Meeting Date: 11/07/25 Lease Number: 7245 Staff: K. Connor

# Staff Report 52

# **APPLICANT:**

Whalers' Village Club DBA Malibu Shores Village

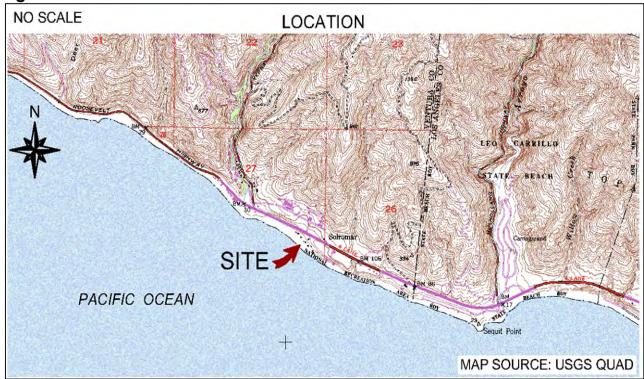
# PROPOSED ACTION:

Issuance of a General Lease – Protective Structure Use.

## AREA, LAND TYPE, AND LOCATION:

Sovereign land in the Pacific Ocean, adjacent to 11770 Pacific Coast Highway, near Malibu, Ventura County (as shown in Figure 1).

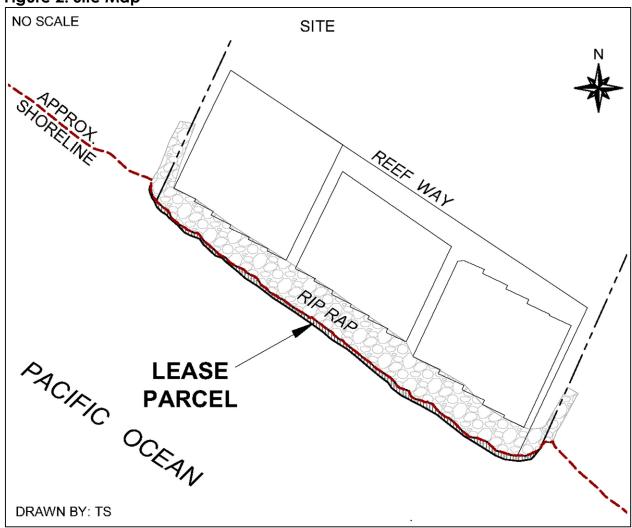
Figure 1. Location



## **AUTHORIZED USE:**

Maintenance of an existing rock revetment (as shown in Figure 2).

Figure 2. Site Map



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

## TERM:

10 years and 3 months, beginning October 14, 2025, and ending January 14, 2036.

#### CONSIDERATION:

\$28,328 per year, with an annual Consumer Price Index adjustment.

#### **SPECIFIC LEASE PROVISIONS:**

- Liability insurance in an amount no less than \$5,000,000 per occurrence.
- Bond or other surety in the amount of \$350,000.
- The revetment shall be maintained in a manner that does not interfere with lateral public access across the public beach.
- Lessee acknowledges that there is a public access easement located on portions of Lessee's fee-owned upland property that must remain for public access.
- Prior to the seventh anniversary of the lease, Lessee must have an engineering study conducted, which will include preparation of "as-built" drawings/plans, in order to determine the current footprint of the existing rock revetment.
- Prior to the ninth anniversary of the lease, Lessee shall conduct a structural and utility safety assessment inspection report for the revetment.
- Lessee shall conduct visual inspections of the improvements following major storm events or unusual wave events, or at least annually if no such events occur during the monitoring period.
- Prior to submission of future applications for this lease, or when requesting approval for Major Repairs or Alterations under Section 3, Paragraph 9.2 or 9.3, Lessee agrees to assess the feasibility of replacing the rock revetment on the Lease Premises with alternative adaptation strategies such as nature-based solutions or hybrid protective structure designs.
- Lessee must submit to Lessor no later than January 13, 2032, an application and
  minimum expense deposit for a new lease for the continued use of the Lease
  Premises, or a plan for the restoration of the Lease Premises to be completed
  prior to the expiration of the lease term together with a timeline for obtaining all
  necessary permits and conducting the work prior to the expiration of this lease.

# **BACKGROUND:**

In 1969, the Whalers' Village development was built along Pacific Coast Highway in Ventura County. It had 29 single-family residential homes, with 17 of these homes adjacent to the Pacific Ocean. In March 1978, storms washed away large amounts of sand and exposed the foundations of the buildings. Temporary sandbags were placed seaward of the building foundations and consultants advised the

homeowners that a rock revetment structure would help protect the homes from further damage.

In February 1980, storms again exposed the foundations of the homes causing substantial damage. The Applicant, without applying for a Coastal Development Permit (CDP), built the revetment immediately in front of and beneath the homes. In March of the same year, and after additional storms, the Applicant placed additional boulders on the revetment.

In May 1981, the Applicant applied for a CDP with the California Coastal Commission (Coastal), which Coastal approved in December 1981. The Applicant objected to several of the CDP's special conditions and filed suit against the Coastal Commission. In 1985, litigation concluded when the California Court of Appeals upheld one special condition and struck down another. In April 1987, the Applicant once again applied for a CDP and was authorized by Coastal in May 1989, including a special condition requiring the Applicant to consult with the Commission to determine if the revetment occupied state property. Commission staff's internal boundary review of the revetment in the 1980s determined that the rock revetment encroached on sovereign land and authorization by the Commission was required. The Applicant submitted an application for Commission authorization in August 1988. On September 14, 1988, the Commission authorized Lease 7245, a 10-year General Permit – Protective Structure Use for the construction and maintenance of rock revetment (Item 26, September 14, 1988). Lease 7245 expired on September 30, 1998.

In October 2001, the Applicant applied for a new lease. However, that application was misplaced and therefore did not move forward in a timely manner. In March 2013, Commission staff conducted a field survey in Malibu that included the Applicant's rock revetment. That field survey determined that the Whalers' Village rock revetment extended into sovereign state-owned tide and submerged land, which is subject to Commission authorization. In August 2013, the application originally submitted in 2001 was found, and staff proceeded with processing it again; however, it was ultimately deemed incomplete.

In July 2022, the Applicant applied for a General Lease – Protective Structure Use for the maintenance of the existing rock revetment. The Applicant also requested that the lease rental payment date be in mid-January to align with their budgeting calendar. As part of staff's review of the lease application, staff provided its initial jurisdiction determination to the Applicant. This determination concluded that the 2022 Mean High Tide Line (MHTL) survey conducted by a surveyor hired by the

Applicant was satisfactory and the best available evidence of the MHTL's last natural location, and thus the line that best represents the Commission's ownership and leasing jurisdiction at this location, at this time. Therefore, staff used the 2022 MHTL survey to measure the revetments encroachment onto State sovereign land.

# STAFF ANALYSIS AND RECOMMENDATION:

## **AUTHORITY:**

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

#### Public Trust and State's Best Interests:

The proposed lease is for an approximately 1,415 square foot parcel of stateowned tidelands lying beneath an existing rock revetment adjacent to the Applicant's upland property. The primary purpose of the rock revetment is to protect 17 privately-owned upland ocean-front residences and private common area from erosion and wave uprush.

In January 2024, the Applicant completed repairs to the rock revetment that included restacking boulders that had rolled off into the nearshore area due to storms and deterioration. The repairs were completed according to their 1988 design footprint. All repair work was authorized under the Coastal Commission's CDP 4-88-97.

The primary purpose of the existing revetment is to provide protection to the private upland residences from coastal hazards, such as wave uprush, erosion, and flooding. However, while hard protective structures provide private benefits for the upland residences, they can adversely impact the Public Trust by disrupting natural shoreline processes, accelerating long-term erosion, causing loss of beach and other critical habitats and corresponding ecosystem benefits, and impairing beach access and recreational uses, as identified in Section 4.1 of the Commission's 2023 report, Shoreline Adaptation and the Public Trust.

During medium and high tides, the existing revetment blocks over 1,000 feet of lateral public beach access between County Line Beach, a popular beach directly adjacent to and upcoast of the proposed lease parcel, and the downcoast beach. This lack of access creates a dangerous situation for the public when attempting to cross the lease area during medium and high tide events. These

losses negatively affect Public Trust uses, such as beach recreation, fishing, surfing, and environmental preservation. The displacement and erosion of the sandy beach seaward of the revetment also affects delicate ecosystems that support a diversity of species and habitats and perform a variety of vital ecosystem services.

When the revetment blocks lateral beach access, the adjacent beaches can become accessible only to the residents of nearby beachfront properties, creating de facto private beaches. This can exacerbate the inequities in coastal access that affect disadvantaged and tribal communities, who rely on coastal access for low-cost recreation, escape from heat, subsistence fishing, and other vital cultural uses (Reineman et al., 2016).

As shown by the interactive mapping tool Our Coast Our Future, minor increases in sea level rise combined with the revetment's seaward protrusion will make lateral access perpetually inaccessible at all tides. There will not be enough beach space, even at very low tides, to safely walk around the revetment to get from one side of the beach to the other. As the beach area becomes submerged and the revetment is exposed to more frequent wave energy, the structural integrity of the revetment will likely diminish, and the boulders will become dislodged and displaced more frequently. This will increase the existing footprint of the structure as the boulders move out onto the beach, posing a greater public safety risk to beachgoers, and further impeding lateral beach access and lateral sand transport. Thus, while the revetment continues to be used to provide private benefits to the upland residences, the impacts to Public Trust resources and uses will continue and increase as sea levels rise.

Despite these impacts, staff recommends authorization of the proposed lease. A relatively small portion, about 1,415 square feet, of the overall revetment is within the Commission's jurisdiction; the bulk of the revetment is on upland private property. Therefore, if the Commission denies the lease and the portion on state property is removed, it would likely not result in significant immediate benefits to public access or Public Trust resources. The proposed lease requires the lessee to more accurately calculate the exact footprint of the revetment – which might extend under the sand in some areas – and start analyzing alternate methods of shoreline protection that may reduce Public Trust resource impacts. These conditions will help the state better plan for the future of shoreline protection at this location. The proposed lease does not grant the lessee exclusive rights to the lease premises, reserves access rights to the public for Public Trust consistent uses, requires the lessee to allow public access through the upland area when access across the public beach area is impossible, and 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 limited term will provide the Commission with greater flexibility in evaluating any future impacts that might occur, or if Public Trust needs and values at this location have changed over time. Upon lease termination, the lessee may be required to remove all improvements from State land and restore the lease premises to their original condition.

To protect the State from the financial burden of removing the revetment encroachment at some future date, the lease includes a surety bond provision to cover the lessee's obligations under the lease, including but not limited to revetment removal. The Commission will have the option to call on the bond if the Applicant fails to remove the revetment from State property upon lease termination or expiration. The surety amount is currently set at \$350,000, which is based on a recently prepared third-party removal estimate by a licensed contractor. Staff reviewed the estimate and included additional costs for environmental review and staff analysis.

#### **CLIMATE CHANGE:**

#### Introduction:

The climate crisis and rising sea levels are impacting coastal California now. As underscored in the State of California Sea Level Rise Guidance (Ocean Protection Council, 2024), the combination of extreme weather events and the persistent and accelerating rise in sea levels will lead to increased coastal hazards, such as wave runup, storm surges, flooding, and erosion. Shorelines will move inland due to rising seas, exposing more of the natural and human-built environment to coastal hazards. The resulting damage will occur repeatedly and incrementally over years and, in extreme cases, over the span of a few large winter storms. These impacts may affect the existing rock revetment complex, immediately seaward of the oceanfront condominium units in the Whalers' Village development, near Malibu.

#### **DATA & PROJECTIONS:**

Sea levels along most of the California coast rose four to eight inches during the last century, and this trend will accelerate throughout this century. The current rate of sea level rise is triple the rate during the last century. There is growing confidence that by 2050 sea levels will be approximately ten inches higher than they were in 2000. The severity of sea level rise beyond 2050 is contingent on future levels of greenhouse gas emissions. The California Ocean Protection Council updated the

State of California Sea Level Rise Guidance in 2024 to provide a synthesis of the best available science on sea level rise projections and rates for multiple emissions scenarios. To apply a precautionary approach, Commission staff evaluated the "intermediate-high" and "high" scenarios due to the vulnerability and exposure of the lease location and the continued global reliance on fossil fuels. The Santa Monica tide gauge was used for the projected sea level rise scenario for the lease area, as listed in Table 1.

Table 1. Projected Sea Level Rise for Santa Monica

| Year | Intermediate-High (feet) | High (feet) |
|------|--------------------------|-------------|
| 2030 | 0.4                      | 0.4         |
| 2040 | 1.6                      | 0.7         |
| 2050 | 0.9                      | 1.2         |
| 2100 | 5.5                      | 7.7         |

Source: Table 11, State of California Sea-Level Rise Guidance: 2024 Update

Note: Projections are with respect to a 2000 baseline.

### **ANALYSIS:**

Commission staff used the online sea level rise mapping tool, Our Coast Our Future, to evaluate risks to the lease premises and structures from sea level rise. At present sea levels, the lease premises are already regularly flooded and subjected to wave impacts and erosion, which could potentially damage any structures or improvements on the lease premises. Episodic or short-term events, such as extreme storms, very high or King tides, and El Niño events, alone or in combination, will increase the vulnerability of the lease premises and expose it to higher water levels and stronger wave runup, overtopping, and erosion. As a result, the rock revetment may sustain substantial damage and degradation over the lease term, requiring more frequent repairs and maintenance to retain its function. The dislodgement of the boulders has already occurred in recent years, requiring the lease applicant to seek emergency authorization from the Commission to conduct repairs by restacking the boulders.

As evidenced by the recent dislodgment of the revetment's boulders and the adjacent homeowners' use of metal rolling shutters to protect windows from wave overtopping, the lease premise and the upland private residences are already highly exposed and vulnerable to the current level of coastal hazards, which are projected to worsen. The Applicant's reliance on the revetment is not an effective or sustainable long-term strategy for protecting the private upland residences. However, while the revetment continues to be relied upon, public trust resources

and uses are adversely impacted by the revetment. The Applicant should develop alternative shoreline adaptation strategies that address their vulnerability to increasing coastal hazards but also eliminate the adverse effects to public trust resources and uses.

#### **RECOMMENDATIONS:**

Alternative strategies should be explored to protect the upland property and preserve the beach, including nature-based strategies (also referred to as 'natural shoreline infrastructure'), accommodation strategies, and relocating vulnerable structures further inland. These approaches can be more effective long-term because they interfere less with dynamic coastal processes, which will help to maintain the width of the beach, preserve public access and natural resources, and protect the upland property by buffering coastal hazards. Coordinating with adjacent properties and local governments to develop a regional approach could further enhance the effectiveness of these strategies.

Section Four of the Commission's report <u>Shoreline Adaptation and the Public Trust:</u> <u>Protecting California's Public Trust Resources from Sea Level Rise</u> includes more information about various shoreline adaptation strategies and their advantages and disadvantages for mitigating coastal hazards and protecting Public Trust resources. Any future construction or activities on State land would require a separate authorization from the Commission.

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

#### CONCLUSION:

For all the reasons above, staff believes the issuance of this lease will not 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:**

- Approval or denial of the application is a discretionary action by the Commission. Each time the Commission approves or rejects a use of sovereign land, it exercises legislatively delegated authority and responsibility as trustee of the State's Public Trust lands as authorized by law. If the Commission denies the application, the Applicant may be required to remove the improvements and restore the lease premises to their original condition. A lessee has no right to a new lease or to renewal of any previous lease.
- 2. While the lease authorization date is October 14, the date of Commission consideration, at the Applicant's request, the lease anniversary date is January 14 of every year of the lease to help align with the Applicant's budgeting calendar. The Applicant has agreed to pay \$35,468 on or before January 14, 2026 to cover the first 15 months of the lease.
- 3. 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.
- 4. Staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, title 14, section 15301.

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

# **APPROVAL OBTAINED:**

California Coastal Commission

# **RECOMMENDED ACTION:**

It is recommended that the Commission:

#### **CEQA FINDING:**

Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, title 14, section 15061 as a categorically exempt

project, Class 1, Existing Facilities; California Code of Regulations, title 14, section 15301.

## PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed lease will not substantially interfere with 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.

#### **AUTHORIZATION:**

Authorize issuance of a General Lease – Protective Structure Use to the Applicant beginning October 14, 2025, for a term of 10 years and 3 months, for the maintenance of existing rock revetment; annual rent in the amount of \$28,328, with an annual Consumer Price Index adjustment; liability insurance in an amount no less than \$5,000,000 per occurrence, and security in the amount of \$350,000.