Meeting Date: 04/04/24 Lease Number: 9753 Staff: K. Connor

Staff Report 34

LESSEE/APPLICANT:

City of San Clemente

PROPOSED ACTION:

Amendment of a General Lease – Public Agency Use.

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the Pacific Ocean, near San Clemente and Oceanside, Orange and San Diego Counties (as shown in Figure 1).

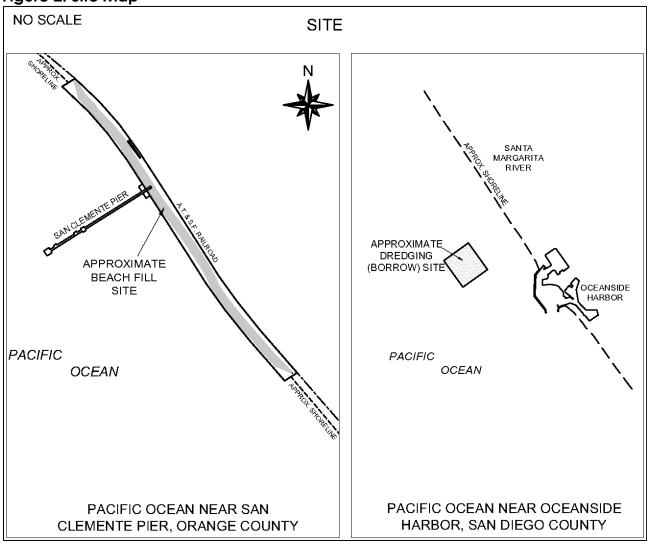
Figure 1. Location



AUTHORIZED USE:

Dredging of the Pacific Ocean from borrow site designated SO-9 near Oceanside; placement of a 50-foot-wide beach fill along an approximately 3,400-foot-long stretch of shoreline in the City of San Clemente with 251,000 cubic yards (cy) of compatible sediment with renourishment of 251,000 cy every 6 years on average; implemented under the Coastal Storm Damage Reduction Project/San Clemente Shoreline Protection Project (as shown in Figure 2).

Figure 2. Site Map



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

TERM:

49 years, beginning August 17, 2023.

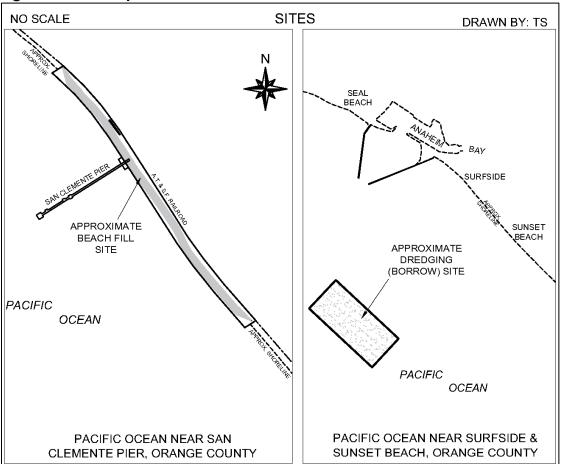
CONSIDERATION:

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

PROPOSED AMENDMENTS:

 Authorize dredging of an additional offshore borrow site near Surfside – Sunset Beach for the City of San Clemente Coastal Storm Damage Reduction Project/San Clemente Shoreline Protection Project (as shown in Figure 3).

Figure 3. Site Map



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

- Replace the existing Exhibit A, Land Description, in the lease with a new Exhibit A, Land Description to include the new offshore borrow site.
- Replace the existing Exhibit B, Site and Location Map, in the lease with new Exhibits B-1 and B-2, Site and Location Maps separately depicting each offshore borrow site.

All other terms and conditions of the lease will remain in effect without amendment.

STAFF ANALYSIS AND RECOMMENDATION:

AUTHORITY:

Public Resources Code sections 6005, 6216, 6301, 6303, 6321, 6321.2, 6501.1, and 6503; California Code or Regulations, title 2, sections 2000 and 2003.

PUBLIC TRUST AND STATE'S BEST INTERESTS:

On August 17, 2023, the Commission authorized issuance of Lease 9753, a General Lease – Public Agency Use for a term of 49 years for dredging in the Pacific Ocean near the City of Oceanside; placement of a 50-foot-wide beach fill along an approximately 3,400-foot-long stretch of shoreline in the City of San Clemente (City) consisting of 251,000 cubic yards (cy) of compatible sediment with renourishment of 251,000 cy every six years on average; implemented under the Coastal Storm Damage Reduction Project/San Clemente Shoreline Protection Project (Project) (Item 44, August 17, 2023). The lease will expire on August 16, 2072.

Beach erosion is an ongoing problem along the City of San Clemente (City) shoreline, and over the past 20 years, average beach widths have been gradually reducing. Shoreline erosion has narrowed the beaches and depleted them of sand, resulting in reduced recreational opportunities, and threatening the stability of City facilities, private property, and a major southern California rail corridor. By implementing the Project, the City aims to reduce coastal storm damage, enhance recreational beach opportunities, and protect critical infrastructure.

In January 2024, the City and the United States Army Corps of Engineers (USACE) brought to Commission staff's attention that the construction contractor for the beach nourishment activities was encountering difficulties accessing the compatible beach sand material at the authorized borrow site in Oceanside. Through conversations with USACE, the City seeks to add an additional known

borrow site offshore of Surfside – Sunset Beach to avoid delays in beach nourishment activities this year. Staff communicated to the City that to utilize the Surfside – Sunset Beach borrow site, an additional environmental review to assess potential impacts of the change to project activities would be required, as well as an amendment of the City's lease to add the additional borrow site.

The proposed Surfside – Sunset Beach borrow site is located approximately one mile offshore and approximately 30 nautical miles northwest of the City. The proposed borrow site is currently being utilized by the USACE for Stage 13 of their Surfside-Sunset Beach Nourishment Project, previously authorized by the Commission (Item 70, June 5, 2023). The borrow site is approximately 200 acres in size and has been investigated by the USACE for the Surfside-Sunset Beach Nourishment Project for suitability of sediment characteristics, marine resources, seabed elevation, etc. The Project would still involve the dredging of 251,000 cy of material, but with the flexibility of utilizing the proposed borrow site near Surfside – Sunset Beach or the previously approved borrow site near Oceanside. No other components of the Project will change.

The required permits and authorizations for the inclusion of the Surfside – Sunset Beach borrow site have been received from the National Oceanic and Atmospheric Administration, the USACE, the California Coastal Commission, the California Department of Parks and Recreation, and the San Diego Regional Water Quality Control Board.

CLIMATE CHANGE:

Climate change impacts for offshore borrow sites and onshore beach nourishment locations were analyzed in the staff report for the August 17, 2023 Commission meeting (Item 44, August 17, 2023). Beach nourishment, as referenced in the lease, may reduce the likelihood of severe erosion and structural degradation, and possible dislodgement of structures within adjacent areas. The additional borrow area will provide an additional sand source to support continued beach nourishment. Pursuant to the proposed lease, the Applicant acknowledges that the lease premises and adjacent areas are in an area that may be subject to the effects of climate change, including sea level rise.

CONCLUSION:

For all the reasons above, staff believes amendment of this lease will not substantially impair the public rights to navigation and fishing or substantially interfere with Public Trust needs and values at this location, at this time, and for the

term of the lease; is consistent with the common law Public Trust Doctrine; and is in the best interests of the State.

OTHER PERTINENT INFORMATION:

- Approval or denial of the lease amendment is a discretionary action by the Commission. Each time the Commission approves or rejects a use of sovereign land, it exercises legislatively delegated authority and responsibility as trustee of the State's Public Trust lands as authorized by law. The lessee has no right to a new lease or to renewal of any previous lease.
- 2. This action is consistent with the "Leading Climate Activism" and "Meeting Evolving Public Trust Needs" Strategic Focus Areas of the Commission's 2021-2025 Strategic Plan.
- 3. An Environmental Impact Statement/Environmental Impact Report (EIS/EIR), State Clearinghouse No. 2010084002, was prepared for this Project by the USACE and the City of San Clemente. The City of San Clemente, as CEQA lead agency, certified the document on July 18, 2023. As part of its project approval, the City of San Clemente made a Statement of Findings of Fact and Statement of Overriding Considerations and adopted a Mitigation Monitoring and Reporting Program.

The Commission considered the EIS/EIR at its August 17, 2023 meeting (Item 44, August 17, 2023). As part of the Commission's approval of the lease, the Commission adopted an independent Mitigation Monitoring Program (MMP), Statement of Findings, and Statement of Overriding Considerations made in conformance with the State CEQA Guidelines (Cal. Code Regs., tit. 14, §§ 15091, 15093, and 15096), as contained on file in the Sacramento office of the California State Lands Commission and incorporated by reference hereto. The Commission's previously adopted MMP remains in full force and effect.

The City prepared an Addendum to the EIR to address changes to the proposed Project, pursuant to State CEQA Guidelines (Cal. Code Regs., tit. 14, § 15164), and adopted the Addendum on March 19, 2024. Staff has reviewed the Addendum and the EIS/EIR, and the proposed lease amendment does not create substantial changes to the project, to the circumstances in which the project occurs, or other new information that would require a subsequent or supplemental EIR. The Applicant is required by the terms of the amended lease to continue to implement the Commission's previously imposed MMP.

4. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et seq., but such activity will not affect those significant lands. Based upon participation from the agency nominating such lands through the CEQA review and permitting process, it is staff's opinion that the project, as proposed, is consistent with its use classification.

APPROVALS OBTAINED:

- United States Coast Guard
- National Oceanic and Atmospheric Administration
- United State Army Corps of Engineers
- California Coastal Commission
- California Department of Parks and Recreation
- San Diego Regional Water Quality Control Board

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that an EIS/EIR, State Clearinghouse No. 2010084002, was prepared for this project by the USACE and the City of San Clemente and was certified by the City acting as the CEQA lead agency on July 18, 2023.

Acting as a CEQA responsible agency, the Commission considered the EIS/EIR at its August 17, 2023 meeting (Item 44, August 17, 2023) and adopted an independent Mitigation Monitoring Program (MMP), Statement of Findings, and Statement of Overriding Considerations made in conformance with the State CEQA Guidelines. Subsequently, an Addendum to the EIS/EIR was adopted on March 19, 2024, by the City. The Commission has reviewed and considered the information contained in the Addendum along with the EIS/EIR and finds that in the Commission's independent judgement, the scope of activities to be carried out under the lease as amended by this authorization have been adequately analyzed; that none of the events specified in Public Resources Code section 21166 or the State CEQA

Guidelines section 15162 resulting in any new or substantially more severe significant impact have occurred; and, therefore no additional CEQA analysis is required.

Find that the Commission's previously adopted MMP remains in full force and effect.

PUBLIC TRUST AND STATE'S BEST INTERESTS:

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

SIGNIFICANT LANDS INVENTORY FINDING:

Find that this activity is consistent with the use classification designated by the Commission for the land pursuant to Public Resources Code section 6370 et seq.

AUTHORIZATION:

Authorize amendment of Lease 9753, a General Lease – Public Agency Use, effective April 4, 2024, to include the use of an additional offshore borrow site near Surfside – Sunset Beach; all other terms and conditions of the lease will remain in effect without amendment.