 With that said, I also want to recognize and
15 uplift outstanding staff and that I have in my own office
16 with Kristina Kunkel who has just been incredible helping
17 me transition from nothing -- knowing nothing to being a
18 very smart and capable genius.

19 (Laughter).

20 COMMISSIONER COHEN: So all of that to say is I
21 am indebted to Kristina as well as you, Jennifer, and your
22 staff.

23 Thank you.

24 CHAIRPERSON KOUNALAKIS: You know, talk --
25 speaking of students and our kids, going to the beach, I

1 grew up here in Sacramento.

2 COMMISSIONER COHEN: Um-hmm.

3 CHAIRPERSON KOUNALAKIS: I don't remember seeing
4 the Pacific Ocean until I was about 13 years old. So the
5 work as well in really encouraging not just the kids who
6 grow up in San Francisco as you did, but the kid who grow
7 up in the valley and the more rural northern and eastern
8 parts of the state to get out to see the coastline is
9 another thing that we do here, which is something that I'm
10 really proud of.

11 COMMISSIONER COHEN: You're absolutely right.

12 CHAIRPERSON KOUNALAKIS: Commissioner Miller, any
13 comments or questions?

14 ACTING COMMISSIONER MILLER: Thank you, Madam
15 Chair. I think just to thank you and the Controller for
16 your incredible leadership. And I do think that the team
17 here really encompasses this servant leadership. They've
18 done it for a long time. These are incredibly complicated
19 and complex issues that are hard for all of us and am
20 grateful that we have a team like you really willing to
21 serve the State in a time of great transition for the
22 State and for all the various needs from energy, to sea
23 level rise, to climate change.

24 So thank you.

25 CHAIRPERSON KOUNALAKIS: Thank you, Commissioner

1 Miller.

2 Michelle, do we have any public comment?

3 OFFICE TECHNICIAN PELKA: We have no hands raised
4 for comment at this time.

5 CHAIRPERSON KOUNALAKIS: Thank you.

6 The next order of business will be the adoption
7 of the consent calendar. Commissioner Cohen, Commissioner
8 Miller, are there any items that you would like removed
9 from the consent calendar?

10 COMMISSIONER COHEN: I have no items that I'd
11 like to remove, so I'd like to make a motion.

12 ACTING COMMISSIONER MILLER: I'll second.

13 CHAIRPERSON KOUNALAKIS: Okay. Ms. Lucchesi, can
14 you indicate which items, if any, have been already
15 removed from the consent calendar?

16 EXECUTIVE OFFICER LUCCHESI: Madam Chair, consent
17 items 34 and 42 will be moved from the consent agenda to
18 the regular agenda at the end, because we do have people
19 who have signed up to speak on those items.

20 CHAIRPERSON KOUNALAKIS: Thank you very much. So
21 is there anyone joining us who wishes to speak on any item
22 remaining on the consent calendar, so if you're here to
23 speak on an item that was moved off of consent, we'll take
24 those later. But if anyone has a comment on the items on
25 the consent calendar, please come to the podium, or raise

1 your Zoom hand, or dial star nine, if joining by phone.

2 Michelle

3 OFFICE TECHNICIAN PELKA: Yes, we do have one
4 hand raised. Jonathan Ullman, you may unmute yourself and
5 begin your comment.

6 JONATHAN ULLMAN: Hi. So this is where I should
7 speak if I wanted to talk about any of the items or is
8 this general?

9 CHAIRPERSON KOUNALAKIS: This is for anything on
10 the consent calendar. Which item would you like to speak
11 on?

12 JONATHAN ULLMAN: I would like any and all
13 relating to the Exxon underwater pipeline lease.

14 CHAIRPERSON KOUNALAKIS: That item will be coming
15 up in few moments.

16 JONATHAN ULLMAN: Okay. Then I'll go then.

17 CHAIRPERSON KOUNALAKIS: Thank you.

18 Michelle.

19 OFFICE TECHNICIAN PELKA: We have no other hands
20 raised for comment at this time.

21 CHAIRPERSON KOUNALAKIS: Thank you.

22 May I have a motion to adopt the consent agenda
23 and a second.

24 COMMISSIONER COHEN: So moved.

25 ACTING COMMISSIONER MILLER: Second.

1 CHAIRPERSON KOUNALAKIS: We have a motion by
2 Commissioner Cohen, and a second by Commissioner Miller.

3 Any objection to a unanimous vote?

4 The motion passes.

5 So the next order of business will be the regular
6 calendar.

7 Items 55 and 56, to be considered together, are
8 applications relating to the Bayview Vehicle Triage Center
9 located within the Candlestick Point State Recreation Area
10 in San Francisco.

11 May we please have the presentation.

12 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

13 Let me turn -- the mic is on?

14 CHAIRPERSON KOUNALAKIS: Yes.

15 (Thereupon a slide presentation).

16 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

17 Good morning, Chair, Commissioners, and members
18 of the public. My name is Grace Kato, Assistant Chief of
19 the Land Management Division for the Commission. I'm here
20 to present on Items 55 and 56 on the regular agenda.

21 As indicated by the Chair, item 55 and 56 are for
22 an amendment of lease an endorsement of sublease under
23 lease 6414 with the California Department of Parks and
24 Recreation as the lessee and sublessor and the City and
25 County of San Francisco as the sublessee. Item 56 will be

1 for the issuance of a general lease public agency use to
2 the City and County of San Francisco for the use and
3 improvement of appurtenant facilities necessary for the
4 operation of the Bayview Vehicle Triage Center.

5 Next slide, please.

6 --o0o--

7 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

8 On October 21st, 2021, the Commission authorized
9 an amendment of the lease and endorsement of a sublease
10 for a temporary two-year use of an existing paved parking
11 lot and installation of public utilities for the
12 development, operation, and maintenance of a Low Barrier
13 Navigation Center more commonly known as the Bayview
14 Vehicle Triage Center, or VTC.

15 Next slide, please.

16 --o0o--

17 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

18 The purpose of the VTC was to serve as a
19 temporary transitional center for guests while they found
20 more permanent housing solutions. The site was developed
21 to include site striping, solar lighting, mobile shower
22 and toilet trailers, potable water hose bibs, recreational
23 vehicle sewage -- sewer discharge services, mobile device
24 charging stations for VTC guests, trash containers, site
25 operator offices, and storage containers to provide health

1 and safety supplies for guests, and perimeter fencing.

2 Next slide, please.

3 --o0o--

4 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

5 Since 2021, the VTC has served 113 unique
6 households. Fifteen guests have moved into permanent
7 housing, 88 guests have had problems resolved through the
8 problem solving program, and approximately 46 guests
9 currently utilize the site.

10 The Bayview Hill Neighborhood Association has
11 contacted staff and expressed an opposition to the
12 extension of the sublease. Staff understands that
13 establishment of the VTC has created challenges. However,
14 we believe that the sublease continues to try and address
15 these challenges. Furthermore, the VTC is working to
16 resolve an immediate and ongoing public health and safety
17 concern. And the endorsement of a sublease is for a
18 limited period, no more than two years, between the lessee
19 and the sublessee, and it will end January 2026.

20 Next slide, please.

21 --o0o--

22 CHAIRPERSON KOUNALAKIS: Grace, I'm sorry.

23 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

24 Oh, yes.

25 CHAIRPERSON KOUNALAKIS: I'm sorry. Could you

1 repeat who expressed concern?

2 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

3 Oh, I'm sorry, the Bayview Hill Neighborhood
4 Association.

5 The Commission-owned parcel subject to the VTC
6 sublease is a portion of the larger Candlestick Point
7 State Recreational Area, which provides access to
8 surrounding Public Trust Lands. The California Department
9 of Parks and Recreation's final general plan anticipates
10 park enhancements to begin soon after the two-year
11 sublease expires, where recreational opportunities will be
12 improved throughout the area.

13 Next slide, please.

14 --o0o--

15 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

16 One of the challenges of the VTC has been the
17 installation of electric utility service to support the
18 VTC site and its residents. The proposed lease
19 contemplates construction of an overhead electric service
20 line crossing to serve the VTC. Construction of this
21 utility line would occur in 2024 and involve the
22 installation of approximately four poles of 30 to 40 feet
23 in height and a power line of approximately 200 feet. The
24 City and County of San Francisco also anticipates
25 improving the access roadway on the proposed lease

1 premises with an asphalt road base to allow for more
2 durable access for fire trucks and other first responders.

3 There are also portions of chain link fencing
4 that will control access to the VTC and provide security
5 that are going to be included in the lease. The proposed
6 lease is for a limited one-year term with an option to
7 extend for one additional year. The City and County of
8 San Francisco have submitted a plan to staff with a
9 timeline for rehousing guests on the VTC and demobilizing
10 the facility beginning June of 2025.

11 Next slide, please.

12 --o0o--

13 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

14 Staff recommends the Commission authorize an
15 amendment to lease 6414 and an endorsement of the sublease
16 for the VTC. The sublease would continue to improve
17 vehicular and pedestrian safety for the surrounding
18 community and the unhoused utilizing the site. In
19 addition, the sublease extension would provide VTC guests
20 continued access to social services and utilities. And
21 last, keeping the adjacent roadways clear will ensure
22 public access is provided to the adjacent State
23 recreational area and the bay.

24 Staff also recommends the Commission authorize
25 issuance of a general lease public agency use to the City

1 and County of San Francisco beginning January 11th, 2024
2 for a term of one year with the option to extend the term
3 by one additional year for use and improvement of
4 appurtenant facilities necessary for the operation of the
5 Bayview Vehicle Triage Center. Staff believes both of
6 these actions are in the best interests of the State.

7 Next slide, please.

8 --o0o--

9 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:

10 And that concludes staff's presentation and we
11 are available to answer any questions. And I believe
12 Emily Cohen with the City and County of San Francisco is
13 here as well.

14 CHAIRPERSON KOUNALAKIS: Thank you very much,
15 Grace. Should we hear from the representative from San
16 Francisco first?

17 COMMISSIONER COHEN: Absolutely. She traveled a
18 very long way.

19 (Laughter).

20 CHAIRPERSON KOUNALAKIS: Oh, okay.

21 COMMISSIONER COHEN: Absolutely.

22 CHAIRPERSON KOUNALAKIS: Before questions and
23 comments.

24 Is she here or virtual?

25 COMMISSIONER COHEN: Maybe she didn't travel.

1 Don't worry about it.

2 ACTING COMMISSIONER MILLER: She may be in
3 traffic. It's very, very bad.

4 COMMISSIONER COHEN: I can -- and low fog. I can
5 definitely attest to that.

6 ACTING COMMISSIONER MILLER: Speaking from
7 experience.

8 CHAIRPERSON KOUNALAKIS: Well, maybe actually,
9 then we can just turn to the Commissioners, particularly
10 Commissioner Cohen, you were a supervisor in San
11 Francisco, so I suspect you have some thoughts about this.

12 COMMISSIONER COHEN: I've heard of this place
13 absolutely. So good morning, everyone. I served eight
14 years on the San Francisco Supervisors representing the
15 south eastern neighborhoods. I know the Bayview Hill
16 Association very well, as well as all other community
17 organizations. This is a unique park, a State Park in an
18 urban setting. I don't think that there's any other park
19 in the state of California that has that unique
20 designation. If there is, I think it's just one. This is
21 very unique. And as you can see on the map, it's on the
22 tip of the southeast part of San Francisco.

23 I did spend some time with San Francisco City and
24 County staff, as well as my own staff, and State Lands
25 Commission staff on just understanding the issues. I am

1 supportive of this initiative. I will tell you I am going
2 to vote favorably of it, but I'm going to be holding my
3 nose. This is not something -- when I think -- let me
4 also add another caveat. I live in the Bayview community.
5 So I used to live five minutes from this site. I'm now
6 maybe seven minutes from the site, but still in the
7 southeast of San Francisco, so I'm not making a decision
8 outside -- or outside of a vacuum. I know the area. I
9 know -- and prior to this meeting after my briefing went
10 to just walk the land.

11 The one thing that really sways me to support is
12 that it's a short-term lease of two years. Now, should
13 the City and County come back and say, hey, we want to
14 renegotiate or talk again maybe another two years, another
15 four or six years, I think that I -- that's something that
16 I would be against, but understanding that where the
17 crisis is, I'm sensitive to housing, particularly
18 vehicularly housed folks.

19 I asked questions and was -- wanted to know if
20 there was going to be a traditional hookup, because I was
21 concerned about the human excrement that often is just in
22 the streets. I'm satisfied with the answers. There's
23 going to be improvements done to the land that will allow
24 these RVs to hook up.

25 It's still a small contained site. Animals will

1 be -- that people are still able to live with their
2 animals. And if I'm not mistaken, I think there's 24/7
3 support from Urban Alchemy, a non-profit organization that
4 has won national attention on the work that they are doing
5 within the homeless encampments and providing safety first
6 and foremost, and structure.

7 So these are some of the infrastructure add-ins
8 that bring me a little bit more comfort in my ability to
9 support this. I will be listening to public comment as
10 well, because I am -- again the neighbors that are
11 concerned about this are also my neighbors. So Madam
12 Chair, those are just a few of my thoughts.

13 Thank you

14 CHAIRPERSON KOUNALAKIS: Thank you very much,
15 Commissioner Cohen.

16 Commissioner Miller, questions or comments?

17 ACTING COMMISSIONER MILLER: No, thank you.

18 CHAIRPERSON KOUNALAKIS: So I, too, live and have
19 served in San Francisco. Though Commissioner Cohen, you
20 vastly outranked me, but I was a member of the Port
21 Commission and we --

22 COMMISSIONER COHEN: Right. I supported you on
23 that. You came to the Rules Committee. Yeah, I remember.

24 CHAIRPERSON KOUNALAKIS: At the time, we were
25 approving some of the first navigation centers. And what

1 was key was that they were short-term solutions. And in
2 all of the cases where neighbors have rightly major
3 concerns about these kinds of facilities near them, the
4 commitment that is made is that these are temporary
5 solutions. And in the case of Navigation Centers, that
6 they will be relocated into other communities, so that
7 none of these are permanent and every community takes a
8 turn.

9 Now, I will say I think that that is still
10 probably less than what we would all think of as equitable
11 in terms of moving these to different neighborhoods and I
12 think we should be keenly aware of that. But for this
13 particular location, the management has been such that
14 more than half of the households that have utilized it
15 have been able to be navigated into permanent housing or
16 into a different permanent or just different situations
17 and that should give us all hope, because very often when
18 we think of the homeless, we think of it as a permanent
19 situation, but in fact what it's proven to be, and even
20 just for the numbers here, is that not everyone, but many
21 people with just some additional help can navigate their
22 way back into a better more permanent solution.

23 So while I think we all recognize that this is
24 not a long-term solution, this is not a perfect solution
25 in the context of the homeless crisis that the State of

1 California is grappling with, this is a two-year solution
2 that I, too, plan to support.

3 So with that, may I have a motion.

4 COMMISSIONER COHEN: May I say one more thing on
5 the record?

6 CHAIRPERSON KOUNALAKIS: Yes, of course.

7 COMMISSIONER COHEN: One thing that I want to --
8 that I forget to mention is there is a concept called the
9 concentration of poverty. And that is something that's
10 very important when we're talking about communities of
11 color, working class communities. What happens is
12 historically, you have the concentration of poverty. They
13 want to put all of the programs to support people, all --
14 you see a congregation of public housing in this part of
15 the city. The city's four largest public housing units
16 are in the area. There is a public housing development
17 that is not far from this particular site.

18 You talked about Navigation Centers. There are
19 homeless shelters. There are soup kitchens, and -- so
20 this -- me coming to this decision, I don't come with it
21 lightly. The concentration of poverty is something that I
22 concentrated on when I was serving for eight years,
23 because that is something that I was against. Not only do
24 you have million dollar homes in this part of San
25 Francisco, beautiful bay water views, hills. I mean, it's

1 just a gorgeous part of the city and the best weather.

2 You also have the city's four largest public
3 housing units, and that is an interesting mix, an
4 interesting place to grow up, a dynamic place to develop
5 legislation and to try to create an environment where
6 everyone can thrive, everyone can thrive, whether you have
7 a degree and you own -- you own your own home or you are
8 vehicularly housed and you are living -- working, but
9 living in your car.

10 This is a community that has been very gracious
11 in accepting and welcoming people of all kinds. This
12 project is unique is because -- again because it's so
13 short term. If this was a lease that we were negotiating
14 for 20 years, even five years, I would not be in support
15 of it, because I do not believe that the neighborhood has
16 the capacity to continue to accept these types of -- or to
17 give -- and create an environment and to give these types
18 of services to really vulnerable communities.

19 The other caveat I want to highlight that you
20 brought up, Lieutenant Governor, is the west side of the
21 city, the Sunset in particular, is also going to be
22 receiving a similar RV park that the city is looking to
23 expand, so -- again, so that it's -- so that this pressure
24 that we're feeling is dispersed. Seven miles by seven
25 miles, it's a very small footprint, but it is unfair for

1 the southeast or the southwest of San Francisco to
2 continue to shoulder that responsibility. So I just
3 wanted to just acknowledge that, that it is also being
4 shared on the west side. Thank you.

5 CHAIRPERSON KOUNALAKIS: Thank you very much for
6 your comment.

7 Grace, do we have any who would like -- oh, do
8 we --

9 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:
10 I believe there are public commenters.

11 CHAIRPERSON KOUNALAKIS: Sorry. Okay.

12 EXECUTIVE OFFICER LUCCHESI: So Michelle.

13 CHAIRPERSON KOUNALAKIS: Actually, but first,
14 Grace, did we have the representative from the city
15 available?

16 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:
17 I have not heard from them, but I'm wondering if
18 they may be en route and running into traffic, so...

19 CHAIRPERSON KOUNALAKIS: Okay. Well, then why
20 don't we move to public comment. Michelle, is there
21 anyone who would like to speak on this item?

22 OFFICE TECHNICIAN PELKA: Yes. Our first speaker
23 is Jacob Janzen.

24 Jacob, please unmute yourself and begin your
25 comment.

1 JACOB JANZEN: Thank you. Yes. My name is Jacob
2 Janzen. I'm an attorney representing the Candlestick
3 Heights Community Alliance, which is a -- (clears throat)
4 -- excuse me -- a group of residents that live near this
5 facility. The Alliance strongly opposes the proposed
6 renewal of this lease. It's submitted written comments
7 that detail how the facility really is just another in a
8 long line of government sponsored, racially discriminatory
9 practices that burden the Bayview district with projects
10 that frankly other more affluent and whiter San Francisco
11 neighborhoods do not want.

12 No other San Francisco neighborhood is actually
13 being asked to bear this burden. The Alliance has also
14 detailed how the facility violates the public trust
15 doctrine, how it inhibits local residents from using their
16 only reasonable, accessible -- only reasonably accessible
17 State park and how the determination that the facility is
18 exempt from CEQA is categorically wrong and how CEQA
19 analysis must be conducted.

20 I want to also address a misstatement in the
21 staff report. The facility currently only allows for 35
22 vehicles, because there's no access to PG&E electrical
23 grid. And it's not reduced the number of encampments in
24 the neighborhood in any way. They're completely out of
25 control. Also, the Commission's emphasized time and again

1 that this plan is temporary, but we've seen that it
2 actually -- that's not the plan. We've seen in city
3 emails that the city would prefer to have an extension for
4 another five years and this is the second term of two
5 years.

6 I think it's also worth highlighting today how
7 the renewal of this lease really violates the Commission's
8 Environmental Justice Policy. That policy states I'm
9 quoting, "The Commission envisions a future in which
10 environmental justice communities are no longer
11 disproportionately impacted by pollution or environmental
12 hazards, and that the Commission commits to promoting
13 equity and advancing environmental justice by considering
14 disproportionate burdens on disadvantaged communities."

15 The EJ Policy defines disadvantaged communities
16 as those that score on the CalEnviroScreen's highest 25
17 percent. The location of this facility and the
18 surrounding census tract score in the 80th and 90th
19 percentiles on CalEnviroScreen, which is some of the
20 highest pollution burdens in the state, and the facility
21 has only added to that pollution burden. We now know that
22 the secret -- the city has secretly operated unpermitted
23 diesel generators on the site for more than a year, and
24 that those diesel generators emitted more than 383 times
25 the diesel particulate matter that's -- that is allowed

1 under federal law.

2 What's worse is that there's still no access to
3 the electrical grid and the facility own -- at the
4 facility and the only plan to power it is by using
5 additional large diesel generators.

6 The EJ Policy requires the Commission to strive
7 to minimize additional burdens on marginalized and
8 disadvantaged communities and to work to reduce and
9 mitigate adverse impacts on vulnerable communities. This
10 facility does just the opposite. By extending this lease,
11 the Commission is not only ignoring the negative impacts
12 that this facility has already had on the community, but
13 it's committing to adding to the pollution burden in a
14 neighborhood that already bears more than its fair share
15 of San Francisco's pollution.

16 I think it's also worth highlighting that this is
17 the first and only time that a California State
18 Recreational Area, or State Park has been used for this
19 type of a facility. We all know that the housing crisis
20 is a statewide problem. Renewing this lease would just
21 send the message to other California cities and towns
22 faced with, you know, equally dire housing challenges that
23 this project was not actually temporary and that the
24 Commission is willing to convert State Parks to vehicle
25 encampments, even if they need to be powered by diesel

1 generators and even or particularly --

2 CHAIRPERSON KOUNALAKIS: Mr. Janzen, if you could
3 --

4 JACOB JANZEN: -- if those State Parks are in or
5 near disadvantaged communities.

6 CHAIRPERSON KOUNALAKIS: Mr. Janzen, if you could
7 please conclude your comments, wrap them up.

8 JACOB JANZEN: Certainly. I would just say in
9 sum, the renewal of the lease is not only illegal, because
10 it fails to conduct any CEQA analysis, but it violates the
11 Public Trust Doctrine and it pollutes an already polluted
12 neighborhood.

13 CHAIRPERSON KOUNALAKIS: Thank you for your
14 comments.

15 JACOB JANZEN: Thank you.

16 CHAIRPERSON KOUNALAKIS: Thank you. You don't
17 need to repeat yourself. We have it all on the record.
18 Thank you very much.

19 JACOB JANZEN: Thanks so much.

20 CHAIRPERSON KOUNALAKIS: Michelle, do we -- and
21 I'd like to remind all of our speakers that three minutes
22 is a pretty generous public comment period, so we'd like
23 to ask that everyone please limit their comments to three
24 minutes.

25 Michelle, is there anyone else who would like to

1 address us on this issue?

2 OFFICE TECHNICIAN PELKA: Yes. Our next speaker
3 is Emily Cohen.

4 Emily, please unmute yourself and begin your
5 comment.

6 CHAIRPERSON KOUNALAKIS: Oh, this is from the
7 City of San Francisco, is that right?

8 EMILY COHEN: Yes.

9 CHAIRPERSON KOUNALAKIS: Emily, if you could
10 please first identify yourself.

11 EMILY COHEN: Thank you, Chair. My name is Emily
12 Cohen. I am a Deputy Director at the Department of
13 Homelessness and Supportive Housing in San Francisco. And
14 I was planning to present, although some technical
15 difficulty getting into the virtual room, and -- would you
16 like me to give my intended presentation or simply make
17 public comment?

18 COMMISSIONER COHEN: I think it's important to
19 hear from you before we continue with public comment.

20 EMILY COHEN: Okay.

21 CHAIRPERSON KOUNALAKIS: So you have the floor
22 and you can -- this is part of the presentation. So
23 not part of public comment for those who are listening.
24 And Emily please proceed with your presentation.

25 Thank you.

1 (Thereupon a slide presentation).

2 EMILY COHEN: Thank you very much, Commissioners.
3 I'm really pleased to be here virtually with you this
4 morning and an opportunity to share about the Bayview
5 Vehicle Triage Center in our community in San Francisco.

6 --o0o--

7 EMILY COHEN: As was noted in the staff report,
8 the City and County of San Francisco is seeking approval
9 for a new sublease for the approximately 300,000 square
10 foot parcel owned by State Lands Commission and leased to
11 the Department -- State Department of Park and Recreation
12 for a two-year term. The current lease ends in January of
13 2024 and this proposal would extend the utilization until
14 January 2026.

15 --o0o--

16 EMILY COHEN: San Francisco, like many other
17 communities in California, is suffering from a pretty
18 extreme homelessness crisis in our community. And we have
19 seen over the last several years, four or five years, a
20 really dramatic increase in the number of people living in
21 their vehicles. And this population is different in terms
22 of the services needed and the facilities required to
23 serve them. And we -- in July, we conducted a count of
24 inhabited vehicles in our community and found just over a
25 thousand inhabited vehicles with just under 50 percent of

1 those vehicles in District 10, which is largely the
2 Bayview neighborhood.

3 In response to this growing issue in our
4 community, two years ago this body approved a two-year
5 lease for a parcel at Candlestick State Recreation Area
6 within a parking lot that was not regularly used. We have
7 since opened a vehicle triage center.

8 --o0o--

9 EMILY COHEN: This is a -- sorry, this is an
10 image of the before the flooding along Hunters Point
11 Expressway and a really large vehicle based encampment in
12 the neighborhood.

13 --o0o--

14 EMILY COHEN: Similar image to what was shown by
15 staff, this is a parking lot at the Candlestick State
16 Recreation Area that we have been operating as a safe
17 parking program or Vehicle Triage Center with 24/7
18 staffing from Urban Alchemy and on-site social services
19 provided by the Bayview Hunters Point Foundation. Urban
20 Alchemy and Bayview Hunters Point work closely to -- with
21 the guests to connect them to housing assistance, health
22 care services, and public benefits. We also run the --
23 they also run the site 24 hours. They manage access, keep
24 things clean, work with the guests to make sure their
25 basic needs are met, help deliver the meals. We have a

1 mobile shower trailer that comes in. We have portable
2 restrooms on-site, and so we're really trying to meet both
3 the basic human needs of our guests, but also work with
4 them on a pathway forward.

5 So as of today, the project is serving 49 guests
6 in 41 vehicles, 17 guests have moved into permanent
7 housing. Just this month, 15 guests got their vehicles
8 repaired and we had six guests opt to leave the site and
9 move into more traditional shelters.

10 The site has a lower capacity currently than what
11 is possible. When we are able to expand the
12 infrastructure, the electronic -- electric infrastructure
13 on the site, we will be able to expand to a larger
14 community, which will help us alleviate more encampments
15 on the streets of the community.

16 --o0o--

17 EMILY COHEN: So of the guests served, we're --
18 this is a slide that shows some of the demographics,
19 really similar to what we see generally in the homeless
20 population in our community. And we are really looking
21 forward to building on the initial success of this project
22 by operating for an additional two years. We are fully
23 aware and have been in very candid and direct
24 conversations with State Lands Commission staff, as well
25 as State Parks and Recreation staff, and our city that

1 this is two more years only, that there's not intention to
2 extend beyond that, because we are working on a Westside
3 Vehicle Triage Center currently and really have hopes of
4 diversifying where these resources are located.

5 We really appreciate the partnership with the
6 neighborhood. I know it's been hard. There have been
7 some challenges, but we meet regularly with members of the
8 community to address issues that come up, and to ensure
9 that our guests are really getting the support that they
10 need to thrive both at the Vehicle Triage Center and then
11 beyond as they move out.

12 So appreciate the consideration of the Commission
13 and happy to take any questions that you might have.

14 CHAIRPERSON KOUNALAKIS: Thank you so much. So
15 before we go back to public comment, are there -- let's --
16 since we just received this presentation by City of San
17 Francisco, Commissioners or even staff that may have any
18 questions, starting with the Commissioner.

19 COMMISSIONER COHEN: Yes. Thank you very much.
20 I do have questions for you, Ms. Cohen. Good morning to
21 you.

22 EMILY COHEN: Good morning.

23 COMMISSIONER COHEN: First and foremost, if
24 someone has a question or a problem with the -- one of the
25 residents at the encampment, how do we lodge our

1 complaints or have our concerns heard from the city?

2 EMILY COHEN: Absolutely. So I'm in regular
3 contact with many members of the community. I -- as our
4 point person for community engagement, any member of the
5 community can call me directly or email me and we will
6 work to address the issue or invite them into our monthly
7 working group, so that we can have a more robust
8 conversation about it. And I'm happy to share my email
9 address with you.

10 COMMISSIONER COHEN: So it's safe to say you're
11 not just creating this RV location and then walking away.
12 You guys are -- still will remain at the table and be
13 present and help solve problems.

14 EMILY COHEN: One hundred percent. Supervisor
15 Walton staff and myself convene a monthly meeting with the
16 neighbors. Everyone is welcome and it's really an
17 opportunity to address any concerns that members of the
18 community might have.

19 COMMISSIONER COHEN: Thank you. I appreciate
20 that, because that was my next question that I was going
21 to ask where the supervisor was. So you said Supervisor
22 Walton is in support of this.

23 EMILY COHEN: Yes, he is.

24 COMMISSIONER COHEN: Okay. Can you share with us
25 the plan to bring power to this site?

1 EMILY COHEN: Absolutely. This has been a bit of
2 a long journey with PG&E and not -- you know, has not been
3 smooth. But in terms of the site -- sorry -- we did
4 receive a PG&E contract with -- between Public Works and
5 PG&E back in November of 2021 as we started to plan for
6 the program to open in January of 2022. It has been
7 delayed several times, so we have explored multiple
8 interim power solutions. We did submit a permit
9 application to BAAQMD for generators. That has not been
10 approved, so we are not moving forward with that route.

11 We began phase two with PG&E in October of 2022.
12 In January of this year, our PG&E application closed and
13 then -- sorry. It didn't close. The decision to pursue
14 the two-year extension, we were working with PG&E to
15 reinitiate our application. And we are in the queue --
16 PG&E has the draft design and service agreement, which
17 came together this fall and we are anticipating spring to
18 summer being able to do the infrastructure work with PG&E
19 and get power to the site.

20 COMMISSIONER COHEN: And that -- the
21 infrastructure work will be conducted during the spring
22 and the summer. When do you expect to open up for the
23 RVs?

24 EMILY COHEN: Yeah, so right now we currently
25 have about a 40 RV capacity. And if the infrastructure

1 comes online in the summer as anticipated, we would then
2 gradually ramp up to about a hundred spots.

3 COMMISSIONER COHEN: Right. My question is
4 what's the timeline? When are you going to --

5 EMILY COHEN: We're hope --

6 COMMISSIONER COHEN: When do you begin the
7 gradual ramp-up?

8 EMILY COHEN: Yes. We're hoping to begin that in
9 the summer, but we -- it is sort of dependent on the
10 PG&E's timeline.

11 COMMISSIONER COHEN: Understood. Okay. I have
12 no further questions.

13 Thank you.

14 EMILY COHEN: Thank you.

15 CHAIRPERSON KOUNALAKIS: Okay. So with that,
16 Grace, did you have something else you wanted to clarify?

17 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:
18 I do not have anything else.

19 CHAIRPERSON KOUNALAKIS: Okay. Then we're going
20 to go ahead, Michelle, and return to public comment,
21 please.

22 OFFICE TECHNICIAN PELKA: Yes. Our next speaker
23 is Russell Morine. Russell, please unmute your mic and
24 being your comment.

25 RUSSELL MORINE: Hello, everyone. Good morning,

1 especially good morning to you, Supervisor -- I was going
2 to call you Supervisor Cohen -- Ms. Cohen. Thank you for
3 your comments earlier. I think they were thoughtful and
4 on point. We were here two years ago saying the same
5 things and hearing the same things. The VTC, interesting
6 concept, but it's not working. I think the Lieutenant
7 Governor pointed out that some folks did transition to
8 housing. But really over two years, they're talking about
9 15 people maybe one household per month is moving to
10 housing. There's other steps they're moving on the
11 housing ladder. But the concept of the VTC, a temporary
12 quick access moving on to the next step in the housing
13 ladder. This isn't working. This isn't it.

14 This is an RV camp where folks are living there
15 for probably over a year, going on two years, maybe three
16 years, maybe four years. It's not working. It's in the
17 public park. The public park and the Bayview. It's not
18 in the public park anywhere else in the city. It's a
19 place that -- it's not really a good spot for this type of
20 use.

21 Let's do this, we're not going to -- I know it's
22 going to pass. This is December 5th. It's not going to
23 end. There's no way this is going to transition people
24 off of that site at the end of the year, but give a hard
25 stop. Let's really give a hard stop. One year from now,

1 let's have another meeting and explain the drawdown, how
2 we're going to close it out in the last two years of this.

3 Let's not come back in two years and another
4 iteration of this project. Hard stop. Whatever you do
5 today, let's not let this thing go past the next two
6 years. So again, thank you for your time. Thank you for
7 your attention to the detail. It's a good concept. Poor
8 execution. Let's not do this in another two years.

9 Thank you.

10 CHAIRPERSON KOUNALAKIS: Thank you very much.
11 Michelle, is there anyone else who would like to speak?

12 OFFICE TECHNICIAN PELKA: Yes. Before, I call
13 our next speaker, may I -- may Barb Tassa, please identify
14 themselves. I see they may be --

15 BARB TASSA: Yep, that's me.

16 OFFICE TECHNICIAN PELKA: Oh. Okay. Yes. Go
17 ahead and unmute yourself and begin your comment.

18 BARB TASSA: Thank you. Hi, everybody. I'm a
19 resident of the Bayview and I likewise don't support the
20 extension of the VTC. And just for some comments that
21 were made, you know -- and I will say, Emily Cohen from
22 HSH has been accessible for comment. So I do want to
23 acknowledge that HSH has had regular monthly meetings
24 where folks like Russell, myself, and other neighbors have
25 been able to speak about the concerns. So number one, I

1 do appreciate that. So I want to put that out there.

2 But the second really is, you know, this is
3 another two-year extension, as Russell mentioned before.
4 We're looking for, you know, building an area that is able
5 to help people -- help connect them with housing and it's
6 important to recognize that the State Park it is not the
7 place for that. It's an area for recreation, and an area
8 of the city that doesn't have a lot of recreational
9 opportunities that are safe.

10 Now, it's also interesting if you go around the
11 park, access to the park is extremely limited. There's no
12 sidewalks. There's actually zero sidewalks to access the
13 State Park. The roads are in unaccepted legal status.
14 That means the city is actually not even paving or fixing
15 potholes. The area has extreme illegal dumping. The area
16 has a historical discrimination and pollution. In fact,
17 the EPA Superfund site is at Yosemite Slough, which is
18 adjacent to this particular State Park.

19 So when you take everything into context and you
20 take in the fact that diesel generators are run secretly
21 to power the site initially, you know, I really ask does
22 as Commission -- State Lands commissioners here, you know,
23 holding that Public Trust Doctrine here is what I would
24 look at. Is this how we really want our State Parks to
25 operate where these deals are being done, and really are

1 they in the interests of area residents and California
2 residents at large? This is a State Park. We want to
3 provide clean and safe access to the State Park. Yes, we
4 want to provide services to unhoused communities, but that
5 should not be coming at the expense of the Bayview
6 community.

7 And I would just, you know, continue asking some
8 questions. You know, why is the State Park lacking
9 working bathrooms? Why is there a lack of sidewalks to
10 this park? Why is there illegal -- excessive illegal --
11 dumping around the State Park. Why is there an excessive
12 concentration of RV vehicles in this area as opposed to
13 say Baker Beach or the Marina? How is this concentration
14 of poverty allowed to happen in a city like San Francisco?

15 So those are questions of State Lands
16 commissioners. I hope you start to ask and figure out a
17 way to actually bring equitable able open access to the
18 waterfront through the State Park.

19 Thank you.

20 CHAIRPERSON KOUNALAKIS: Thank you very much.

21 Michelle, next speaker, please.

22 OFFICE TECHNICIAN PELKA: At this time, we have
23 no hands raised for comment.

24 CHAIRPERSON KOUNALAKIS: Thank you, Michelle.

25 Commissioner Cohen, would you --

1 COMMISSIONER COHEN: I have another question.

2 CHAIRPERSON KOUNALAKIS: Go ahead, please.

3 COMMISSIONER COHEN: My question is directed
4 towards Emily Cohen. Emily, can you tell me what would
5 our -- I come to the park or I have gone to the park.
6 What will my new experience be in the fall or maybe this
7 time next year? Will I be able to park my car there, will
8 I be impacted, or am I going to be prohibited from coming
9 to the State Park because of this VTC?

10 EMILY COHEN: Thank you for the question. Access
11 to the park is not impacted by the Vehicle Triage Center.
12 The Vehicle Triage Center, you enter off of Hunters Point
13 Expressway before you reach the entrance to Candlestick
14 State Park and then there's a very long narrow driveway
15 that you -- that leads up to the VTC. And so it's -- you
16 know, it's barely visible from the street. And the main
17 parking lot to the park is open and accessible to the
18 public.

19 State Parks could probably speak better to their
20 intended like redevelopment and their long-term
21 improvement plans to the site, but the boat launch parking
22 lot is where the Vehicle Triage Center is and that was an
23 underutilized lot or an unused lot prior to us using this.
24 And access to the main park is not impacted. I will say
25 it is -- there is the dumping in the area that the public

1 speaker spoke to. There are not the sidewalks to the
2 area. And I think that's all part of a larger
3 redevelopment strategy down the road for this
4 neighborhood.

5 COMMISSIONER COHEN: All right. Thank you. Is
6 the State Parks representative here?

7 LAND MANAGEMENT DIVISION ASSISTANT CHIEF KATO:
8 I don't see one.

9 COMMISSIONER COHEN: No. Okay. All right.
10 Thank you.

11 CHAIRPERSON KOUNALAKIS: I actually do have one
12 more question for you, Emily. In making this kind of
13 outlay of -- to bring electricity in through a PG&E line
14 for a two-year period of time, what will -- will that be
15 able to be repurposed into something else or will it be
16 removed? How do you envision that kind -- that piece of
17 infrastructure and the capital outlay associated with it
18 to assure the community that that isn't some kind of a
19 trigger for a long-term facility.

20 EMILY COHEN: Yes. This is something we are
21 discussing with State Parks. And we will leave whatever
22 infrastructure they desire for their longer term use of
23 the site when we depart and our agreement has us removing
24 the remainder of the infrastructure. So if it's useful
25 for them to keep it, they can. They have that ability,

1 just -- but otherwise, our agreement stipulates that we
2 remove what we've added to the site.

3 CHAIRPERSON KOUNALAKIS: All right. Thank you
4 very much.

5 EMILY COHEN: Thank you.

6 CHAIRPERSON KOUNALAKIS: Commissioners, any other
7 comments or questions?

8 May I have a motion to adopt staff's
9 recommendations detailed in Items 55 and 56?

10 ACTING COMMISSIONER MILLER: Move approval.

11 COMMISSIONER COHEN: Second.

12 CHAIRPERSON KOUNALAKIS: We have a motion from
13 Commissioner Miller and a second from Commissioner Cohen.
14 Any objection to a unanimous vote?

15 Okay. Motion passes unanimously.

16 Thank you, everyone.

17 Okay. Next item. Items 57 and 58 to be
18 considered together to amend leases for existing oil and
19 gas pipelines serving federal platforms Hondo, Harmony and
20 Heritage offshore Santa Barbara County.

21 May we have the presentation, please.

22 (Thereupon a slide presentation).

23 PUBLIC LAND MANAGEMENT SPECIALIST SIMPKIN: Good
24 morning, commissioners. My name is Drew Simpkin and I
25 will be presenting the staff presentation for Items 57 and

1 58.

2 These two items will be considered together as
3 part of one presentation.

4 Next slide, please.

5 --o0o--

6 PUBLIC LAND MANAGEMENT SPECIALIST SIMPKIN: Item
7 57 concerns lease 4977, a general lease, right-of-way use
8 to Pacific Offshore Pipeline Company, a subsidiary of
9 ExxonMobil Corporation. The lease includes the use of one
10 12-inch diameter gas pipeline. Item 58 concerns lease
11 7163, a general lease, right-of-way use to ExxonMobil
12 Corporation. The lease includes the use of one 12-inch
13 diameter water pipeline, one 20-inch diameter oil emulsion
14 pipeline, and three 6-inch diameter power cables.

15 Next slide, please.

16 --o0o--

17 PUBLIC LAND MANAGEMENT SPECIALIST SIMPKIN: The
18 lease improvements are located in Santa Barbara County
19 near El Capitán State Beach and extend from the shoreline
20 three miles waterward where they continue into federal
21 waters and connect to federal oil platforms.

22 Next slide, please.

23 --o0o--

24 PUBLIC LAND MANAGEMENT SPECIALIST SIMPKIN: The
25 improvements under both leases are part of Exxon's Santa

1 Ynez Unit, which consists of three offshore platforms.
2 Platform Heritage, Harmony, and Hondo are located in
3 federal waters outside the Commission's jurisdiction and
4 an onshore processing facility at Las Flores Canyon near
5 Goleta in Santa Barbara County.

6 Oil is transported from Exxon's offshore
7 platforms through the 20-inch diameter oil pipeline and
8 treated at the Las Flores Canyon Oil and Gas Plant. The
9 water pipeline connects Platform Harmony to shore. The
10 three power cables serve all three platforms and the gas
11 pipeline runs from Platform Hondo to shore.

12 Next slide, please.

13 --o0o--

14 PUBLIC LAND MANAGEMENT SPECIALIST SIMPKIN: In
15 May 2015, an onshore pipeline operated by Plains All
16 American Pipeline ruptured, releasing over 120,000 gallons
17 of oil products onto land and into the Pacific Ocean. The
18 Plains Pipeline remains non-operational. And prior to the
19 rupture, this pipeline was the sole pipeline used to
20 transport produced oil from the Santa Ynez Unit, Venoco's
21 Platform Holly, and Freeport-McMoRan's Point Arguello
22 Platform to market.

23 Exxon has not resumed oil and gas production and
24 processing. And since the Plains Pipeline incident, Exxon
25 placed the Santa Ynez Unit into a non-production or

1 shut-in status. In October 2022, Exxon acquired pipeline
2 segments 901 and 903 from Plains, which includes the
3 portion that ruptured in 2015 with plans to perform
4 remediation work and eventually restart operations in the
5 Santa Ynez unit.

6 Next slide, please.

7 --o0o--

8 PUBLIC LAND MANAGEMENT SPECIALIST SIMPKIN: In an
9 effort to continue production, Exxon applied for
10 permitting from the County of Santa Barbara that if
11 approved would allow Exxon to truck oil from Las Flores
12 Canyon to local refineries. This proposal faced
13 challenges and was ultimately denied by the County in 2022
14 leading Exxon to challenge the decision in court. The
15 court ruled against Exxon in an order dated September
16 27th, 2023 upholding the county's denial of Exxon's permit
17 request.

18 Other legal issues remain pending in the case.

19 Next slide, please.

20 --o0o--

21 PUBLIC LAND MANAGEMENT SPECIALIST SIMPKIN: Lease
22 4977's primary lease term expired on December 31st, 2021.
23 Lease 7163 primary term expired on January 31st, 2022.
24 Consequently, both leases are in holdover. However, the
25 terms of the leases limit the holdover period to two years

1 ending December 31st, 2023 and January 31st, 2024,
2 respectively.

3 Next slide, please.

4 --o0o--

5 PUBLIC LAND MANAGEMENT SPECIALIST SIMPKIN: In
6 September of 2021, Exxon applied for new leases. However,
7 due to the limited tow-year holdover terms and the pending
8 results of an analysis of Public Trust Resources and
9 Values, otherwise known as an APTR study, staff recommend
10 amending the leases. The APTR will asses the long-term
11 risks and impacts to Public Trust resources for existing
12 offshore oil and gas pipelines under the Commission's
13 leasing jurisdiction. Additional information regarding
14 the APTR can be found in Agenda Item 59 and the
15 accompanying staff presentation.

16 Next slide, please.

17 --o0o--

18 PUBLIC LAND MANAGEMENT SPECIALIST SIMPKIN:

19 First, staff propose amending and extending the
20 holdover period an additional five years, which will allow
21 the Commission to consider the results of the APTR, the
22 appropriateness of a new lease as the State moves closer
23 to deadlines to eliminate greenhouse gas emissions,
24 procure energy from renewable sources, and reduce the
25 impacts from the climate crisis. The proposed amendment

1 would also increase the bonding requirement for each lease
2 to cover potential liability. Staff recommends the bond
3 for lease 4977 be increased to \$5 million and lease 7163
4 to 15 million.

5 This requirement is designed to protect the state
6 in the event that Exxon is unable or unwilling to remove
7 the pipelines and power cables. Exxon will also be
8 required to submit an application for any new leases and
9 meet regularly with staff to discuss the status of the
10 improvements, future plans related to the Santa Ynez Unit,
11 or any other topics related to the leases. Lastly, and
12 what staff consider to be the most critical provisions of
13 the lease amendment requires Exxon to conduct inspections
14 that exceed existing State and federal regulatory
15 requirements. This includes the condition that Exxon
16 update its pipeline testing results and provide
17 comprehensive information to the Commission for review and
18 approval prior to utilization of the improvements.

19 This process is designed to allow the State to
20 independently verify the pipeline's structural integrity
21 and ensure risks to the environment and surrounding
22 communities are minimized.

23 Next slide, please.

24 --o0o--

25 PUBLIC LAND MANAGEMENT SPECIALIST SIMPKIN: In

1 conclusion, staff recommends that the Commission authorize
2 amendment of lease 7163 effective December 5th, 2023 to
3 extend the lease holdover provision, increase the bond to
4 \$15 million, and modify the lease provisions substantially
5 in the form described in the proposed amendment portion of
6 the staff report.

7 Next slide, please.

8 --o0o--

9 PUBLIC LAND MANAGEMENT SPECIALIST SIMPKIN: Staff
10 also recommends that the Commission authorize amendment of
11 lease number 4977 effective December 5th, 2023 to extend
12 the lease holdover provision, extend the bond to \$5
13 million, and modify the lease provisions substantially in
14 the form described in the proposed amendment portion of
15 the staff report.

16 Next slide, please.

17 --o0o--

18 PUBLIC LAND MANAGEMENT SPECIALIST SIMPKIN: And
19 that concludes staff's presentation. Staff is available
20 to answer any questions you may have.

21 Thank you.

22 CHAIRPERSON KOUNALAKIS: Thank you very much.

23 Commissioner Miller, any questions?

24 ACTING COMMISSIONER MILLER: No questions.

25 CHAIRPERSON KOUNALAKIS: Commissioner Cohen,

1 questions or comments?

2 COMMISSIONER COHEN: No questions. I'll leave my
3 comments for after public comment.

4 CHAIRPERSON KOUNALAKIS: Okay.

5 Grace -- Michelle, sorry, do we have anyone who
6 would like to address Commission on these items?

7 OFFICE TECHNICIAN PELKA: Yes. May Linda Krop,
8 please raise your Zoom hand so we can identify you to make
9 your comment.

10 In the time, our first speaker is Brady Bradshaw.
11 Brady, please unmute your mic and begin your comment.

12 BRADY BRADSHAW: Hello, commissioners. Thank
13 you for the opportunity to --

14 CHAIRPERSON KOUNALAKIS: Hello. We can hear you,
15 yes. Please proceed.

16 BRADY BRADSHAW: Great. Thank you for the
17 opportunity to comment. My name is Brady Bradshaw
18 representing the Center for Biological Diversity.

19 Overall, we are very pleased to see the
20 Commission recognize the grave risks oil and gas
21 development and pipelines pose to the climate, to
22 environmental justice, wildlife, and public health in
23 agenda items 57 through 59 and 61, and their accompanying
24 staff reports.

25 Regarding items 57 and 58's proposed lease

1 amendments for the oil and gas pipelines, water pipelines,
2 and power cables connecting three offshore platforms in
3 federal waters to the Las Flores Canyon processing
4 facility, these leases expired in 2021 and 2022 and
5 contain maximum holdover periods that will soon be met and
6 exceeded in the coming weeks. While a month-to-month
7 holdover tenancy is preferable to new leases or lease
8 extensions of greater duration, we oppose any lease
9 extensions or renewals, and urge the Commission to pursue
10 a more rapid phaseout than 2028 and 2029.

11 As staff have noted, the lessee has no right to a
12 new lease or to a renewal of any previous lease. And this
13 is a discretionary action by the Commission as trustee of
14 the state's Public Trust Lands. If the leases remain in
15 place on a month-to-month basis for some duration, we
16 support increasing the required bonds and question the --
17 whether the proposed five million for the gas pipeline and
18 15 million for the oil pipeline are sufficient to cover
19 the cost of removing infrastructure, to say nothing of
20 restoration costs and other costs imposed on the State in
21 the event if a spill of production continues.

22 We also support requiring inspections that exceed
23 current State and federal requirements and allow the
24 Commission to conduct its own safety analysis. We don't
25 agree that the pipelines did not substantially interfere

1 with Public Trust needs and values, particularly should
2 oil and gas conveyance resume.

3 Following the completion of the study referenced
4 in Item 59, while the Commission is suggesting that the
5 lessee can either apply for a new lease or for removal of
6 the pipeline and restoration of the lease premises, we
7 would argue that the removal and restoration is what is
8 required and no further leases or holdovers should be
9 allowed. That would be the result most consistent with
10 the Commission's duties to protect Public Trust resources,
11 protect the state's coastal economy, and further
12 California's fossil fuel energy transition plan.

13 Thank you very much.

14 CHAIRPERSON KOUNALAKIS: Thank you very much.

15 Michelle, next speaker, please.

16 OFFICE TECHNICIAN PELKA: Yes. Our next speaker
17 is from a phone number ending in 344. Please unmute your
18 mic and begin your comment.

19 CHAIRPERSON KOUNALAKIS: And please state your
20 name at the beginning, if you would.

21 Michelle, do you want to repeat the phone number?

22 OFFICE TECHNICIAN PELKA: May the phone number
23 ending in 344 please unmute your mic. You are unmuted on
24 our end.

25 CHAIRPERSON KOUNALAKIS: Okay. Is there -- we

1 can come back to that maybe. If you are waiting to
2 provide public comment and you are -- your phone number
3 ends in 334[SIC], you can unmute yourself and let us know,
4 and we will come back to you, if you do not do that right
5 now.

6 Okay. Michelle, next speaker, please.

7 OFFICE TECHNICIAN PELKA: Our next speaker is
8 Jonathan Ullman. Jonathan, please unmute yourself and
9 begin your comment.

10 CHAIRPERSON KOUNALAKIS: We cannot hear you.

11 Michelle, what is -- who -- what is the name of
12 this speaker, please?

13 OFFICE TECHNICIAN PELKA: The name is Jonathan
14 Ullman. Jonathan, please unmute yourself and begin your
15 comment.

16 JONATHAN ULLMAN: Hi. Can you hear me?

17 CHAIRPERSON KOUNALAKIS: There you go. We can
18 hear you now. Please proceed. You have three minutes.

19 JONATHAN ULLMAN: Thank you. Hi. My name is
20 Jonathan Ullman and I'm the Director of the Santa Barbara
21 Sierra Club Chapter -- Santa Barbara and Ventura.

22 We ask you not to extend the lease. Five years
23 is not a temporary extension, especially with climate
24 change raging down our backs. We all saw the fires on the
25 Greek coast this summer. I was particularly concerned as

1 my daughter visited -- had just visited there. But I've
2 seen the climate-fueled fires in Santa Barbara too. The
3 Alisal fire two years ago covered the Gaviota coast, even
4 spreading to Exxon's Santa Ynez Unit property, the place
5 where the underlying pipes, your green lighting feed.

6 Fortunately, firefighters from across the state
7 came to Exxon's defense and stopped the fire just in time.
8 Santa Ynez Unit is ironically the largest stationary
9 source of greenhouse gases in Santa Barbara county, or at
10 least it was until 2015 when the Plains oil disaster
11 occurred. If you extend this lease, you will be giving
12 Exxon the go-ahead to essentially detonate a carbon bomb
13 into Santa Barbara county.

14 We don't have five years to let Exxon drill and
15 burn whatever is still under that channel. We, as a
16 society, don't need this particular oil. We do, however,
17 need to protect this coastline and reduce, not increase,
18 carbon in Santa Barbara County.

19 Lieutenant Governor, you personally witnessed the
20 decommissioning of Platform Holly. The carting off of
21 that platform was the result of the same 2015 Plains
22 Pipeline disaster, the one you would be helping to enable
23 by your proposed action. Those 3 Exxon platforms are old
24 and rusting. The underwater pipeline is extremely old.
25 It went online in 1981. That's 42, 3 years ago. And of

1 course, the onshore pipeline was deemed corroded without a
2 way to stop it corroding further according to the U.S.
3 Department of Transportation.

4 These Exxon platforms need to go the way of
5 Platform Holly. It would be hypocritical for the State
6 Lands Commission to celebrate Holly's closing while
7 opening up the door for nearly a decade to three more
8 platforms for Exxon. Exxon has hidden the science behind
9 climate change. They did it to protect their profits
10 putting the rest of us at great risk.

11 Your staff said it was afraid of being sued by
12 Exxon. That's not the way this works or should work. You
13 have the law on your side. You are under no legal
14 obligation to extend these leases. You can include these
15 pipelines in the moratorium. Also, how fearful of Exxon
16 should you be? It has lost all of its cases related to
17 the transportation of this oil. Did you consider the
18 perfect success rate of the organizations that joined the
19 Santa Barbara County government against Exxon. Exxon has
20 no you -- said in your staff report, Exxon has no
21 involvement in the Plains disaster. That's laughable as
22 it was their lust for oil and profits all based on a 1968
23 lease, the same lease --

24 CHAIRPERSON KOUNALAKIS: Your time -- if you
25 could please wrap up your comments.

1 JONATHAN ULLMAN: Yes. Don't let Exxon bully the
2 State of California. You are the ones who decide.

3 CHAIRPERSON KOUNALAKIS: Michelle, do we have any
4 other speakers?

5 OFFICE TECHNICIAN PELKA: Yes. Our next speaker
6 is Katie Davis. Katie, please unmute your mic and begin
7 you comment.

8 KATIE DAVIS: Hello. This is Katie Davis. I'm
9 Chair of the Santa Barbara-Ventura Chapter of the Sierra
10 Club and Vice Chair of Sierra Club California.

11 1974, this is a 50-year old lease and it's
12 expired. It expired in 2021 and the holdover period ends
13 this month. You now have discretion to approve or deny a
14 new lease and extend -- I ask you not to approve these new
15 leases. You can include them in the proposed moratorium
16 in the next item 59 until you complete the analysis and
17 decide whether these new leases are in the public interest
18 and whether this operation, which is long past its
19 projected life span of 25 years, is still safe.

20 In item 59, staff explains that the Commission
21 possesses wide ranging authority to manage leasing
22 activities in the State's best interest, including the
23 power to enact a temporary moratorium. If instead, you
24 approve these leases now, you're agreeing with the
25 rationale given that the pipeline does not substantially

1 interfere with Public Trust needs and values at this
2 location at this time and has existed for decades without
3 incident.

4 This completely ignores the fact that these State
5 water pipelines are part of a larger SVU oil operation
6 that had a major oil spill in 2015 and have been shut down
7 ever since. State Lands cited this 2015 oil spill in your
8 letters opposing new leases in waters off of California.
9 You know that offshore oil is not worth the risks, and
10 specifically this operation that you use as an example of
11 that fact.

12 The State Attorney General joined and
13 successfully prosecuting Plains for causing the 2015 oil
14 spill. The State proved in a court of law in front of a
15 jury that the pipeline was not maintained and is unsafe.
16 The County knows it's unsafe, which is why they recently
17 denied Exxon's request to add valves to 901, 903 that
18 could lead to restart, but the County has limited
19 jurisdiction.

20 Exxon also knows that line 901, 903 are unsafe,
21 which is why they proposed trucking oil and building a new
22 pipeline before those were denied or abandoned. They know
23 this whole operation is unsafe, which is why they proposed
24 transferring ownership to a blank check company to avoid
25 liability.

1 You can't pretend the pipeline in State waters
2 exists in a vacuum. And giving it a little extra scrutiny
3 it solves the dangers of this entire operation. If you
4 give Exxon a new lease and facilitate restart of their
5 demonstrably dangerous operation, you put our whole
6 coastline at risk. If you don't believe this lease is in
7 the State's interest, you should not approve it. If
8 little Santa Barbara County can stand up to Exxon multiple
9 times, so can the State of California. You decide if this
10 lease is in the public interest. And as someone who
11 experienced the horrors of the oil spill firsthand because
12 I live nearby, I can assure you that it is not. Thank you
13 very much.

14 CHAIRPERSON KOUNALAKIS: Thank you.

15 Michelle, next speaker, please.

16 OFFICE TECHNICIAN PELKA: Thank you. Our next
17 speaker is Linda Krop. Linda, please unmute yourself and
18 begin your comment.

19 LINDA KROP: Thank you and good morning. My name
20 is Linda Krop. I'm Chief Counsel with the Environmental
21 Defense Center headquartered in Santa Barbara and serving
22 California's central coast. We are very involved in
23 offshore oil issues, and especially the issues regarding
24 the Santa Ynez Unit, and the Plains Pipeline, and these
25 offshore lease issues. We appreciate the opportunity to

1 comment on the leases for the oil and gas pipelines that
2 transport product from ExxonMobil Santa Ynez Unit to the
3 onshore Las Flores Canyon processing plant. As you know,
4 these pipelines are currently offline, given the 2015
5 Plains Pipeline onshore spill.

6 The proposal before you would increase the surety
7 bond, add operational inspection, monitoring, and
8 reporting requirements, and modify the lease to a
9 month-to-month tenancy. The recommended lease terms would
10 also align with the Commission's proposed analysis of
11 Public Trust resources.

12 Our comments are twofold. One is we, like the
13 previous speakers, urge the Commission to consider
14 including these leases in the temporary moratorium pending
15 preparation of the analysis, given that they are not
16 operational and that the analysis will hopefully begin
17 imminently.

18 If that's not possible, we urge the Commission to
19 require a new application following completion of the
20 analysis of Public Trust resources. The recommendation
21 right now is we understand it encourages the lessees to
22 either apply for a new lease or apply for removal of the
23 pipeline facilities following completion of the analysis.
24 And if the analysis shows that operation of these
25 pipelines will impact Public Trust resources, as we -- as

1 we believe they would, then we would want to make sure
2 that there is an automatic requirement for the lessees to
3 apply for removal at the facility.

4 So our first choice is include the leases in the
5 temporary moratorium. If that's not legally possible,
6 then to require a new application as soon as the analysis
7 is complete.

8 Thank you very much for your time and
9 consideration.

10 CHAIRPERSON KOUNALAKIS: Thank you very much.
11 Michelle, next speaker.

12 OFFICE TECHNICIAN PELKA: Our next speaker is
13 Anna Christensen.

14 Anna, please begin you comment.

15 CHAIRPERSON KOUNALAKIS: Michelle, can you tell
16 me at this time how many speakers do we have signed up.

17 OFFICE TECHNICIAN PELKA: After Anna, it looks
18 like we have two more.

19 CHAIRPERSON KOUNALAKIS: Okay. Very good. Thank
20 you.

21 Anna, you can proceed.

22 ANNA CHRISTENSEN: I'm unmuted. I'm speaking on
23 behalf of Sierra Club's Los Cerritos Wetlands Task Force
24 further down the coast in Long Beach. We have our own oil
25 islands and our own massive drilling operations, partly on

1 State lands and our tidelands. We stand with the Center
2 for Biological Diversity and the other speakers. We want
3 to shut it down. It's time -- it's time to wake up and
4 realize that continuing to allow private for-profit oil
5 industry to pollute and put our entire coast and coastal
6 communities, biological and human, fishing commercial
7 operations at risk is only -- this is only going to be
8 stopped by State agencies.

9 What we see from COP23 is we are outnumbered.
10 Activists such as ourselves, we are outnumbered 20 to 1 at
11 these conferences, where the lobbyists for the oil
12 industry continue to push totally disingenuous solutions.
13 And so we need our State Lands Commission to protect us.
14 We need the precautionary principle to become a reality
15 and not just a fantasy. If it -- don't take a chance.
16 There's no reason. You have the power. You represent us
17 and you have incredible discretionary power to cutoff this
18 industry. And unless you will do it, there is no way in
19 hell that there won't be more leaks, that there won't be
20 more disasters, and there won't be even less
21 accountability than we have now.

22 We're being asked to have the public pay for
23 hundreds of abandoned wells and operations that are being
24 excused and postponed in terms of settlement and public
25 health all up and down the state. We see what the oil

1 industry did when we simply asked for a 3,200 foot setback
2 to keep children in school and homes safe. They mounted a
3 campaign in the tens of millions and it will only continue
4 to prevent that setback. We are not dealing with an
5 industry that has any respect for human life or the
6 environment overall.

7 And without naming names, we need our State Lands
8 Commission to understand who are the good guys and who are
9 the enemies moving forward. We need to get off of fossil
10 fuels and we need your help. And we're counting on you to
11 do the right thing. Do not continue these leases. Do not
12 continue to allow our communities to be at risk, and our
13 oceans to be at risk from individual corporations big or
14 small, that put profit before people.

15 Thank you very much.

16 CHAIRPERSON KOUNALAKIS: Thank you.

17 Michelle, next speaker.

18 OFFICE TECHNICIAN PELKA: Our next speaker is
19 Tina Calderon. Tina, please unmute yourself and begin
20 your comment.

21 TINA CALDERON: Good morning, commissioners. My
22 name is Tina Calderon. I work for Sacred Places Institute
23 for Indigenous People as the Director of our Ocean
24 Protectors Program.

25 As an indigenous-led organization with Chumash,

1 Tongva, and Acjachemen staff members, whose traditional
2 homelands include a good portion of the Southern
3 California coastline, including two traditional Chumash
4 tomol paddlers on staff, we are very concerned about the
5 dangers posed by offshore oil and gas and the high risk of
6 leakage.

7 We at SPI are very much concerned about the
8 safety of all life in the ocean, which we call sxa'min,
9 our underworld. We urge you, the California State Lands
10 Commission, to deny any renewals or extensions to pipeline
11 leasers for dangerous offshore oil and gas production,
12 including the leases being discussed today under item
13 number 57 and item number 58.

14 In closing, I want to let you know that even
15 after the cleanup of a tragic spill, our traditional
16 Chumash paddlers can attest to residual ocean pockets
17 remaining in the ocean, which may pose a risk to their
18 safety and health, as well as to the safety of all ocean
19 life. Thank you so much for this opportunity to share our
20 voice and we pray and hope that you do the right thing.

21 Thank you so much.

22 CHAIRPERSON KOUNALAKIS: Thank you very much.

23 Next speaker, please.

24 OFFICE TECHNICIAN PELKA: Yes. Our next speaker
25 is from phone number ending in 344.

1 Please try star six to unmute yourself.

2 TYLER GERLACH: Good morning. Can you hear me?

3 OFFICE TECHNICIAN PELKA: Yes, we can hear you.

4 CHAIRPERSON KOUNALAKIS: Yes, we can. Please
5 proceed.

6 TYLER GERLACH: Okay. Thank you. Good morning,
7 Chair Kounalakis and members. My name is Tyler Gerlach on
8 behalf of California Asian Pacific, African American, and
9 Hispanic chambers of commerce to convey our support for
10 the renewal of leases 4977 and 7163.

11 By renewing these leases, you'll be doing a great
12 service to the region's small minority-owned business
13 communities. When in full operation, the Santa Ynez Unit
14 will provide hundreds of jobs, including good paying union
15 jobs often for minority individuals, which tangentially
16 drives substantial economic traffic for those who conduct
17 business in the diverse Santa Barbara community.

18 By approving these renewals, the Commission will
19 strengthen confidence in the State's ability to transition
20 towards our meaningful climate goals, both holistically
21 and thoughtfully.

22 Thank you for your time.

23 CHAIRPERSON KOUNALAKIS: Thank you very much.
24 Michelle.

25 OFFICE TECHNICIAN PELKA: We have no hands raised

1 for comment at this time.

2 CHAIRPERSON KOUNALAKIS: Okay. We will go to
3 comments and questions from commissioners.

4 All right. I'd like to go first. So I want to
5 just speak in plain English to everyone listening. And
6 first of all, let me just say that this is the third or
7 fourth time that this item has been agendized. And this
8 is the first time we've had public comment I think more
9 than maybe one speaker, but -- and I'm just going to speak
10 for myself.

11 This has consumed us over the course of the last
12 few months. And what we have been able to work out that
13 staff is recommending today is, in my view, the best
14 option that we -- that we could possibly have under the
15 circumstances. But I'd like to just give a little bit of
16 background.

17 Over a year ago, Exxon sent in an application for
18 a new lease for a 40-year old pipeline, a pipeline which
19 has been mothballed for eight years. And we know, of
20 course, this is because the spill onshore that this oil
21 was using to get to the refinery. It was presented to
22 this body that this pipeline is in perfect condition. It
23 is just like brand new. There is nothing that anyone
24 could suggest could be improved. And if you were to build
25 it today, you would build it with the exact same specs.

1 I found this not just hard to believe, I found it
2 impossible to believe. So the notion of a new lease for a
3 40-year old eight-year mothballed pipeline seemed to me to
4 be far beyond what would be prudent and in the public
5 interest.

6 The questions -- some of the questions that I
7 had, had to do, of course, with how things have changed
8 since this lease was first -- was first agreed upon. A
9 lot has changed, not just the -- presumably, in my view,
10 the condition of a pipeline that's been in salt water for
11 40 years, but the stakeholders, the participation as we do
12 today in taking and working with native communities on
13 questions like this, the changes in the sensitivity of the
14 habitat and the more we know about the sensitivity of the
15 marine habitat, the increase in potential threats that we
16 have seen through anchor drags with the increase in marine
17 activity, whether it's shipping, or fishing, a lot of
18 questions came to mind to me.

19 So when it was put before us, it was a question
20 of give us a new lease or, first, that there would be an
21 effort to take authority and to take jurisdiction away
22 from the State Lands Commission, since the platforms are
23 in federal waters, or if the lease was to expire, that --
24 and we have seen this before, the taxpayers end up footing
25 the bill for the removal of the old equipment.

1 So what I would like to say to those who have
2 commented and to the public here in general or anyone
3 listening to this down the road is this, we have about 12
4 leases of these legacy oil pipelines off of the coast of
5 Southern California. They are all decades old and they
6 are all owned by people we presume are going to come back
7 for new leases.

8 Our next item, so I don't want to get into it
9 now, is going to address a global approach including all
10 of the stakeholders to ask ourselves what do we do about
11 these legacy pipelines, and we are calling upon all of the
12 stakeholders to participate in this process with us, so
13 that as we contemplate those future applications, that we
14 will be able to do it in an informed way. And to the
15 point of being informed, let me also say that the holdover
16 provisions that are being added to this expired lease will
17 include our ability to gather additional information about
18 these legacy pipelines.

19 So this is the beginning of something. It is the
20 beginning of a conversation that is well overdue, that
21 this application -- again, the original application was
22 for a new lease and that is not what is on the table right
23 now. That application has been withdrawn.

24 This is the beginning of a conversation. And I
25 will say that -- first and foremost, I'm very grateful to

1 the work of staff and to our lawyers to get us to a point
2 where we could -- can start this conversation rather than
3 start it through a series of massive lawsuits that we
4 believed were likely to befall us. We have some time and
5 space to be able to pursue the work ahead of us,
6 recognizing what we all know certainly in the state of
7 California, that we are aggressively pursuing a transition
8 to a carbon free energy future. And that when we ask
9 ourselves how is it that we have gotten to this place of
10 extreme weather, of tornadoes of fire, of many years of
11 drought, how we got here is because of the burning of
12 fossil fuels as energy and because of the misinformation
13 and the obfuscation, and in times the bullying of fossil
14 fuel companies in order for them to be able to continue to
15 do what they're doing.

16 So I encourage the public to participate in this
17 process with us, and again am very pleased that we have a
18 solution that will allow us to work with the community and
19 all of the stakeholders to determine what the future of
20 this legacy activity is going to be.

21 So with that, I would like to ask Commissioner
22 Cohen for your comments and questions.

23 COMMISSIONER COHEN: Thank you very much, Madam
24 Chair. Ladies and gentlemen, I actually have some
25 prepared remarks, just so that I don't get too off topic.

1 I just want to acknowledge that this pipeline has
2 been non-operational for more than eight years, like you
3 said, and acknowledge that aging infrastructure comes with
4 an inherent and increased risk of an oil spill, that
5 have -- that would have irreversible consequences to
6 California's unique offshore ecosystem.

7 This Commission initially issued these leases
8 nearly 50 years ago. Since then, California has set very
9 bold goals for emissions reductions. We've learned more
10 about the impacts of climate change on the land. We are
11 statutorily ordered -- we've learned more about the
12 impacts of climate on the land that we are statutorily
13 ordered to protect on behalf of the public. We also know
14 that emissions from oil and gas impact the health and
15 safety of all Californians and disproportionately impact
16 low Black and Brown communities.

17 In addition to the health hazards and
18 environmental injustices as the State's Chief Fiscal
19 Officer, I'm keenly aware of the long-term economic
20 impacts of climate change and more importantly the fiscal
21 impact of another oil spill. The extension of the lease
22 holdover period proposed by staff it provides us time for
23 a comprehensive analysis of offshore oil infrastructure in
24 State waters as well as it allows us time to meaningful
25 engage with communities impacted by offshore oil

1 activities.

2 It is the staff's recommendation that provides a
3 responsible approach, so that we have all the information
4 that we need to make a decision on a new lease when the
5 time comes. The substantial increase in bonding provides
6 necessary financial protection. And now I'm getting into
7 the specifics. The substantial increase in bonding, what
8 it does is it simply provides necessary financial
9 protection to the State when we are ready to decommission
10 this infrastructure.

11 I will commit today to personally building
12 relationships with tribal governments and environmental
13 justice communities across the entire state who are
14 impacted by the climate crisis. I also will cautiously
15 support the staff recommendation today with the
16 expectation that the engagement included as part of the
17 next item that we're going to be discussing in the item --
18 this is item number 59 -- is not merely a box checking
19 exercise, that it is meaningful. And I look forward to
20 real -- a real meaningful teamwork and cooperation for
21 cleaner, greener California.

22 Thank you, Madam Chair.

23 CHAIRPERSON KOUNALAKIS: Thank you very much.

24 Commissioner Miller.

25 ACTING COMMISSIONER MILLER: Thank you, Madam

1 Chair. And thank you to you and the Controller again for
2 your leadership. I sincerely appreciate it. I just want
3 to make two points, one on the Sable lease that came in
4 and was withdrawn. I think it's really important and I
5 appreciate all the public comment. This lease is fully
6 the responsibility of Exxon's and any future party - I'd
7 just like confirmation - would have to come back. It
8 would be a whole 'nother application. I think it's really
9 important that that's just clear that nobody else can come
10 in and take over the lease without affirmative action.

11 EXECUTIVE OFFICER LUCCHESI: That's correct. So
12 if Exxon were to pursue that sale of their Santa Ynez Unit
13 assets to another company, they will have to formally
14 submit an application with the State Lands Commission for
15 an assignment of the current leases. And that would come
16 before you at a properly noticed public meeting for a
17 decision.

18 ACTING COMMISSIONER MILLER: Great. Thank you.
19 And then my second question just on the bonding
20 requirements, if you could just speak to what those do
21 cover and what that new amount is with the holdover
22 provision.

23 EXECUTIVE OFFICER LUCCHESI: Yeah. So for the
24 lease that covers the oil emulsion pipelines, and the
25 water pipelines, and the cable pipelines, that is being

1 increased to \$15 million. For the other lease that covers
2 the gas pipeline, that's being increased to \$5 million.
3 And that covers the costs of -- in the event the State has
4 to take over the decommissioning of that portion of the
5 pipelines that are in State waters.

6 In terms of an oil spill, ExxonMobil retains full
7 responsibility for any incident that occurs within their
8 assets. They -- that is backed by insurance, and State
9 and federal regulatory laws, and funding in the event
10 Exxon cannot pay for that.

11 ACTING COMMISSIONER MILLER: Great. Thank you.
12 And then my final question just in terms of our
13 partnership with the federal government, if you could
14 just -- I think those pieces are just really important,
15 that all of the offshore leases are -- part of it is about
16 California and our jurisdiction, a lot of it is about
17 federal jurisdiction. So could you just make sure that
18 folks understand that distinction as well.

19 EXECUTIVE OFFICER LUCCHESI: Right. So the
20 State's leasing jurisdiction goes out to the three-mile
21 federal -- State-federal boundary. The three offshore
22 platforms that these pipelines connect to are located in
23 federal waters. And as detailed in our staff reports, the
24 federal government through the agency BSEE has determined
25 that those assets in federal waters and the ener -- the

1 oil and gas that's produced there are in the national
2 interest. And so that interaction between the federal
3 government and the State government is very critical.

4 And when the federal government determines that
5 those operations are in the federal interests, that's
6 something that we do have to take into consideration in
7 how we approach this. It's part of the legal framework
8 that we have to operate within.

9 ACTING COMMISSIONER MILLER: Great. Thank you.

10 And then Madam Chair, I'm happy to make the
11 motion when it's appropriate

12 CHAIRPERSON KOUNALAKIS: I think we are ready for
13 a motion.

14 ACTING COMMISSIONER MILLER: Great. So moved to
15 adopt the staff recommendation.

16 COMMISSIONER COHEN: I second.

17 CHAIRPERSON KOUNALAKIS: Any objection to a
18 unanimous consent.

19 COMMISSIONER COHEN: No objection.

20 ACTING COMMISSIONER MILLER: No.

21 CHAIRPERSON KOUNALAKIS: Okay. We approved. The
22 motion passes unanimously. Thank you.

23 Okay. I think we are all eager to get to the
24 next item.

25 Item 59 is to consider granting authority to the

1 Executive Officer to solicit for consultant services for
2 the preparation of an analysis of Public Trust resources
3 for all 12 leases for existing offshore oil and gas
4 pipelines under the Commission's leasing jurisdiction.
5 May we have please have the presentation.

6 (Thereupon a slide presentation).

7 SENIOR ENVIRONMENTAL SCIENTIST RAMOS: Good
8 afternoon, Madam Chair and commissioners. I'm Jason
9 Ramos, Senior Environmental Scientist with our Division of
10 Environmental Science, Planning, and Management. I'm here
11 today to present Item 59 on the agenda for staff's request
12 to solicit consultant services to prepare an analysis of
13 Public Trust Resources and Values, hereinafter referred to
14 as an APTR, to assess the long-term risks and values and
15 impacts to the Public Trust resources for all 12 leases
16 for the offshore oil and gas pipelines that are located in
17 Santa Barbara, Ventura, Los Angeles, and Orange counties.

18 Next slide, please.

19 --o0o--

20 SENIOR ENVIRONMENTAL SCIENTIST RAMOS: The
21 pipelines for the 12 leases transport oil and gas from
22 platforms located offshore of these four counties. The
23 Commission has already received or anticipates receiving
24 applications over the next 10 years for the continued use
25 of these existing pipelines, while the infrastructure

1 under lease at these locations continues to be regulated
2 by State and federal authorities. Much of it was
3 originally placed on or before the 1980s and 1990s.

4 Therefore, the Commission, through the APTR,
5 plans to assess whether the surrounding environment has
6 changed since initial installation of the pipelines and to
7 develop an updated evaluation of potential risks and
8 impacts of these offshore oil and gas pipelines.

9 The updated evaluation will address many topics,
10 including the impacts of the pipelines and associated
11 operations of the health of local ecosystems in the
12 communities they serve and distinct resources subject to
13 the Public Trust.

14 Next slide, please.

15 --o0o--

16 SENIOR ENVIRONMENTAL SCIENTIST RAMOS: The APTR
17 will also incorporate the Commission's consideration of
18 other factors, including continued responsible planning
19 for a post-petroleum era and remnant infrastructure, with
20 the continued advancement of marine renewable energy
21 planning, such as offshore wind development. The APTR
22 will consider the history of oil spill incidents and
23 related impacts to marine and coastal resources and ocean
24 users. It will consider California's legislative mandates
25 for renewable energy dependence and reduction of

1 greenhouse gas emissions. And it will consider the
2 limitations of the California Environmental Quality Act to
3 analyze impacts from existing facilities.

4 Ultimately, the APTR is intended to provide
5 essential information to help guide the Commission in its
6 future reviews and decision-making processes for offshore
7 oil and gas pipeline lease locations.

8 Next slide, please.

9 --o0o--

10 SENIOR ENVIRONMENTAL SCIENTIST RAMOS: The
11 location of the 12 leases can be broken down into two
12 subregions, the Santa Barbara and Ventura counties
13 subregion and the Southern LA and Orange county subregion.
14 This slide shows the general study area for the oil and
15 gas pipeline leases located in the Santa Barbara and
16 Ventura countie subregion. The APTR will define the study
17 area for these leases, determine the potential geographic
18 extent of an oil spill and identify and analyze the Public
19 Trust resources at risk.

20 Next slide, please.

21 --o0o--

22 SENIOR ENVIRONMENTAL SCIENTIST RAMOS: This slide
23 shows the general study area for the oil and gas pipeline
24 leases located in the Southern LA and Orange county
25 subregion. The APTR will take the same approach for the

1 study region for the analysis of Public Trust resources at
2 risk.

3 Next slide, please.

4 --o0o--

5 SENIOR ENVIRONMENTAL SCIENTIST RAMOS: The scope
6 of the APTR will evaluate each pipeline lease's spill
7 risks, pipeline integrity, and consider alternatives to
8 the existing infrastructure. The APTR will evaluate
9 potential impacts to coastal and marine ecosystems and
10 economies. It will evaluate consistency with the State's
11 efforts to address the climate crisis. It will evaluate
12 consistency with the public's current needs, values, and
13 uses of the coastal and marine environments with a
14 particular focus on the needs of disadvantaged,
15 underserved communities and tribal governments and
16 communities. The APTR will evaluate impacts to tribal
17 cultural resources and sacred landscapes. And staff will
18 engage with the lessees to request their meaningful
19 participation in providing facts and data to help inform
20 the APTR.

21 Next slide, please.

22 --o0o--

23 SENIOR ENVIRONMENTAL SCIENTIST RAMOS: In light
24 of the Commission's Public Trust responsibilities in
25 considering the risk and benefits of oil production and

1 transportation, the state's energy needs, environmental
2 concerns, and other factors, a thorough risk assessment of
3 the existing offshore oil and gas pipelines under lease is
4 warranted. Because of the age of the infrastructure, the
5 climate crisis, and the public's evolving needs,
6 Commission staff believes it is in the State's best
7 interest to conduct an up-to-date evaluation of the
8 pipelines based on the best available science and current
9 understanding of California's environmental, economic,
10 cultural and social settings.

11 California has made significant progress to
12 reduce its reliance on oil and gas in response to the
13 associated negative impacts. And the State has reached a
14 juncture where critical decisions must be made about how
15 to responsibly phase out oil and gas infrastructure.
16 However, such decisions must be made thoughtfully and
17 responsibly with a focus on trade-offs in order to avoid
18 or minimize unintended consequences that could increase
19 spill risks, or greenhouse gas emissions, or could
20 prematurely decrease energy supplies and exacerbate energy
21 costs for all Californians.

22 In conjunction with the APTR's updated
23 evaluation, staff recommend a temporary moratorium on
24 accepting and considering new lease applications involving
25 offshore oil and gas pipelines until the APTR can be

1 completed. This moratorium will allows time to develop
2 the APTR and to fully evaluate the impacts of the 12
3 offshore oil and gas leases while also providing
4 opportunities for important tribal consultation,
5 underserved community engagement, and public stakeholder
6 input.

7 Next slide, please.

8 --o0o--

9 SENIOR ENVIRONMENTAL SCIENTIST RAMOS: Commission
10 staff therefore recommends the following actions:

11 Direct staff to develop an APTR to assess the
12 long-term risks and impacts to Public Trust resources for
13 the Commission's existing 12 offshore oil and gas pipeline
14 leases with a target completion date of December 31st,
15 2026; second, authorize the Executive Officer or her
16 designee to solicit a Request for Qualifications for
17 consultant services to develop the APTR. This
18 authorization includes the delegation of authority to the
19 Executive Officer to negotiate a fair and reasonable price
20 and award and execute agreements to be funded by the Oil
21 Spill Prevention and Administration Fund; and third,
22 authorize a temporary moratorium on the acceptance and
23 consideration of new lease applications, as well as
24 issuing new leases involving offshore oil and gas
25 pipelines until the APTR is complete and its results are

1 considered by the Commission.

2 Next slide, please.

3 --o0o--

4 SENIOR ENVIRONMENTAL SCIENTIST RAMOS: And that
5 concludes my presentation and staff is available for any
6 questions.

7 CHAIRPERSON KOUNALAKIS: Thank you very much. Do
8 we have any questions?

9 Any public comment, Michelle?

10 OFFICE TECHNICIAN PELKA: Yes. Our first public
11 commenter will be Anna Christensen.

12 Anna Christensen, please unmute yourself and
13 begin you comment.

14 ANNA CHRISTENSEN: Okay. I'm unmuted.

15 Wait.

16 CHAIRPERSON KOUNALAKIS: Hello?

17 ANNA CHRISTENSEN: All right. So a different
18 organization, Puvungna Wetlands Protectors, of which I'm
19 the Executive Director. We formed in response to a
20 massive expansion of oil drilling in the Los Cerritos
21 Wetlands back in 2019.

22 What I -- I don't feel that this Commission is
23 really ready to grasp the seriousness of our requests and
24 our concerns based on how you voted last time, but I do
25 appreciate the fact that you're at least considering a

1 moratorium and hope that you will also not accommodate the
2 concept that people have to be paid to stop doing
3 something that is really harmful. You know, we know about
4 compromise. We know that maybe compromise is cheaper than
5 going to court. As the one commissioner said, we don't --
6 the Commission is trying to avoid ending up in lengthy
7 court battles.

8 On the other hand, to be intimidated as a
9 regulator by the threat of lawsuits is not always the
10 wisest either. So we hope you will be bold in this
11 decision today and not accommodate, you know, the fear of
12 legal action by people who are well able to hire maybe the
13 very best attorneys, but do not have any kind of a high
14 moral ground.

15 I think it's questionable. We see that we are
16 constantly being told that we have to depend on this
17 industry and that any move toward a greener economy will
18 be unprofitable, but that is -- has not proven to be the
19 case. So a just transition does not have to accommodate a
20 toxic industry. A just transition can grow good
21 businesses, even good small businesses. That was sort of
22 sad to hear that small business owner, you know, wanting
23 more pipeline when there's so much harm to be done.

24 All right. I'll end it there. Thank you very
25 much.

1 CHAIRPERSON KOUNALAKIS: Thank you very much.

2 Michelle, next speaker, please.

3 OFFICE TECHNICIAN PELKA: Yes. Our next speaker
4 is Brady Bradshaw. Brady, please unmute yourself and
5 begin your comment.

6 BRADY BRADSHAW: Yeah. Can you hear me?

7 Hello, can you hear me?

8 CHAIRPERSON KOUNALAKIS: Yes, we can.

9 Please proceed.

10 BRADY BRADSHAW: Okay. Thank you.

11 Regarding this item, we fully support staff's
12 preparation of an analysis of Public Trust Resources and
13 Values regarding pipelines offshore California. The risks
14 of oil spills, potential environmental consequences of oil
15 spills that are less of a -- of a mistake, but more of a
16 predictable consequence -- extremely predictable
17 consequence of operations, climate change -- the climate
18 change impacts of the oil and gas transported by these
19 pipelines, the impacts to recreation, tourism, public
20 health, environmental justice, tribal cultural resources,
21 and other uses and values is too great to justify
22 continuing oil and gas development in transportation off
23 the coast of California.

24 To be clear, half measures to stop these impacts
25 to the state and its residents won't cut it. We need our

1 State agencies to bring a decisive end to the era of oil
2 and gas companies abusing California's coastline, the
3 climate, and public health, and the negative impacts are
4 clearer than ever, and the Commission should not grant any
5 extensions under any circumstance.

6 Just to reiterate, we fully support the
7 preparation of this analysis and would encourage that the
8 leases being considered in Items 57 and 58 are included in
9 any moratorium that results from this, which should result
10 from the findings that oil and gas development is
11 antithetical to protecting Public Trust resources.

12 Thank you.

13 CHAIRPERSON KOUNALAKIS: Thank you very much.
14 Michelle, next speaker, please.

15 OFFICE TECHNICIAN PELKA: Our next speaker is
16 Jonathan Ullman. Jonathan, please unmute yourself and
17 begin your comment.

18 CHAIRPERSON KOUNALAKIS: Jonathan, please
19 proceed.

20 Michelle.

21 OFFICE TECHNICIAN PELKA: They are unmuted on our
22 end but we can circle back to Jonathan.

23 JONATHAN ULLMAN: I'm here. I'm here.

24 CHAIRPERSON KOUNALAKIS: Oh, here we go.

25 JONATHAN ULLMAN: The problem is that unmute

1 button is behind a screen. Anyway.

2 Yes, I ask that you rescind the last two items,
3 that you passed and then pass -- that you include that
4 rescinding of the last two items in this measure, and then
5 this measure should be good to protect all of us. Right
6 now, it looks like you're just giving Exxon a pass, a
7 five-year pass and that's no good and that's not enough.

8 Exxon -- I don't understand how Exxon can get
9 away with this. I guess they're trying to use this to
10 influence their investors, say we got an extension of five
11 years, and therefore give us money or the other company
12 money that Exxon will be financing.

13 It's all -- it's all horrible. And I think the
14 State of California made a big mistake. I think they
15 should rescind the last two before they give everybody a
16 higher standard after that.

17 Thank you.

18 CHAIRPERSON KOUNALAKIS: Michelle, next speaker,
19 please.

20 OFFICE TECHNICIAN PELKA: Our next speaker is
21 Mariza Sullivan. Mariza, please unmute yourself and begin
22 your comment.

23 MARIZA SULLIVAN: Hello. This is Mariza
24 Sullivan. Can you hear me?

25 CHAIRPERSON KOUNALAKIS: Yes, we can. Please

1 proceed.

2 MARIZA SULLIVAN: Thank you. Hello, everybody.
3 Haku. My name is Mariza Sullivan. I'm the Vice Chair for
4 Coastal Band of the Chumash Nation.

5 I actually had meant to comment on the prior
6 things where you extended the leases, so I think this is
7 kind of -- I'm going to mash it up a little bit here,
8 because they do seem to be related and I'm -- I'll watch
9 my time.

10 I certainly can appreciate all the efforts and
11 the very, I'm going to say, heartfelt comments from the
12 Commissioner as far as how they've been trying to deal
13 with these leases and wanting, you know, on Exxon's part
14 permission to extend leases as they are. It's been really
15 hard. I've been very involved with some of the other
16 speakers that you've heard from today. We, for years,
17 have been just trying to hold back what is a very
18 destructive path that we're on. And so we will continue
19 to do that and you will continue to hear from us like you
20 are now.

21 So I am disappointed that those things seemingly
22 have -- in how you voted prior, and just to let you know,
23 because I think that by having done that, Exxon now is
24 going to gleefully run with that nice little thing that
25 they were given in their mind. And then on to this

1 particular subject. I really do appreciate that you are
2 now looking at the 12 leases that are out there and
3 anticipating that they will be coming at you for that.
4 And I am very clear as to the fact that State waters are
5 three miles off, and then now we're talking federal.

6 And when BOEM and then the federal government
7 decides that it is in the interest of the nation to
8 continue with fossil fuel industries, it's -- you know,
9 we're all -- all of us are hard put to have any type of
10 say, but we will. We'll just keep saying that this is not
11 something we want. We have to protect Mother Earth. I
12 cannot tell you how heartbreaking it is when things
13 continue to happen as they do by really bad actors as that
14 term gets to be used.

15 So I just want to encourage you all to do what
16 you can within the position that you're in as the Public
17 Trust is in you. Indigenous people, we do the best we
18 can, but frankly we are -- you know, our lands and our
19 home waters were taken away from us long ago, and all we
20 can do is remind you that it should still be taken care of
21 as best we can. That is our responsibility.

22 Thank you.

23 CHAIRPERSON KOUNALAKIS: Thank you very much.

24 Michelle, next speaker.

25 OFFICE TECHNICIAN PELKA: Our next speaker is

1 Linda Krop. Linda, please unmute yourself and begin your
2 comment.

3 LINDA KROP: Thank you. Again, my name is Linda
4 Krop. I'm Chief Counsel with the Environmental Defense
5 Center, a public interest environmental law firm servicing
6 the California Central Coast.

7 We were founded as a direct result of the 1969
8 oil spill. And to this day, we continue working on many
9 cases to try to protect our coast and marine environment
10 from the impacts and risks of offshore oil and gas
11 development.

12 We are very much in support of this proposed
13 study. We are impressed with the scope and breadth of the
14 study, looking at not just direct impacts, but also
15 indirect impacts, looking at effects on coastal and marine
16 resources, and cultural resources, but also life-cycle
17 impacts, climate change, underserved communities, and
18 consideration of impacts to tribal resources and sacred
19 landscapes.

20 To put this in perspective, we have experienced
21 quite a few oil spills that affect our ocean and coastal
22 environment. In addition to the '69 oil spill and the
23 more recent Huntington Beach oil spill, and the 2015
24 Plains Pipeline oil spill, all which had devastating
25 impacts across much of the California coast, we also had

1 an oil spill from an offshore pipeline off of Santa
2 Barbara County in 1997, the Torch Pipeline bringing oil
3 from Platform Irene to shore.

4 All of these oil spills have impacts vastly
5 greater than was ever anticipated or evaluated in the
6 initial environmental review for these projects. The
7 Plains Pipeline spill was, you know, allegedly going to be
8 a very small focused spill. It ended up spreading more
9 than 150 miles, spilling 450,000 gallons, closing State
10 and other public beaches, closing 138 square miles of
11 fishing grounds. So these spills affect the environment.
12 They affect our coastal economies and small businesses.

13 So we are really looking forward to this study
14 and we think it's really important to impose the temporary
15 moratorium on any new lease applications while the study
16 is being completed. And we look forward to, you know,
17 participating in the process. And again, thank you very
18 much to the Commission and to staff for proposing this
19 study. We think it's really critical.

20 CHAIRPERSON KOUNALAKIS: Thank you very much.

21 Michelle, next speaker, please.

22 OFFICE TECHNICIAN PELKA: We have no hands raised
23 for comment at this time

24 CHAIRPERSON KOUNALAKIS: All right. That
25 concludes public comment.

1 And Commissioner Cohen.

2 COMMISSIONER COHEN: Thank very much. I just
3 want to make sure that I understand something correctly,
4 Ms. Lucchesi. The Santa Ynez lease is included in this
5 moratorium, correct?

6 EXECUTIVE OFFICER LUCCHESI: That's correct.

7 COMMISSIONER COHEN: Okay. And I ask the
8 question, more of a rhetorical question --

9 EXECUTIVE OFFICER LUCCHESI: Um-hmm.

10 COMMISSIONER COHEN: -- because it -- that -- I
11 don't think that concept was fully embraced with some of
12 the comments that we heard and I just want people to
13 realize that the Santa Ynez lease is included in this
14 moratorium.

15 So my remarks are brief. I've already really
16 spoke to where my priorities are and things that I'm
17 concerned about. I, again, just want to reiterate just
18 looking forward to engaging with the tribal governments
19 and the communities impacted by the oil and gas emissions,
20 and also looking to -- just to ensure that these
21 perspectives are not lost.

22 Thank you.

23 CHAIRPERSON KOUNALAKIS: Thank you very much.
24 Commissioner Miller.

25 ACTING COMMISSIONER MILLER: Thank you, Madam

1 Chair. So I got to meet in Montecito someone that cleaned
2 up the oil spill from 1969. So I'm going to show a
3 picture, because I do want folks -- yeah, I want people to
4 see. Can you see it? I don't know.

5 You are. Okay.

6 I think -- thank you. I just -- I think this is
7 a little boy who was born four years earlier cleaning up
8 the oil spill from 1969. And I showed it to Ms. Lucchesi,
9 because it did, in fact, really change the way that we
10 protected our oceans. And clearly, there's more work to
11 do. But we said never again then. And I think in a lot
12 of ways we continue to learn and to do that. So thank you
13 to John for teaching me and for being a member of the
14 Montecito community that really will be a part of the
15 feedback that we get and continue to learn from. So I'm
16 really grateful for the folks that spoke today. And as
17 much as I understand how difficult incremental change is,
18 I think with the Lieutenant Governor and the Controller's
19 leadership, we really are moving incrementally and
20 learning. And this study goes a long way in that. So I
21 appreciate your indulgence. I never do things like this,
22 but I do think it's just a moment that we haven't
23 forgotten. We know the effects it's had and we will hold
24 people really responsible. So I sincerely appreciate the
25 opportunity to share that and I don't know if you want Ms.

1 Lucchesi to let us know the two things that happened after
2 that moment that I do think are important.

3 EXECUTIVE OFFICER LUCCHESI: Shortly after that
4 spill, in addition to what Ms. Krop had mentioned that her
5 organization was formed out of the 1969 spill, the
6 Commission issued a moratorium on issuing new offshore oil
7 and gas production leases. And then that then led to the
8 State Legislature passing the Coastal Sanctuary Act, which
9 prohibits the State Lands Commission and the State from
10 issuing any new offshore oil and gas production leases.
11 So no new platforms or other production leases have been
12 issued frankly in State waters since 1969.

13 CHAIRPERSON KOUNALAKIS: Thank you very much, Ms.
14 Lucchesi. Okay. So just to clarify again that this item
15 will grant authority to the Executive Officer to solicit
16 for consultant services for the preparation of an analysis
17 of public trust resources, as described by staff, and in
18 the meantime including the item that we just heard, a
19 moratorium on all new leases for the existing 12 pipelines
20 off the coast of Southern California. So it is the
21 beginning of a process that I will encourage all of our
22 speakers today to participate in robustly and I expect
23 that others will come forward and participate with us on
24 this as well.

25 So with that, I will move to adopt the staff

1 recommendation. Do I have a second?

2 COMMISSIONER COHEN: Second.

3 CHAIRPERSON KOUNALAKIS: May we -- all in favor?

4 (Ayes.)

5 CHAIRPERSON KOUNALAKIS: All right. Motion
6 carries unanimously.

7 Thank you very much.

8 Okay. The next item, Item 60, is to consider
9 adoption of the 2023 Shoreline Adaption[SIC] and the
10 Public Trust report. May we please have the presentation.

11 (Thereupon a slide presentation).

12 SENIOR ENVIRONMENTAL SCIENTIST FARNUM: Hi. Good
13 afternoon, everyone. I'm Maren Farnum.

14 STAFF ENVIRONMENTAL SCIENTIST WELLS: I'm Michael
15 Wells.

16 SENIOR ENVIRONMENTAL SCIENTIST FARNUM: We're
17 doing a little two-step here. We're both environmental
18 scientists here with the Commission's Climate Adaptation
19 and Special Initiatives team and we're here to present the
20 final draft of the report Shoreline Adaptation and the
21 Public Trust.

22 Next slide, please.

23 --o0o--

24 SENIOR ENVIRONMENTAL SCIENTIST FARNUM: So this
25 report will support Commission staff's analysis of lease

1 applications for shoreline protection and adaptation
2 projects on State tidelands along the open coast. As sea
3 level rises and climate impacts intensify, we have a
4 responsibility to try and protect our beaches and our
5 shorelines from becoming lost and ensuring that whatever
6 measures we take do not interfere with the public's
7 ability to access and use their State land. The report
8 lays out all the main strategies for protecting and
9 adapting shoreline and the advantages and disadvantages of
10 each strategy for Public Trust-related issues, like beach
11 width available for recreation and habitat, equitable
12 public access, and securing the function of critical
13 infrastructure like public utilities and ports.

14 Next, the report makes recommendations for
15 Commission staff to consider when reviewing lease
16 applications, so we can minimize and avoid negative
17 impacts to the Public Trust and make decisions that help
18 our beaches and tidelands adapt to climate change and the
19 future. We presented a draft of this report to you in
20 August of 2023 at that meeting, which opened a public
21 comment period that closed in mid-October.

22 So today, we are presenting a final version to
23 the Commission and request that the Commission adopt the
24 report, so we may begin implementing its recommendations.

25 Next slide, please.

--o0o--

1
2 SENIOR ENVIRONMENTAL SCIENTIST FARNUM: The final
3 version incorporates responses to many thoughtful comments
4 we received during the public comment period. The
5 commenters included environmental organizations, other
6 agencies and government entities, and real estate and
7 construction associations. So the final report now very
8 clearly illustrates the alignment between the State's
9 priorities and science, which promote climate adaptation,
10 coastal resiliency, the use of a wide variety of
11 strategies, whatever we can do that helps for that site,
12 that location, those conditions, and the analysis that
13 we've done in this report on the different strategies and
14 the recommendations we've made.

15 We've updated the sea level rise projections with
16 more recent information from NOAA, the National Oceanic
17 and Atmospheric Administration. And we're actually going
18 to update the projections again when the Ocean Protection
19 Council adopts updated State projections early next year.

20 The final report also has more information about
21 environmental justice in the context of flooding risks
22 from rising coastal groundwater tables and toxic site
23 contaminants. Where those risks are present, we will have
24 to be especially vigilant that vulnerable communities are
25 not harmed. The comments we received expressed different

1 perspectives about the advantages and disadvantages of
2 shoreline protection and adaptation strategies. We heard
3 from homeowners associations and realtor groups that
4 upland property owners must continue to have the right to
5 protect their properties from the ocean by using hard
6 armoring strategies, like conventional sea walls. They
7 wanted to see more discussion of the public benefits of
8 these types of structures.

9 In contrast, environmental advocates called for
10 more strict limits on the use of hard armoring, because it
11 can increase erosion and cause beach loss and endanger
12 public access routes. The comments also debated whether
13 nature-based strategies and managed retreat were feasible
14 and where they should be applied. In response, we were
15 advised to provide additional context and clarity, but we
16 didn't substantially alter the main content of the report.

17 The report maintains staff and the Commission's
18 commitment to make decisions for the use of State lands on
19 a case-by-case basis based on the site-specific
20 conditions. Its purpose is to lay out all the options and
21 considerations, so that we have the best information to
22 apply to each case.

23 Next slide, please, and I'll hand it over to
24 Michael.

25 --o0o--

1 STAFF ENVIRONMENTAL SCIENTIST WELLS: Thank you.
2 So we drafted this report to guide changes we need to make
3 to our current processes for managing State beaches and
4 tidelands in response to the pressures of climate change
5 and historical patterns of upland development. The report
6 gives our staff and lease applicants more information they
7 can use to analyze impacts to Public Trust resources by
8 integrating climate change with Public Trust
9 considerations and balancing those considerations with the
10 interest and rights of upland property owners.

11 The report also helps to enhance staff analysis
12 and informs lease applicants by discussing the preferred
13 locations for different adaptation strategies. So one
14 outcome we hope to see is an increased awareness in the
15 variety of options that are available for shoreline
16 adaptation at many locations and a departure from thinking
17 that the conventional strategies of the past will continue
18 to be appropriate or cost effective as the coast changes
19 more rapidly due to climate change.

20 The report provides many recommendations that can
21 assist staff when developing lease terms and evaluating
22 rent for the occupation of State tidelands. In
23 particular, the recommendations for lease terms for hard
24 armoring will help to minimize the impacts to Public Trust
25 resources that are caused by hard armoring.

1 Next slide, please.

2 --o0o--

3 STAFF ENVIRONMENTAL SCIENTIST WELLS: This report
4 and its recommendations will also be essential for
5 promoting and enabling more implementation of nature-based
6 solutions for protecting and adapting our State beaches
7 and tidelands, which is a State policy priority.

8 These are critically important projects that are
9 proving to be highly resilient and mutually beneficial for
10 protecting both upland properties and Public Trust
11 resources, while also being more sustainable physically
12 and financially. Our report highlights some great
13 examples like Surfer's Point in Ventura, which in the '90s
14 suffered major erosion and the development was crumbling
15 and slowly falling apart, as you can in the picture in the
16 top left corner.

17 But instead of just covering the beach with large
18 boulders, which historically has been the default
19 approach, the City of Ventura reconstructed the beach and
20 sand dunes seaward of the affected area as depicted in the
21 bottom left corner. And this project has held up
22 incredibly well over the past decade, while also becoming
23 a major destination for beach recreation and surfing.

24 The Living Seawall Pilot Project in San Francisco
25 is another great example that's demonstrating that there

1 are alternatives to traditional seawalls for protecting
2 heavily urbanized areas, while also creating intertidal
3 habitat by adding textured tiles that are designed to
4 promote and attract biodiversity.

5 Because of the growing recognition of these
6 multiple benefits of nature-based projects, and also the
7 many policies and investments that prioritize nature-based
8 strategies, many more nature-based projects are currently
9 in the works or in various stages of planning and our
10 report's analysis of these types of projects will assist
11 Commission staff in their review of future lease
12 applications.

13 The report's recommendations will also encourage
14 more nature-based projects and maximize their public
15 benefits by offering lease term incentives, such as longer
16 leases and discounting rent for the public benefits, as
17 well as leveraging CEQA exemptions where applicable, and
18 monitoring the projects to ensure the public benefits are
19 maintained through the project's lifespan.

20 Next slide, please.

21 --o0o--

22 STAFF ENVIRONMENTAL SCIENTIST WELLS: So
23 Commission staff therefore recommends the following
24 actions.

25 First, the Commission adopts the final draft of

1 the report, "Shoreline Adaptation and the Public Trust";
2 and second, direct Commission staff to begin implementing
3 the report's recommendations. Staff believes the adoption
4 of the report is in the State's best interest and is
5 consistent with the Commission's 2021 to 2025 strategic
6 plan.

7 Next slide, please.

8 --o0o--

9 STAFF ENVIRONMENTAL SCIENTIST WELLS: So that
10 concludes our presentation and we are now available to
11 answer any questions.

12 CHAIRPERSON KOUNALAKIS: Thank you very much.

13 Commissioner Cohen, any questions or comments?

14 COMMISSIONER COHEN: Yeah. Well, first, I think
15 the report is fantastic. You got a lot of feedback in the
16 60-day period, so that's always a good sign. Just also
17 want to acknowledge, as you heard earlier, the
18 discussion -- I'm San Franciscan and so -- know very
19 intimately the threat of sea level rise, but also what
20 these King tides actually do and how they disrupt the --
21 particularly the Embarcadero as well as our coastline.

22 The report provides I think a good balance
23 between consistency in reviewing lease applications and
24 allowing leniency for -- leniency to consider applications
25 on a case-by-case basis. And I think that one thing that

1 I've known, at least 13 years in public office, but over
2 20 years in just public service in dealing with policies
3 that you -- sometimes you do need fluidity. You need a
4 policy that can be dynamic. And it's not a cookie-cutter
5 approach to every single community, even though we're
6 speaking to a universal issue such as sea level rise.

7 And I think that the adaptation strategies should
8 be designed to meet the needs for each California's
9 diverse community. And I like how you -- there's emphasis
10 on maintaining and in some case even restoring Public
11 Trust. That is a goal that I believe we have that we
12 never should lose sight of. So I want to just thank you
13 and staff for the cautious and thoughtful planning
14 incorporated.

15 The recommendations for collaboration I love.
16 They're spectacular, the potential interagency working
17 group, participation with local government and planning,
18 continuation of Public Trust coordination projects. I
19 mean, this is just a teamwork -- this teamwork is just
20 crucial to responsible planning, and ultimately, the
21 protection and the implementation of shoreline adaptation
22 strategies.

23 We need to take this message beyond where we are
24 in making sure particularly communities of color that also
25 are around this area and oftentimes either locked out of

1 the process or sometimes just not feeling welcomed and
2 when we come -- when we're talking about environmental
3 justice. So thank you for just kind of speaking to it in
4 your -- in the report. And I'll rest there. Thank you.

5 CHAIRPERSON KOUNALAKIS: Thank you very much.
6 Commissioner Miller.

7 ACTING COMMISSIONER MILLER: Sorry. Happy to
8 move approval. Great work.

9 CHAIRPERSON KOUNALAKIS: So just to comment, you
10 know, we have 850 miles of coastline along the California
11 coast and we know, and we've already seen, that sea level
12 rise is going to impact every single community on the
13 coast, all 850 miles of it. And because of the way
14 governmental structures are set up with cities, and
15 counties, and State, and all these overlaying
16 jurisdictions, the work of staff here of the State Lands
17 Commission to be able to begin to start thinking about how
18 we protect our coast from rising seawaters is very
19 important. And this is not easy to do, but it is really
20 essential. We have to be thinking statewide when we think
21 about the different approaches and resources that will be
22 necessary to protect our coast from the realities that
23 climate change has brought us. So with that, I believe we
24 have a motion.

25 Do we have a second?

1 COMMISSIONER COHEN: Second.

2 CHAIRPERSON KOUNALAKIS: Oh, yeah.

3 EXECUTIVE OFFICER LUCCHESI: We do have, Madam
4 Chair, public comment.

5 CHAIRPERSON KOUNALAKIS: Oh, public comment.

6 EXECUTIVE OFFICER LUCCHESI: Yes.

7 CHAIRPERSON KOUNALAKIS: Oh, I'm so sorry.
8 Public comment. Michelle, please proceed.

9 OFFICE TECHNICIAN PELKA: Yes. Our first speaker
10 is Carey Batha. Carey, please unmute yourself and begin
11 your comment.

12 CAREY BATHA: Good afternoon, commissioners. My
13 name is Carey Batha. I'm an Environmental Scientist with
14 the California Coastal Commission and I'm here to offer
15 support on behalf of Coastal Commission staff for the
16 Shoreline Adaptation and the Public Trust report. Looking
17 back, the Coastal Commission and State Lands staffs have
18 long coordinated on the protection of State tidelands and
19 resources. And over the past five years, staffs have
20 worked specifically on the subject of sea level rise. And
21 together, we've created resources for our staffs to better
22 coordinate to protect Public Trust resources in the
23 context of sea level rise.

24 Earlier this year, the Coastal Commission adopted
25 its "Public Trust Guiding Principles and Action Plan",

1 which lays out a strategic vision to protect Public Trust
2 tidelands and uses as sea levels rise. We coordinated
3 extensively with State Lands staff on this guidance, as
4 well as on the Shoreline Adaptation and the Public Trust
5 Report, which we see as very complementary to our work at
6 the Coastal Commission.

7 My colleague Awbrey gave public comment at your
8 August meeting about the alignment of this report with
9 Coastal Commission priorities. She discussed how both
10 agencies are focused on integrating equity into the
11 decisions to protect public access and prioritizing
12 nature-based solutions and other strategies that provide
13 more benefits to the public than conventional hard
14 armoring. And this is in recognition of the fact that
15 armoring often leads to greater rates of beach erosion and
16 sand loss, which harms the public's ability to use the
17 Public Trust beaches and tidelands.

18 Both of our reports are firmly aligned with the
19 State's priorities to implement multi-benefit solutions to
20 climate change wherever possible, to ensure that all of
21 the public, not just those with more privilege, can access
22 high quality public lands, like beaches and tidelands.
23 And the State's Climate Adaptation Plan as well as the
24 State's Sea-Level Rise Action Plan both call for us to
25 accelerate the use of nature-based solutions and

1 strengthen protections for the most vulnerable
2 communities.

3 Policies like this are backed up by needed
4 investments. In addition to an infusion of federal
5 funding, the Coastal Commission, Coastal Conservancy, and
6 Ocean Protection Council are distributing hundreds of
7 millions of dollars in grants to local governments to plan
8 for sea level rise.

9 And the recently chaptered legislation from
10 Senate Bill 272 requires local governments to prepare sea
11 level rise adaptation plans. And this presents a prime
12 opportunity for local governments to consider the Public
13 Trust in their planning efforts. The Shoreline Adaptation
14 Report will be a valuable tool for those local governments
15 as they consider their options for adaptation, evaluate
16 how those options affect Public Trust resources and uses,
17 and consider the report's recommendations for the
18 protect -- for protecting the Public Trust.

19 In sum, we support the Shoreline Adaptation and
20 the Public Trust Report and we look forward to continuing
21 to work with the State Lands Commission to protect Public
22 Trust resources as sea levels rise.

23 Thank you.

24 CHAIRPERSON KOUNALAKIS: Thank you very much.

25 Michelle, next speaker, please.

1 OFFICE TECHNICIAN PELKA: Our next speaker is
2 Sarah Donald. Sarah, please unmute yourself and begin
3 your comment.

4 SARAH DONALD: Hi there. My name is Sarah and
5 I'm a master's student studying marine conservation at the
6 Scripps Institution of Oceanography and I'm also a
7 life-long resident of the coastal San Diego County.

8 It sounds like a lot of the issues related to the
9 report have already been addressed in the public comment
10 period, but I did want to urge the Commission to now adopt
11 the Shoreline Adaptation and the Public Trust Report.
12 I've seen the effects of rising tides and increased storm
13 severity on shorelines firsthand in San Diego County,
14 particularly in Del Mar. As bluffs -- bluff failures
15 directly underneath a highly traveled train track continue
16 to occur, putting thousands of lives at risk and
17 disrupting a valuable commuting path in Southern
18 California.

19 That bluff and all other shoreline areas in
20 California are necessary for sustaining equitable public
21 access, recreation, tourism, critical habitat, commerce,
22 and healthy fisheries in our state. As recommended in the
23 report, hard armoring shorelines is a dangerous practice
24 that increases the likelihood of erosion and catastrophic
25 damage. So it's imperative that we move to nature-based

1 solutions for coastal protections.

2 It's been proven that nature-based solutions are
3 effective at protecting shorelines from rising tides and
4 severe storms by -- caused by climate change. Myself and
5 many other environmentally conscious people, and probably
6 yourselves on the Commission are taking actions in our
7 everyday lives to combat climate change. But individual
8 action is not enough. California residents need the
9 Commission to adopt the Shoreline Adaptation and Public
10 Trust Report to protect our way of life here in coastal
11 San Diego and California.

12 Thank you.

13 CHAIRPERSON KOUNALAKIS: Thank you very much.
14 Michelle.

15 OFFICE TECHNICIAN PELKA: Our next speaker is
16 Lily Tsukayama. Lily, please unmute yourself and begin
17 your comment.

18 LILY TSUKAYAMA: Thank you. Good afternoon.
19 Chair Kounalakis and commissioners. And thank you to
20 Executive Officer Lucchesi and State Lands staff for the
21 informative presentation. My name is Lily Tsukayama with
22 the Port of San Diego's Planning Department. Thank you
23 for the opportunity to provide comments on the Shoreline
24 Adaptation and Public Trust Report.

25 The Port of San Diego is encouraged that the

1 report recognizes the uniqueness of ports and other
2 coastal-dependent and critical infrastructure uses, and
3 that a one-size-fits-all adaptation approach may not work
4 for every shoreline. We also appreciate the report's
5 objective stance on adaptation strategies, encouraging
6 nature-based and innovative shoreline solutions, while
7 also pointing out that hard armoring may be needed for
8 trustees such as ports to continue to protect critical
9 assets and Public Trust uses.

10 Finally, we would like to reiterate our support
11 for innovative, nature-based, and hybrid shoreline
12 solutions. For example, as highlighted in the report, the
13 Port of San Diego has implemented a pilot project in
14 partnership with EConcrete to establish a set of
15 interlocking tide pools constructed of bioenhancing
16 concrete to provide the benefits of shoreline protection
17 while also enhancing the surrounding intertidal ecology.

18 Not only do these types of solutions provide
19 resiliency and environmental benefits, but they also can
20 facilitate economic benefits by supporting local labor,
21 reduced production emissions through the use of
22 sustainable terms, and they encourage further innovation
23 to develop creative solutions to challenges like climate
24 change.

25 We appreciate that your report reinforces State

1 Lands support of these types of solutions. We will
2 continue to explore how we at the Port of San Diego can
3 continue to introduce habitat friendly and resilient
4 shoreline solutions around San Diego Bay. And, in fact,
5 we are set to begin development of a nature-based
6 shoreline atlas to determine how and where nature-based
7 solutions can be incorporated into more of the San Diego
8 Bay shoreline.

9 We value our continued partnership with the State
10 Lands Commission and we look forward to collaborating with
11 State Lands staff and other trustees on designing and
12 implementing adaptation solutions that make sense for each
13 shoreline context.

14 Thank you.

15 CHAIRPERSON KOUNALAKIS: Thank you very much.
16 Michelle, next speaker, please.

17 OFFICE TECHNICIAN PELKA: Our next speaker is
18 Crystal Barajas. Crystal, please Unmute yourself and
19 begin your comment.

20 CRYSTAL BARAJAS: Hello. My name is Crystal
21 Barajas. I am here representing Heal the Bay, an
22 environmental non-profit based on Gabrielino, Kizh,
23 Tongva, and Chumash land with nearly 40 years of
24 experience dedicated to keeping the coastal waters and
25 watershed of greater Los Angeles healthy, safe, and clean.

1 I'm the Senior Community Science and Outreach Coordinator
2 at Heal the Bay and would like to express our strong
3 support for the Shoreline Adaptation and Public Trust
4 Report.

5 We'd like to thank the Commission for allowing us
6 to review the draft and provide our public comment.
7 Recent research suggestions that by 2100 up to 75 percent
8 of our California's beaches could be completely eroded due
9 to sea level rise. This poses significant risks to our
10 coastal communities, infrastructure, and economies, and
11 also threatens the ecological integrity of our Public
12 Trust resources.

13 Heal the Bay wants to emphasize the green
14 nature-based solutions mentioned in the report. Although
15 we understand that managed retreat is a lengthy process
16 involving various actions, project types, and coordination
17 with other agencies, property owners, and jurisdictions,
18 we still advocate for coordination, resource management,
19 and the application review and leasing for managed retreat
20 procedures for shoreline adaptation.

21 We urge the Commission to prioritize the
22 inclusion of managed retreat plans and analysis as part of
23 a phased adaptation approach when reviewing lease
24 applications for any other shoreline adaptation solutions.
25 Projects proposing hard armoring, nourishment, retention,

1 accommodation, and even nature-based solutions alone may
2 not be sufficient in the long term to mitigate and protect
3 Public Trust resources.

4 We recommend the staff incentivize the inclusions
5 of mid- to long-term retreatment plans as secondary phases
6 to all other lease applications, particularly in areas
7 where Public Trust land is highly vulnerable to sea level
8 rise.

9 At Heal the Bay, I train community scientists to
10 monitor our Marine Protected Areas here in Los Angeles.
11 As we actively witness our beaches eroding during our
12 surveys, we understand the importance of these mitigation
13 measures against sea level rise. Heal the Bay fully
14 supports the Shoreline Adaptation Report and believes it
15 serves as a crucial roadmap in our shared commitment to
16 safeguarding California's coastline.

17 We appreciate the Commission's dedication to this
18 pressing issue and are grateful for the opportunity to
19 provide our input. Thank you for your time.

20 CHAIRPERSON KOUNALAKIS: Thank you very much.

21 Michelle, next speaker.

22 OFFICE TECHNICIAN PELKA: Thank you. The next
23 speaker is Mandy Sackett. Mandy, please unmute yourself
24 and begin your comment.

25 MANDY SACKETT: Hi. Mandy Sackett. I'm

1 commenting on behalf of the Surfrider Foundation.

2 Surfrider is in strong support of the creation of
3 this document. We advocate for the protection of the
4 coast and coastal access on behalf of the public. And
5 Surfrider is real excited to see State agencies focusing
6 on the damaging Public Trust impacts that certain coastal
7 management decisions have, most obviously hard armoring.

8 Seawalls up and down the coast have effectively
9 killed beaches for private benefit. Areas like Pacifica
10 and Malibu serve as really damaging -- damning examples of
11 how the beach has been lost for the benefit or protection
12 of only a few private properties.

13 As sea levels rise, coastal squeeze will
14 exacerbate this trend. And coastal resilient solutions
15 that this Commission chooses to support in response to sea
16 level rise will determine who's -- who California's coast
17 really belongs to. There are many pending scenarios
18 before this Commission that force a situation where the
19 Commission will need to make decisions that explicitly
20 favor the Public Trust and the public's right to steward
21 our land. Sticking with the status quo of acknowledging
22 property rights above the public's stake in the beach
23 effectively means choosing privatization.

24 So we're at a really pivotal time here where we
25 can choose. And therefore, we at Surfrider, you know,

1 continue to encourage this Commission to publicly
2 acknowledge that an act on your affirmative duty to carry
3 out the Public Trust Doctrine and to preserve the public
4 interest in the California coast. We really strongly
5 agree with the Commission's characterization of the
6 negative impacts of hard armoring in the report as well as
7 the need for managed retreat from the coast, which should
8 be, of course, site specific, incremental, and meet
9 community needs.

10 While equitable resilience planning requires
11 phased tactics over the long term, we do worry about what
12 happens when long periods for planning are not used
13 effectively. Living shorelines and managed retreat are
14 achievable in many locations along California coast over
15 the next 30 years. Like the presentations pointed out, we
16 know this. We've seen it in Ventura at Surfer's Point and
17 other locations. But these options will be dramatically
18 limited if local lease holders do nothing to begin
19 purchasing such solutions now.

20 So we encourage the Commission to think about
21 what little windows of opportunity we still have to
22 promote and enforce long-term planning beginning today to
23 stand strong in upholding permit terms that begin phased
24 planning 10, 20, 30 years ago and to thoughtfully consider
25 the public in lease decisions.

1 Thank you.

2 CHAIRPERSON KOUNALAKIS: Thank you very much.
3 Michelle, next speaker, please.

4 OFFICE TECHNICIAN PELKA: Our next speaker is
5 Anna Christensen. Anna, please unmute yourself and begin
6 your comment.

7 ANNA CHRISTENSEN: I'm speaking to this issue as
8 a member of Sierra Club's Coastal Commission Subcommittee.
9 We look at Coastal Emission[SIC] agenda items, but also at
10 Coastal Commission policies overall. And recently, we
11 commented on the Coastal Commission's sustainability
12 principles regarding sea level rise. Sustainability
13 Principle 7 said, "A fundamental sea level rise adaptation
14 strategy that stems from the Coastal Act is to site and
15 design new development so that it is safe from coastal
16 hazards for the anticipated lifespan of the development."

17 Our comment was that this didn't really match.
18 We appreciate what this Commission is doing, as well as
19 the Coastal Commission in terms of looking at sea level
20 rise and what we cannot do, which is we cannot build out
21 the coast of California. We cannot put enough sand on our
22 beaches, or enough rocks, or enough cement to stop the
23 ocean.

24 So what we see is development continues. If
25 anything, it is increasing in our coastal cities when it

1 comes to housing. The pressure to build housing is now --
2 is now resulting in housing being built in places that
3 were formerly off limits. We had zoning that prohibited
4 housing in our wetlands in a tsunami zone next to an oil
5 pipeline. Now, we're seeing high-rises going in.

6 So what we're saying is that when you condition
7 something like the Belmont Beach and Aquatic Center in
8 Long Beach on our -- on our beach to move forward on the
9 sand and with the requirement that it eventually -- that
10 there will be sand replenishment to allow for coastal
11 access. And then ultimately in the permit itself, in the
12 local coastal permit, is the requirement that the building
13 be torn down. We are seeing this more and more that we
14 continue to permit new development on the condition that
15 these -- this new development be torn down as the sea
16 level rises.

17 This is not practical. It is not realistic,
18 because all of that comes with a cost. Maybe the City
19 will be able to afford it, but at what cost. When we look
20 at environmental justice, we have to see that there's
21 only -- in many ways only so much money to go along,
22 whether it's our tidelands oil around -- I'm sorry, our
23 tidelands oil money or other monies. Money spent buying
24 out more and more extravagant housing on our peninsulas,
25 on our coastal beachfronts from Malibu on along, or

1 businesses expanding along -- at the water's edge. To
2 bail these people out, to compensate them for their
3 investments will not be able to provide, you know,
4 adequate compensation for communities like of color and
5 low-income communities at risk even now, as we see in
6 Oakland with the water rising into people's basements and
7 releasing methane.

8 So we have to look not only at what is but what
9 is being planned and say no. Time to go. Time to
10 retreat. Thank you very much.

11 CHAIRPERSON KOUNALAKIS: Thank you.

12 Michelle, next speaker, please.

13 OFFICE TECHNICIAN PELKA: Our next speaker is
14 Jonathan Ullman. Jonathan, please unmute yourself and
15 begin your comment.

16 JONATHAN ULLMAN: How about now?

17 CHAIRPERSON KOUNALAKIS: Yes, we can hear you.

18 JONATHAN ULLMAN: Yay. I want to ask that you
19 especially look at the wetlands that have been developed
20 and continue to seek development in places like in Santa
21 Barbara County, where our chapter is. By the way, I'm Jon
22 Ullman from the Sierra Club Santa Barbara-Ventura Chapter.
23 Carpinteria is low lying. You've got the UCSB campus in
24 Isla Vista low lying. And guess what, not only that, but
25 the canyons that are near the water. Also, Santa Ynez

1 Unit of Exxon, which is in a canyon right across from the
2 water -- from El Capitán State Beach.

3 And I just want to clarify, the resolutions that
4 you passed before do not mean that there is a moratorium
5 now on those Exxon lease extensions. The res -- the
6 moving forward is for new leases not the ones that you
7 just passed. So I want to make that very clear that when
8 I said you were giving five years to Exxon, I meant you
9 gave five years to Exxon and your lawyers I'm sure can
10 back me up on this. This is what just happened.

11 CHAIRPERSON KOUNALAKIS: Have you finished with
12 your comments?

13 Yes. Michelle, next speaker.

14 OFFICE TECHNICIAN PELKA: We have no hands raised
15 for comment at this time.

16 CHAIRPERSON KOUNALAKIS: Okay. So hearing none,
17 we now proceed with the vote. Do we have a motion to
18 adopt staff's recommendation and a second.

19 ACTING COMMISSIONER MILLER: I'll move staff
20 recommendation.

21 COMMISSIONER COHEN: Second.

22 CHAIRPERSON KOUNALAKIS: A motion from
23 Commissioner Miller and second from Commissioner Cohen.

24 Any objection to a unanimous vote?

25 Motion passes unanimously. Thank you.

1 Item 61 is an informational report on the
2 Commission's progress in implementing AB 2257.

3 May we please have the presentation.

4 (Thereupon a slide presentation).

5 EHSAN TAJER: Madam Chair, Honorable members of
6 the State Lands Commission, good afternoon. My name is
7 Ehsan Tajer from the Mineral Resource Management Division.

8 Today's presentation provides a preliminary
9 status update on the Assembly Bill 2257 cost study related
10 to active offshore oil and gas leases in California.

11 Next slide, please.

12 --o0o--

13 EHSAN TAJER: The cost study aims to evaluate the
14 fiscal impact of the voluntary relinquishment of actively
15 producing offshore oil and gas leases. Following the
16 Governor's approval of this bill on September 28, 2022,
17 and subsequent budget allocations, the Commission in
18 August 2022 authorized its Executive Officer to solicit
19 and hire a consultant for conducting the cost study.

20 Next slide, please.

21 --o0o--

22 EHSAN TAJER: In October 2022, the Commission's
23 staff began searching for potential bidders. By December,
24 staff received seven comprehensive proposals. Following
25 rigorous interviews, the contract was awarded to

1 Netherland, Sewell & Associates, Inc., NSAI, with TSB
2 Offshore Inc. subcontracted for decommissioning tasks.

3 Next slide, please.

4 --o0o--

5 EHSAN TAJER: AB 2257 requires the Commission to
6 submit a status update for the cost study by December 31,
7 2023. This update is to include the proposed study
8 outline, data gaps, preliminary analysis, and any public
9 comments received.

10 Next slide, please.

11 --o0o--

12 EHSAN TAJER: There are 11 producing oil and gas
13 leases in State waters and three producing platforms,
14 Esther, Eva, and Emmy. The three platforms produce oil
15 and gas from eight leases, all of which are in Orange
16 County -- in Orange County. The Commission oversees three
17 leases that produce offshore oil and gas from upland
18 sites. Two of these leases are in Ventura County and are
19 produced from onshore sites. The third lease is in Orange
20 County and produces from Island Chafee in Long Beach.

21 Next slide.

22 Can you move to the next slide, please.

23 --o0o--

24 EHSAN TAJER: Thank you.

25 These 11 offshore leases have been categorized

1 into five lease areas for the purpose of the cost study.
2 Each lease area represents a distinct area of operation
3 that can be considered as a unit due to common
4 infrastructure and ownership interests. The five lease
5 areas are Belmont Offshore (186), Belmont Offshore
6 (Esther), Huntington Beach (Eva), Huntington Beach (Near
7 Shore), and West Montalvo. NSAI performed a well-by-well
8 analysis to forecast future production and estimated
9 future production from non-producing zones and undeveloped
10 wells.

11 Next slide.

12 --o0o--

13 EHSAN TAJER: Also, NSAI developed cash flow
14 models to generate preliminary estimates of the approved
15 and probable oil and gas reserves, the expected remaining
16 life, exclusive of decommissioning costs, for each of the
17 five lease areas. There was also substantial progress
18 towards estimating the lessees' decommissioning and
19 restoration costs. TSB has reviewed data provided by the
20 Commission, conducted site visits, and prepared
21 preliminary estimates for decommissioning costs for each
22 of the actively producing leases including in this study.
23 These estimates include the costs of decommissioning the
24 wells, pipeline, platforms, and onshore facilities.

25 Next slide, please.

--o0o--

EHSAN TAJER: The study addresses several key factors including the expected duration of oil production, State revenues received, lease life based on proved reserves, anticipated unrealized lessee revenues and profit, anticipated unrealized State revenues, and lessee's decommissioning costs. In the subsequent slide, I will present an overview of progress and preliminary results of these items.

Next slide.

--o0o--

EHSAN TAJER: Item 1 pertains to the expected duration of production at time of leasing. Documents from before the time of leasing indicating expectations of the duration of production from the leases are absent from public data sources and the internal records of the Commission reviewed by NSAI. However, expected production duration from the time of leasing, more than fifty years out of date, would have very limited usefulness in achieving the core objective of the cost study. Therefore, staff recommends that the Commission limit discussion of this topic in the final report to a comment regarding the lack of available data.

Next slide.

--o0o--

1 EHSAN TAJER: Item 2 relates to expected
2 remaining life of lease areas based on proved reserves.
3 The expected remaining life of each lease area based on
4 the preliminary estimates of proved reserves and revenue
5 were estimated. For the purpose of preliminary status
6 update, we expect the operators to end the life of each
7 lease area based on date that would maximize the
8 operator's cumulative future net revenue under the
9 economic assumptions described in Exhibit A, Section 7.4.
10 Each lease area's expected remaining life as of December
11 31, 2024 are shown in the table.

12 Next slide, please

13 --o0o--

14 EHSAN TAJER: Item 3 concerns the State revenue
15 received to date. NSAI reviewed and tabulated the
16 historical revenue data provided by the Commission. There
17 are minor gaps in historical rent revenue data in the
18 Commission's database. It was assumed that the rent fees
19 during these gap periods were paid to the State of
20 California as required under the leases. Cumulative
21 royalty and rent revenue received by the State of
22 California for each of these five lease areas evaluated in
23 the cost study are shown in the table.

24 I can -- go to the next slide, please.

25 --o0o--

1 EHSAN TAJER: Item 4 and 5 deal with the
2 anticipated lessee revenues and profit and State revenues.
3 Oil and -- oil and NGL prices are based on a European
4 Brent spot price of \$77 per barrel and are adjusted by
5 lease for quality, transportation fees, and market
6 conditions -- market differentials. Gas prices are based
7 on the NYMEX Henry Hub price of \$3.60 per MMBTU and are
8 adjusted by lease for energy content, transportation fees,
9 and market differentials. All prices are held constant
10 through the lives of the properties. All reported numbers
11 are adjusted -- are estimated as of December 31, 2024
12 based on the evaluation completed so far in 2023.

13 Next slide, please.

14 --o0o--

15 EHSAN TAJER: Item 6 involves decommissioning
16 cost estimates. TSB reviewed several documents as
17 background for its analysis including previous abandonment
18 cost studies. Also, TSB conducted two site visits to
19 verify asset assumptions and clarify missing data points.
20 In addition to site-specific data, TSB also used data from
21 its proprietary database program to provide reliable cost
22 estimates for abandoning offshore platforms, pipelines,
23 and wells.

24 Next slide, please.

25 --o0o--

1 EHSAN TAJER: So in 2000 -- in 2024, the
2 consultants aim to address remaining data gaps, update
3 forecasts, and incorporate feedback from various
4 stakeholders. The final report, fulfilling AB 2257's
5 requirement, will offer a comprehensive analysis of the
6 costs associated with relinquishing these leases.

7 Last slid -- next slide.

8 --o0o--

9 EHSAN TAJER: Okay. So the 2024 final cost study
10 will include the following elements: a table of contents;
11 an executive summary; an introduction covering the cost of
12 study background and objectives; analysis of expected
13 duration of oil production at the time of leasing; a
14 summary of the State revenue received to date; the
15 estimates of expected remaining life of each lease areas
16 based on proved reserves; the estimates of reasonably
17 anticipated unrealized lessee revenues and profits; the
18 estimates of reasonably anticipated unrealized State
19 revenues; and a qualitative discussion of the potential
20 impacts of Senate Bill 1137.

21 Next slide, please

22 --o0o--

23 EHSAN TAJER: Thank you for your attention, and
24 we look forward to further discussions on the fiscal
25 impact of voluntary relinquishment of actively producing

1 offshore oil and gas leases. Be happy to answer any
2 questions.

3 CHAIRPERSON KOUNALAKIS: Thank you very much.

4 Commissioners, any comments or questions?

5 COMMISSIONER COHEN: Question, yes. Thank you
6 very much for the presentation. In figure 6.1.3, I see
7 that lease number 5663, the pipeline right-of-way lease,
8 Near Shore, Huntington Beach, it doesn't pay any rent.
9 Why is that?

10 Oh. Hi.

11 EXECUTIVE OFFICER LUCCHESI: I'm hoping -- can we
12 pull up -- Luke, can we pull up that slide number.

13 COMMISSIONER COHEN: Sure. It's Figure 6.1.3.
14 It's lease number 5663.

15 EXECUTIVE OFFICER LUCCHESI: We'll have to get
16 back to you on that.

17 COMMISSIONER COHEN: Oh, is it a typo maybe?

18 EXECUTIVE OFFICER LUCCHESI: I don't think it's a
19 typo. The leases -- the Huntington Beach area is a
20 complicated area, so it involves both lands that we have
21 offshore production leases --

22 COMMISSIONER COHEN: Um-hmm.

23 EXECUTIVE OFFICER LUCCHESI: -- that -- where the
24 wellheads are onshore and they go offshore. It also
25 involves lands that we have acquired subject to existing

1 oil and gas operations, including pipelines, and also some
2 of those leases that we manage, but were our -- owned by
3 other State agencies.

4 COMMISSIONER COHEN: Um-hmm.

5 EXECUTIVE OFFICER LUCCHESI: And so there -- it's
6 just a little bit more complicated because of the nature
7 by which the State Lands Commission has come to manage
8 those particular leases. So there might be leases where
9 there's pipelines on our property, but we don't actually
10 generate the revenue. The -- there's also offshore oil
11 and gas production -- or excuse me, pipelines that are
12 associated with production operations that where there
13 isn't specific rent associated with the pipelines, because
14 its subsumed in the royalties and the rent we get from the
15 production.

16 COMMISSIONER COHEN: Okay.

17 EXECUTIVE OFFICER LUCCHESI: So that's why I'm
18 saying we just need a little bit of time to look at that
19 particular lease to answer your question accurately.

20 COMMISSIONER COHEN: Okay. So there's another
21 question. In the summary projection and reserves
22 revenues, where -- were these projections of reserves
23 provided to the consultant from the oil operators or, if
24 not, how were they estimated?

25 EHSAN TAJER: This is the work-product of the

1 consultant. It was not provided by the operators.

2 COMMISSIONER COHEN: Okay.

3 EHSAN TAJER: So basically the way that they
4 forecast is well by well. They look at the trend of the
5 production and forecast the future production and then
6 they stop the production when the well gets to its
7 economic limit and the volume becomes the specific
8 reserves for that specific --

9 COMMISSIONER COHEN: So how do we independently
10 ensure that the data is accurate?

11 EHSAN TAJER: The data comes from the CalGEM
12 database and you have verified at the -- you know, the
13 historical data with our royalty that we receive to make
14 sure that the historical data and also our revenue
15 database are consistent. So we have done the data quality
16 control.

17 COMMISSIONER COHEN: What's the method that --
18 for estimating the reserves? What was the method used for
19 estimating these reserves.

20 EHSAN TAJER: For the proved reserves is decline
21 curve analysis.

22 COMMISSIONER COHEN: Is what?

23 EHSAN TAJER: Decline curve analysis.

24 COMMISSIONER COHEN: Denying.

25 EHSAN TAJER: Decline.

1 COMMISSIONER COHEN: Decline cure --

2 EHSAN TAJER: DCA. Decline curve analysis and
3 also we have --

4 COMMISSIONER COHEN: Curve analysis. Okay.

5 EHSAN TAJER: -- our consultant from NSAI here.

6 COMMISSIONER COHEN: No problem. I'm just not
7 familiar with DCA.

8 EXECUTIVE OFFICER LUCCHESI: Yeah. I was just
9 going to ask. Could you explain define what the decline
10 curve analysis is.

11 EHSAN TAJER: So the general concept is the
12 future production will follow the trend of the production
13 of the past.

14 COMMISSIONER COHEN: Um-hmm

15 EHSAN TAJER: So it is an extrapolation of the
16 production trend to the future. So you see the historical
17 production and they are theories that establishes the type
18 of decline that we have. We typically have exponential
19 decline of the framework. So they look at the past
20 history. And then from the time that they want to
21 forecast project the future from that point on, they
22 forecast the future. So this is the most common technique
23 for forecasting production in the industry, especially for
24 mature wells that they have, you know, history of
25 production.

1 COMMISSIONER COHEN: Thank you. Thank you very
2 much.

3 EHSAN TAJER: Sure.

4 COMMISSIONER COHEN: Back to you, Madam Chair.

5 CHAIRPERSON KOUNALAKIS: Thank you very much.

6 Commissioner Miller, questions or comments.

7 ACTING COMMISSIONER MILLER: No, thank you.

8 CHAIRPERSON KOUNALAKIS: Thank you very much.
9 Great presentation. And Michelle, do we have anyone from
10 the public who would like to comment on this item.

11 OFFICE TECHNICIAN PELKA: Yes. Our first speaker
12 will be Anna Christensen. Anna, please unmute yourself
13 and begin your comment.

14 ANNA CHRISTENSEN: I can't -- am I unmuted?

15 CHAIRPERSON KOUNALAKIS: We can hear you, yes.
16 Please proceed.

17 ANNA CHRISTENSEN: Okay. Thank you very much.
18 Just -- well, some comments. Regarding the last idea of
19 estimating, that kind of estimating doesn't really take
20 into account the fact that new techniques such as
21 directional drilling, what we have -- fracking have been
22 developed. So, you know, it all -- I would just question,
23 you know, whether leaving it up to the operator to decide
24 when to end the lease. As was stated, under expected
25 life, it said we expect the operators to end the leases.

1 You know, the State can end the lease as well. And we
2 believe that it is in the best interest of the State to
3 terminate these leases as soon as possible.

4 What we would like to see or -- and I'm speaking
5 for our Los Cerritos Wetlands Task Force of Sierra Club is
6 that in addition to estimating the revenues and the
7 profits, that also we estimate the -- based on the past to
8 a degree, we estimate the liabilities and the harm -- the
9 potential harm based on actual offshore -- you know,
10 accidents that have happened or just daily operating
11 contributions of say air pollution, which we have a lot in
12 Long Beach from offshore and onshore oil drilling to the
13 public health.

14 The cost to the -- to our communities and to our
15 oceans are not being calculated in this report at all.
16 And what we're concerned about is, although we're really
17 appreciative of Senator Min for working on his bill, we
18 absolutely do not believe that these companies need to be
19 compensated or that we -- that the public needs to bear
20 the cost of terminating this lease and offer some kind of
21 a bailout to these companies, which have been -- have
22 profited now for many, many years off of oil. It's time
23 to go. It's time to clean up the mess you made and leave
24 and we don't really want public money spent to compensate
25 pollution and polluters.

1 Thank you very much.

2 CHAIRPERSON KOUNALAKIS: Thank you.

3 Michelle, next speaker, please.

4 OFFICE TECHNICIAN PELKA: Our next speaker is
5 Brady Bradshaw. Brady, please unmute yourself and begin
6 your comment.

7 BRADY BRADSHAW: Thank you. Check. Check.

8 CHAIRPERSON KOUNALAKIS: Yes, we can hear you.

9 (Laughter).

10 BRADY BRADSHAW: Okay. Thank you very much. So
11 thank you again for allowing me to speak. Regarding item
12 61, study of the cost and financial impact of the existing
13 State oil and gas leases, staff advised us that we could
14 submit written comments by December 15th, which we will be
15 submitting by that date. We'd also like to request that
16 amount of time to also provide written comments on items
17 57 through 59 today.

18 We urge the Commission to require the same
19 factors that will be in the analysis of Public Trust
20 resources and values to be incorporated into this cost
21 study. If the Commission analyzes and considers the full
22 costs, harms, and risks associated with offshore oil and
23 gas production leases in State waters and considers the
24 requirement that the lessees plug and abandoned all oil
25 and gas wells, decommission pipelines, offshore platforms,

1 and attendant production facilities, and restore the
2 associated tidelands and submerged lands, it is our
3 expectation that the quote/unquote fair compensation value
4 to oil companies contemplated by the cost study following
5 lease termination or relinquishment would be zero.

6 We base this expectation on the facts, including
7 that continued operation of the leases constitutes a
8 public nuisance, the abatement of which does not
9 constitute a taking and requires no compensation.

10 Number two, even if a considered -- if considered
11 a taking, which it is not, they are entitled to no
12 compensation, and, in fact, have financial
13 responsibilities I mentioned before, which far outweigh
14 any expected profits or revenues. The companies have
15 already imposed significant costs on the State and
16 recouped their investments in the operations many times
17 over and continued oil and gas production and development
18 poses an unacceptable threat to Public Trust resources.

19 Our written comments will elaborate on other
20 factors that should be weighed into the in-progress cost
21 study regarding costs owed to the State and residents by
22 the oil industry and the risks of continued operations on
23 their dangerously degraded infrastructure.

24 Finally, an excellent report by Carbon Tracker
25 has an ex -- has -- is entitled, "There Will Be Blood,"

1 that we will cite, that outlines both the exponential
2 decline of California's oil fields and the widespread
3 failure of agencies to estimate the true costs of
4 decommissioning and secure adequate tools that we hope
5 will help you in this cost analysis.

6 Thank you again.

7 CHAIRPERSON KOUNALAKIS: Thank you very much.

8 Michelle, next speaker, please.

9 OFFICE TECHNICIAN PELKA: Our next speaker is
10 Linda Krop. Linda, please unmute yourself and begin your
11 comment.

12 CHAIRPERSON KOUNALAKIS: Linda, please proceed.

13 Michelle.

14 CHAIRPERSON KOUNALAKIS: Linda is unmuted on our
15 end and on her end. I'm not sure why we can't hear her.

16 CHAIRPERSON KOUNALAKIS: Is the sound maybe not
17 turned up you have on her side? Michelle, is the sound on
18 your speaker maybe that...

19 Right.

20 EXECUTIVE OFFICER LUCCHESI: Madam Chair --

21 CHAIRPERSON KOUNALAKIS: Yes.

22 EXECUTIVE OFFICER LUCCHESI: -- I could take this
23 moment to respond to Controller Cohen's question.

24 COMMISSIONER COHEN: Thank you.

25 CHAIRPERSON KOUNALAKIS: Sure.

1 EXECUTIVE OFFICER LUCCHESI: Yeah, and then we
2 can go back to --

3 CHAIRPERSON KOUNALAKIS: Okay.

4 EXECUTIVE OFFICER LUCCHESI: -- Linda if --

5 CHAIRPERSON KOUNALAKIS: Great.

6 EXECUTIVE OFFICER LUCCHESI: -- to see if her --

7 CHAIRPERSON KOUNALAKIS: Great.

8 EXECUTIVE OFFICER LUCCHESI: -- microphone is
9 working.

10 So you asked about Pipeline Lease 5663.

11 COMMISSIONER COHEN: Um-hmm.

12 EXECUTIVE OFFICER LUCCHESI: So this was
13 originally owned by a private company that State Parks had
14 acquired this property where these pipelines are located
15 in 1974. Shortly thereafter, Parks conveyed the property
16 to the State Lands Commission to manage. These pipelines
17 are associated with the lease -- the production lease at
18 Platform Emmy, and therefore it is subsumed in the
19 royalties and rent that the Commission and the State
20 receive as part of Platform Emmy.

21 So overall, the bottom line is the Commission
22 acquired these lands through State Parks subject to those
23 terms and existing obligations and we capture that rent
24 through the royalties at Platform Emmy. So that's why you
25 don't see rent coming specifically from that lease. It's

1 subsumed into the production lease PRC 426.

2 CHAIRPERSON KOUNALAKIS: I see.

3 COMMISSIONER COHEN: Is there -- usually, does
4 the State Parks send a representative to these Commission
5 meetings?

6 EXECUTIVE OFFICER LUCCHESI: Not on a regular
7 basis. And if I may, just one last -- I wanted to just
8 comment on Mr. Bradshaw's comment about submitting a
9 comment letter. We are accepting public comment letters
10 on this item on this report through December 15th, because
11 we are required under the law to submit this status
12 report, our staff report, and comment letters to the
13 Legislature and the Governor by the end of the year.
14 There is no time limit relating to any other agenda item
15 or subject that people want to submit comment letters on.

16 COMMISSIONER COHEN: Thank you.

17 EXECUTIVE OFFICER LUCCHESI: Um-hmm.

18 CHAIRPERSON KOUNALAKIS: Michelle, thank you very
19 much. Have we been able to unmute the microphone or -- of
20 the next speaker.

21 OFFICE TECHNICIAN PELKA: Linda Krop, are you
22 able to speak? Can you provide your comment now?

23 She is not unmuted on -- or she us unmuted on our
24 end.

25 CHAIRPERSON KOUNALAKIS: Why don't we go to to

1 the next speaker and maybe we can continue to try to
2 figure out what is going on and Linda, I don't know if you
3 want to try something else, you can call in so that we
4 would be able to hear you that way. And if you don't have
5 the number, maybe Michelle you can send it or put it in
6 the chat.

7 LINDA KROP: Can you hear me now?

8 CHAIRPERSON KOUNALAKIS: Okay. Next speaker.

9 LINDA KROP: Can you hear me?

10 EXECUTIVE OFFICER LUCCHESI: Yes.

11 CHAIRPERSON KOUNALAKIS: Oh, there you go. Linda
12 Krop, we can hear you.

13 LINDA KROP: Thank you for your patience.

14 CHAIRPERSON KOUNALAKIS: Okay.

15 LINDA KROP: Okay. Thank you very much. Linda
16 Krop, chief counsel of the Environmental Defense Center, a
17 public interest environmental law firm servicing
18 California's South Central Coast including Ventura County
19 where the West Montalvo Field is located. We're very much
20 in support of this study, as we supported the underlying
21 legislation and wanted specifically to make a few points.

22 First of all, we know in the staff report that
23 there's a need to still gather data regarding the expected
24 duration of oil production at the time of leasing, as
25 required by State law. We think that's important to

1 provide an analysis of the, you know, expect -- reasonable
2 expectations of the lessees.

3 And relatedly, we would love the study to
4 consider including the net revenues to date for the
5 lessees, including current lessees as well as prior
6 lessees to ensure comprehensive evaluation regarding
7 environ -- economic impacts to the lessees if the leases
8 are really pushed and production ceases.

9 We'd also like the study to consider the fiscal
10 impacts caused by continued operations and including
11 impacts related to climate change and oil spills. And
12 finally, regarding decommissioning costs, we would like
13 the study to consider potential cost savings through
14 sharing of equipment, vessels and personnel, which is very
15 likely, given the need to hire the same companies and
16 transfer the same equipment from other locations. And so
17 that can significantly reduce the cost of decommissioning.

18 Thank you very much and thank you for your
19 patience with my sound.

20 CHAIRPERSON KOUNALAKIS: Thank you very much.

21 Michelle, do we have any other speakers who would
22 like to address the Commission on this item?

23 OFFICE TECHNICIAN PELKA: We have no hands raised
24 for comment at this time.

25 CHAIRPERSON KOUNALAKIS: Okay. Commissioners,

1 any other questions or comments?

2 With that, may we -- oh, it's an informational
3 item, so thank you very much for the presentation.

4 And our next order of business -- Ms. Lucchesi,
5 what is our next order of business?

6 (Laughter).

7 EXECUTIVE OFFICER LUCCHESI: We -- bear with us,
8 we still have two more staff -- agenda items. I had to
9 remove two consent agenda items, because we do have
10 members of the public that wish to speak on them.

11 The first item is number 37 -- or, excuse me, 34.
12 And I do want to note as Jeffrey comes to the podium to
13 give our -- staff's presentation that we did not have
14 somebody specifically sign up on our website to speak on
15 this, but we've had communications with the lessee. And
16 that person had expressed their desire to speak to the
17 Commission and we did notice that person was logged on as
18 an attendee on Zoom. So I just wanted to in -- on -- I
19 erred on the side of caution to give them the opportunity
20 to speak to the Commission on this proposed lease. So if
21 that person for Item 34 is still on the Zoom platform, if
22 you could raise your hand if you would like to speak to
23 the Commission. And in the meantime, Jeffrey will give
24 our staff presentation.

25 CHAIRPERSON KOUNALAKIS: Thank you very much.

1 Michelle, could you be on the lookout for that. And
2 Jeffrey, please proceed.

3 PUBLIC LAND MANAGEMENT SPECIALIST PLOVNICK:

4 Thank you

5 (Thereupon a slide presentation).

6 PUBLIC LAND MANAGEMENT SPECIALIST PLOVNICK: Good
7 afternoon, Madam Chair and commissioners. I am Jeff
8 Plovnick, Public Land Management Specialist with the Land
9 Management Division and I'm here to present on Item 34.

10 Next slide, please.

11 --o0o--

12 PUBLIC LAND MANAGEMENT SPECIALIST PLOVNICK: This
13 item concerns a general lease recreational use for
14 sovereign land in Huntington Harbour, adjacent to 16592
15 Somerset Lane, Huntington Beach, Orange County shown here
16 through aerial imagery.

17 Next slide, please.

18 --o0o--

19 PUBLIC LAND MANAGEMENT SPECIALIST PLOVNICK: The
20 leased premises are located in the main channel of
21 Huntington Harbour. The main channel was created in the
22 early 1960s. And the State of California acquired fee
23 ownership of this channel in 1962. For many years, it has
24 been the Commission's practice to assess rent for leases
25 in this area based on a leased area that spans the width

1 of the upland property and which extends from the face of
2 the concrete bulkhead that defines the landward limit of
3 the channel out to the pierhead line established by the
4 City of Huntington Beach. An example of such a lease area
5 is depicted here.

6 The city's pierhead line defines and limits the
7 upland property owner's in water use area within the
8 Huntington Harbour development. And the Commission's
9 practical calculating lease areas out to this line ensures
10 consistency between use areas authorized by the Commission
11 and those permitted by the city.

12 Next slide, please.

13 --o0o--

14 PUBLIC LAND MANAGEMENT SPECIALIST PLOVNICK: On
15 February 21st, 2014, the Commission authorized a general
16 lease recreational use to Del Junco Childrens Investments,
17 LLC for the use of an existing boat dock, access ramp, and
18 cantilevered deck in the main channel of Huntington
19 Harbour. This lease expires on February 20th, 2024.

20 The applicant, Del Junco Childrens Investments,
21 LLC has applied for a general lease recreational use for
22 the existing improvements.

23 Next slide, please.

24 --o0o--

25 PUBLIC LAND MANAGEMENT SPECIALIST PLOVNICK:

1 Under the current lease, the lessee was granted a
2 rental area that covered a smaller footprint than the
3 overall lease area. This reduced rental area is
4 inconsistent with the Commission's practice of assessing
5 rent in Huntington Harbour based on a lease area that is
6 bounded by the property lines, bulkhead line, and pierhead
7 line. The applicant objects to rent for the new lease
8 being assessed based on the full lease area in a manner
9 that is consistent with Commission practices for
10 Huntington Harbour leases.

11 Next slide, please.

12 --o0o--

13 PUBLIC LAND MANAGEMENT SPECIALIST PLOVNICK: In
14 considering the applicant's objection, staff reviewed many
15 Huntington Harbor leases. Every lease reviewed utilized
16 the full lease area to assess rent. Shown here on the
17 left are four examples of current lease areas adjacent to
18 the subject property. In comparison, the proposed lease
19 area for the subject property is shown on the right. As
20 this slide demonstrates, the proposed lease will be
21 assessed rent in a manner that is consistent with the
22 leases of neighboring properties.

23 Next slide, please.

24 --o0o--

25 PUBLIC LAND MANAGEMENT SPECIALIST PLOVNICK:

1 Staff recommends the Commission authorize
2 issuance of a general lease recreational use to the
3 applicant beginning February 21st, 2024 for a term of 10
4 years for the use of an existing boat dock, access ramp
5 and cantilevered deck. Annual rent in the amount of
6 \$3,693 within an annual Consumer Price Index adjustment as
7 assessed based on lease area in a manner consistent with
8 the Commission's practices for Huntington Harbour leases
9 and liability and insurance in an amount no less than \$1
10 million per occurrence.

11 Next slide, please.

12 --o0o--

13 PUBLIC LAND MANAGEMENT SPECIALIST PLOVNICK: That
14 concludes staff's presentation. Thank you for your time.
15 I'm available to answer any questions you may have.

16 CHAIRPERSON KOUNALAKIS: Thank you very much.

17 Commissioners, questions or comments?

18 Michelle, do we have anyone who would like to
19 address the Commission on this item?

20 OFFICE TECHNICIAN PELKA: Yes. Del Junco. Del
21 Junco, please unmute yourself and begin your comment.

22 ROBERT DEL JUNCO: Thank you very much. Thank
23 you Jeffrey. Great presentation. So I represent my
24 farther who's 98 who's in that property. He's had the
25 property since 1962. He's one of the original owners of

1 that property. At the time, all the properties were about
2 2,500 square feet. All the docks were horizontal. No
3 dock stuck out more than 40 feet. Fifty years later, I
4 think it was like 2011 the Governor signed a bill called
5 SB 152, which you're aware which allowed the Commission to
6 charge rent for private recreational piers.

7 Unfortunately, in that 50 years, 70 to 80 percent
8 of the properties were sold and they built these
9 multi-million dollar homes at 8,000 square feet and these
10 huge docks that went out to 65 feet. And at that time, I
11 was one of the first individuals to sign a lease. And
12 when they submitted the lease to us, I actually petitioned
13 the Commission and said to the Commission, you know, I
14 looked at the bill -- I looked at AB 152 and the
15 Commission -- the rent for private recreational piers is
16 defined and constructed on State land.

17 And so my argument at the time was, you know,
18 because everybody else decided build these huge docks out
19 to 65 feet, you decided to charge 65 feet of space that I
20 needed to rent, and that just didn't seem reasonable, I
21 said. And I asked him, I said so if I took the dock, and
22 I took the pier, and I took the pylons out, you couldn't
23 charge me for just water in front of my house just because
24 it was in that 65 feet. There has to be a dock there.

25 And the bill says that you should charge me

1 commensurate to the construction of the dock that I'm
2 using within State property. And interesting, I also said
3 that it's unfair to get these old-timers that are -- that
4 are on the property -- that are here and charge them for
5 space that they can't use. I mean, it's just -- it's 25
6 feet of space that they just can't use. It's just water.

7 Now, since they -- this -- so at the time, the
8 Commission supported me and said, you know what, you're
9 logic is absolutely totally correct, so what we're going
10 to do is we're just going rent you the usable space. And
11 that's where it was for 10 years. It was precedent.
12 That's what they decided to do. And since that time, I
13 think there's only three remaining docks that are
14 horizontal.

15 There isn't a day that doesn't go by that someone
16 knocks on my father's 98-year old home that's an original
17 home and says we want to buy your house and they want to
18 construct these gigantic docks. And so I'm supporting my
19 father. He said, hey, Robert, can you present this to the
20 Commission? There is a precedent. They did say, hey, you
21 can rent this -- the usable space that you're using and
22 that's what I'm doing. I'm trying to be a good son and
23 present this to you in a fair way.

24 Thank you for your time.

25 CHAIRPERSON KOUNALAKIS: Thank you very much.

1 Ms. Lucchesi.

2 EXECUTIVE OFFICER LUCCHESI: I really appreciate
3 Mr. Del Junco's presentation to the Commission. He has
4 been very articulate and well-meaning in his conversations
5 with our staff and our negotiators on this. We stand by
6 our recommendation. This is -- the consistent practice
7 that we utilize for the entire Huntington Beach area.
8 It's also consistent with what we use in other inland
9 waterway areas, including up at Lake Tahoe. There is the
10 ability, even if there isn't the actual use to use that
11 waterside associated with the docks. And so happy to
12 answer any questions. This is consistent with practice of
13 the Commission in leasing tidelands within the Huntington
14 Harbour Channel.

15 CHAIRPERSON KOUNALAKIS: Commissioners, any
16 questions or comments or do we have a motion and a second?

17 COMMISSIONER COHEN: I'll make -- I'm happy to
18 make a motion.

19 ACTING COMMISSIONER MILLER: Second.

20 CHAIRPERSON KOUNALAKIS: Motion from Commissioner
21 Cohen, second from Commissioner Miller.

22 Any objections to a unanimous vote?

23 COMMISSIONER COHEN: No objections.

24 CHAIRPERSON KOUNALAKIS: Motion carries
25 unanimously.

1 Next item.

2 EXECUTIVE OFFICER LUCCHESI: Okay. Our next item
3 is Item 42. This was also a consent agenda item that was
4 moved to the regular agenda, because we do have a request
5 to speak on this item.

6 I'll be giving a very short presentation. The
7 applicant is the Santa Barbara County Flood Control
8 District. They have applied to the State Lands Commission
9 to conduct dredging up to a maximum of 200,000 cubic yards
10 of material from various creeks within Santa Barbara
11 County and then to reuse that material and deposit it on
12 sovereign land adjacent to Goleta Beach County Park.

13 The lease term is for five years. There is -- we
14 aren't recommending a monetary rent, because of the public
15 benefit associated with this lease, which includes flood
16 control benefits within those various creeks as well as
17 beach -- a beach replenishment aspect that will help
18 increase and protect public access at the county park.

19 We are happy to answer any questions. Otherwise,
20 I recommend moving to public comment.

21 CHAIRPERSON KOUNALAKIS: Michelle, is there
22 anyone who would like to speak?

23 OFFICE TECHNICIAN PELKA: Yes.

24 We have Mia Astbury as our speaker. Please
25 unmute yourself and begin your comment.

1 MIA ASTBURY: Hi. Can you guys hear me?

2 CHAIRPERSON KOUNALAKIS: Yes. Please proceed.

3 MIA ASTBURY: To start, I'd like to thank the
4 council for letting me comment on this issue. I am here
5 today to speak in favor of the approval of a general lease
6 for the Santa Barbara County Flood Control District. I am
7 currently a master's student at UCSD and have been a
8 resident of California for five years. During this time,
9 I have seen the devastating effects of flooding in the
10 area.

11 I concur with the staff report presented on this
12 topic and believe that the dredging of this area will be
13 best case scenario for individuals residing here. Due to
14 climate change, there is an increase in erosion of our
15 coastlines caused by evermore rising sea levels.
16 Additionally, there has been and will continue to be an
17 uptake in more extreme weather events, which can also lead
18 to further flooding. This area is highly susceptible to
19 both of these things as it is a watershed.

20 Any negligence in this issue could lead to
21 devastating consequences for both people and the
22 environment. The dredging will also provide an
23 opportunity for the beach ecosystem to be restored and
24 maintained. While this solution is only a Band-Aid on the
25 larger issue of climate change and rising sea levels, we

1 must take these steps in order until larger legislation
2 can be implemented. If we do not, valuable habitat and
3 organisms can be lost.

4 Thank you for your time today.

5 CHAIRPERSON KOUNALAKIS: Thank you very much.

6 Ms. Lucchesi?

7 EXECUTIVE OFFICER LUCCHESI: No comment.

8 CHAIRPERSON KOUNALAKIS: All right.

9 Commissioners, comments or questions?

10 ACTING COMMISSIONER MILLER: All right. I was
11 just going to move approval. I apologize.

12 CHAIRPERSON KOUNALAKIS: Second?

13 COMMISSIONER COHEN: Yeah, second.

14 CHAIRPERSON KOUNALAKIS: We have a motion from
15 Commissioner Miller and a second from Commissioner Cohen.

16 Any objection to a unanimous vote?

17 COMMISSIONER COHEN: No objection.

18 CHAIRPERSON KOUNALAKIS: Motion carries
19 unanimously.

20 Okay. Ms. Lucchesi, next order of business.

21 EXECUTIVE OFFICER LUCCHESI: Our next order of
22 business is our second public comment period.

23 CHAIRPERSON KOUNALAKIS: Thank you. If anyone
24 would like to address the Commission on any matter that is
25 not, again not, on today's agenda, please come to the

1 podium or raise your hand.

2 Michelle, do we have anyone who has signed up
3 virtually who would like to address us during the second
4 comment period?

5 OFFICE TECHNICIAN PELKA: I do not see any hand
6 raised for comment -- for public comment at this time.

7 CHAIRPERSON KOUNALAKIS: Thank you, Michelle.

8 That concludes our second public comment period.

9 Do any of the Commissioners have any questions or
10 comments?

11 COMMISSIONER COHEN: None. Thank you.

12 CHAIRPERSON KOUNALAKIS: Ms. Lucchesi, next order
13 of business.

14 EXECUTIVE OFFICER LUCCHESI: We do not have a
15 closed session today, so I recommend you move for
16 adjournment.

17 CHAIRPERSON KOUNALAKIS: That concludes the open
18 meeting. We're adjourned.

19 Thank you.

20 (Thereupon the California State Lands

21 Commission meeting adjourned at 1:34 p.m.)
22
23
24
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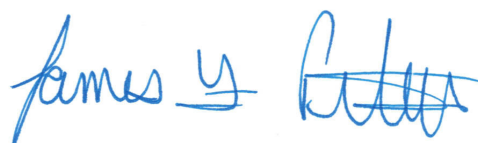
CERTIFICATE OF REPORTER

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 meeting was reported in shorthand by me, James F. Peters, a Certified Shorthand Reporter of the State of California, and was thereafter transcribed, 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 11th day of December, 2023.



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