

Meeting Date: 12/17/24
Lease Number: 6884
Staff: L. Anderson

Staff Report 33

LESSEE:

John J. Corcoran, III, Trustee of the John J. Corcoran, III Family Trust (Trust A)
Created December 16, 2012 UDT Dated June 15, 2004

APPLICANT:

Tonya Kuhl and Richard Schuman

PROPOSED ACTION:

Termination of Lease Number 6884, a General Lease – Recreational and Protective Structure Use; void invoice 53031, 55772, and 58573; and issuance of a General Lease – Recreational and Protective Structure Use.

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the Sacramento River, adjacent to 7651 Garden Highway, Sacramento, Sacramento County (as shown in Figure 1, below).

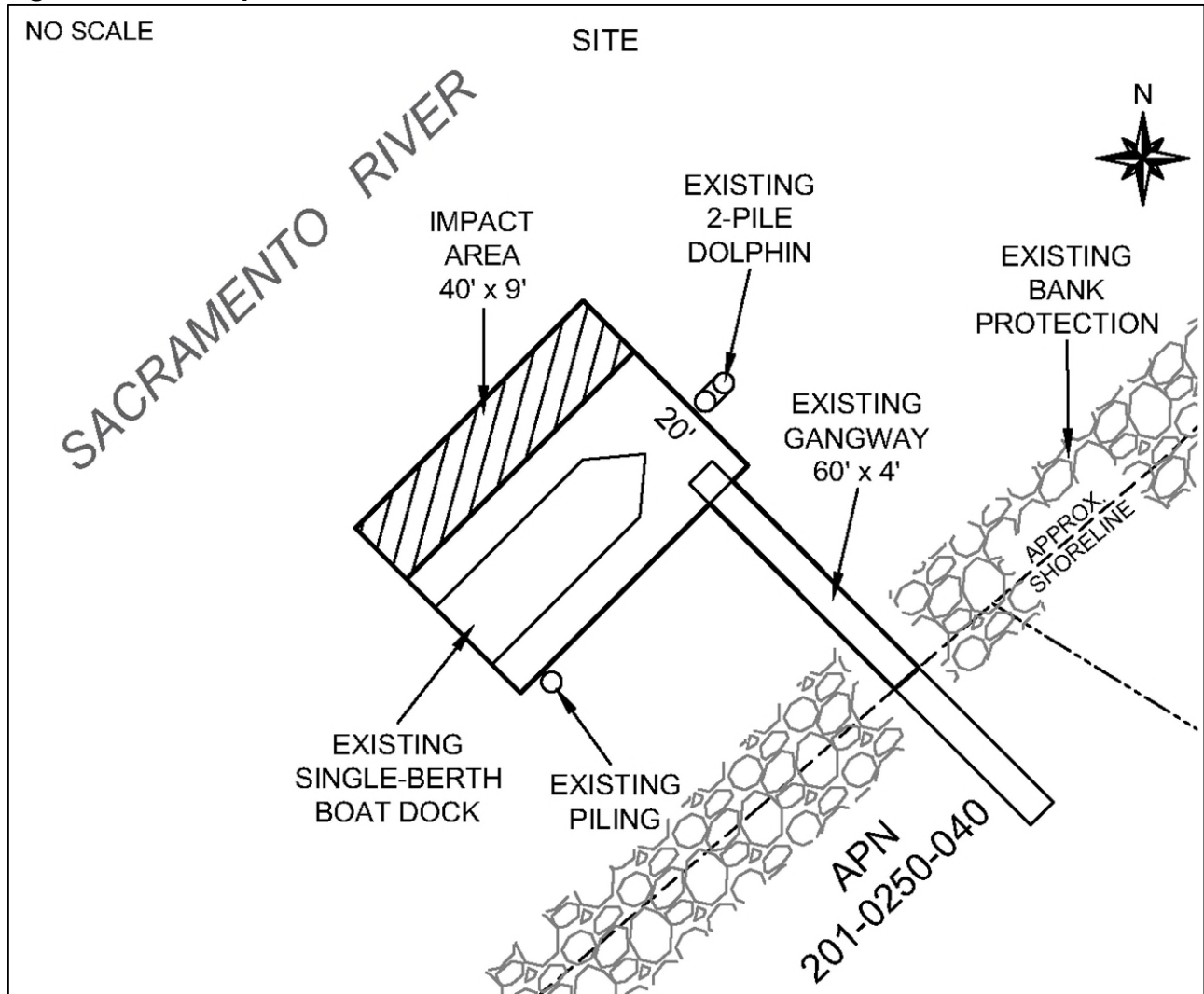
Figure 1. Location



AUTHORIZED USE:

Use of an existing boat dock appurtenant facilities, and bank protection (as shown in Figure 2, below).

Figure 2. Site Map



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

TERM:

10 years, beginning December 17, 2024.

CONSIDERATION:

\$443 per year, with an annual Consumer Price Index adjustment; and \$938 for unauthorized occupation of State land for the period prior to December 17, 2024.

SPECIFIC LEASE PROVISIONS:

- Liability insurance in an amount no less than \$1,000,000 per occurrence.
- Lessee agrees the provisions of Section 3, Paragraph 8 shall also be extended to the period of Lessee's unauthorized occupation of State-owned lands from November 9, 2020 through December 16, 2024.

STAFF ANALYSIS AND RECOMMENDATION:

AUTHORITY:

Public Resources Code sections 6005, 6216, 6301, 6321, 6321.2, 6501.1, 6503, 6503.5, and 6505.5; California Code of Regulations, title 2, sections 2000 and 2003.

PUBLIC TRUST AND STATE'S BEST INTERESTS:

On April 23, 2015, the Commission authorized issuance of a General Lease – Recreational and Protective Structure Use to John J. Corcoran, III, Trustee of the John J. Corcoran, III Family Trust (Trust A) Created December 16, 2012 UDT Dated June 15, 2004, for the continued use and maintenance of an existing single-berth floating boat dock with removable tarpaulin cover, ramp, one wood piling, a two-pile wooden dolphin, and bank protection ([Item 44, April 23, 2015](#)). The lease expires July 31, 2025.

On November 9, 2020, the Lessee sold the property to Tonya Kuhl and Richard Schuman without notification to the Commission. Therefore, pursuant to the terms of the existing lease and change in upland ownership, staff recommends terminating the lease effective November 9, 2020. The Applicant is now applying for a General Lease – Recreational and Protective Structure Use for the docking facilities and bank protection.

Staff recommends starting the new lease on December 17, 2024. Rent has been paid through to July 31, 2021. The Applicant took ownership of the upland on November 9, 2020. Therefore, staff recommends the Applicant pay \$938 for the unauthorized occupation of state land for the existing facilities for the period prior to December 17, 2024. The Lessee did not pay invoice numbers 53031, 55772, and 58573 for annual rent, dated June 15, 2021, June 21, 2022, and June 19, 2023, respectively. Because the Lessee no longer owned the upland property as of November 9, 2020, staff recommends the Commission void invoice numbers 53031, 55772, and 58573. The proposed lease will require the Applicant to indemnify the

State for the entire period of unauthorized occupation, ensuring the State is protected.

The Applicant owns the upland parcel adjoining the lease premises, and the existing docking facilities and bank protection have been under lease for many years. Recreational boating is a water-dependent use that is generally consistent with the common law Public Trust Doctrine. The California Legislature has identified private recreational boating facilities as an authorized use of Public Trust land. (Pub. Resources Code, § 6503.5)

The bank protection protects the upland property and maintains the integrity of the Sacramento River, which will help protect the Public Trust resources for recreational and navigational use by the public. The facilities are located directly adjacent to the upland property and occupy a relatively small area of the river.

The proposed lease does not alienate the State's fee simple interest or permanently impair public rights. The lease is limited to a 10-year term, does not grant the lessee exclusive rights to the lease premises, and reserves an easement to the public for Public Trust-consistent uses. Upon termination of the lease, the lessee may be required to remove the boat dock and appurtenant facilities from State land and restore the lease premises to their original condition.

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

CLIMATE CHANGE:

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

The California Ocean Protection Council updated the *State of California Sea-Level Rise Guidance* in 2018 to provide a synthesis of the best available science on sea level rise projections and rates. Commission staff evaluated the "high emissions," "medium-high risk aversion" scenario to apply a conservative approach based on both current emission trajectories and the lease location and structures. The San

Francisco tide gauge was used for the projected sea level rise scenario for the lease region as listed in Table 1.

Table 1. Projected Sea Level Rise for San Francisco

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

Source: Table 13, [State of California Sea-Level Rise Guidance: 2018 Update](#) Note: Projections are with respect to a 1991 to 2009 baseline.

Sea level rise could increase the Sacramento River's inundation levels within the lease area. In addition, as stated in the [Safeguarding California Plan: 2018 Update](#) (California Natural Resources Agency 2018), climate change is projected to increase the frequency and severity of natural disasters related to flooding, fire, drought, extreme heat, and storms (especially when coupled with sea level rise). In rivers and tidally influenced waterways, more frequent and powerful storms can result in increased flooding conditions and damage from storm-created debris as well as decreased bank stability and structure. Conversely, climate change induced droughts could decrease river levels and flow for extended periods of time. Climate change and sea level rise will further influence riverine areas by changing erosion and sedimentation rates. Flooding and storm flow, as well as runoff, will likely increase scour and decrease bank stability at a faster rate.

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

The floating boat dock and ramp are adaptable to higher water levels allowing them to rise and fall with storms and droughts and increasing their resiliency to some climate change impacts, but they may require more frequent maintenance

or replacement to ensure continued function during and after storm seasons and to avoid dislodgement of the facilities. However, the dolphin and bank protection are fixed and therefore more vulnerable to sea level rise and more frequent flood events. These structures may need maintenance, due to increased flood exposure and more frequent storm events, to ensure they do not become dislodged or degraded and to reduce risks to public safety and navigation.

The bank is protected with rip rap and is at risk of scouring, loss of backfill, slope failure, and accelerated deterioration from sea level rise, currents, floods, and increased precipitation. As sea levels rise, the bank protection will also provide less defense against flood waters, increasing the vulnerability of the upland parcel. Maintaining a wide buffer between the bank and upland improvements will minimize potential impacts from flooding and erosion. The bank may also suffer increased erosion from sea level rise and storm flooding. In the future, if erosion of the bank protection requires modifications to the bank, Commission staff suggest the lessee consider nature-based solutions such as native vegetation to stabilize the sediment. Any future construction or activities on state land would require a separate authorization from the Commission.

Regular maintenance, as referenced in the lease, may reduce the likelihood of severe structural degradation or dislodgement. Pursuant to the proposed lease, the Applicant acknowledges that the lease premises and adjacent upland are located in an area that may be subject to the effects of climate change, including sea level rise.

CONCLUSION:

For all the reasons above, staff believes the issuance 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 proposed lease; and is in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. Approval or denial of an application is a discretionary action by the Commission. Each time the Commission approves or rejects a use of sovereign land, it exercises legislatively delegated authority and responsibility as trustee of the State's Public Trust lands. If the Commission denies the application, the Applicant may be required to remove the improvements and restore the

premises to their original condition. The lessee has no right to a new lease or to renewal of any previous lease.

2. This action is consistent with the “Leading Climate Activism” and “Meeting Evolving Public Trust Needs” Strategic Focus Areas of the Commission’s 2021-2025 Strategic Plan.
3. Termination of the lease is not a project as defined by the California Environmental Quality Act (CEQA) because it is an administrative action that will not result in direct or indirect physical changes in the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, title 14, sections 15060, subdivision (c)(3), and 15378, subdivision (b)(5).

4. Staff recommends that the Commission find that issuance of the lease is exempt from the requirements of CEQA as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, title 14, section 15301.

Authority: Public Resources Code section 21084 and California Code of Regulations, title 14, section 15061.

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

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

PUBLIC TRUST AND STATE’S BEST INTERESTS:

1. Find that the existing and, for a limited period, continuing use of the existing boat dock and appurtenant facilities does not substantially interfere with Public Trust needs and values at this location and is consistent with the common law Public Trust Doctrine.

2. Find that the existing and, for a limited period, continuing use of the existing bank protection not substantially interfere with Public Trust uses.
3. Find that issuing the proposed lease is in the best interests of the State.

AUTHORIZATION:

1. Authorize termination, effective November 9, 2020, of Lease Number 6884, a General Lease – Recreational and Protective Structure Use, issued to John J. Corcoran, III, Trustee of the John J. Corcoran, III Family Trust (Trust A) Created December 16, 2012 UDT Dated June 15, 2004.
2. Authorize acceptance of compensation from the Applicant in the amount of \$938 for unauthorized occupation of State land for the period prior to December 17, 2024.
3. Void issued annual rent invoice numbers 53031, 55772 and 58573.
4. Authorize issuance of a General Lease – Recreational and Protective Structure Use to the Applicant beginning December 17, 2024, for a term of 10 years, for the use of an existing boat dock, appurtenant facilities, and bank protection; annual rent in the amount of \$443, with an annual Consumer Price Index adjustment; and liability insurance in an amount no less than \$1,000,000 per occurrence.