

Staff Report 03

LESSEE/APPLICANT:

Central Valley Flood Protection Board

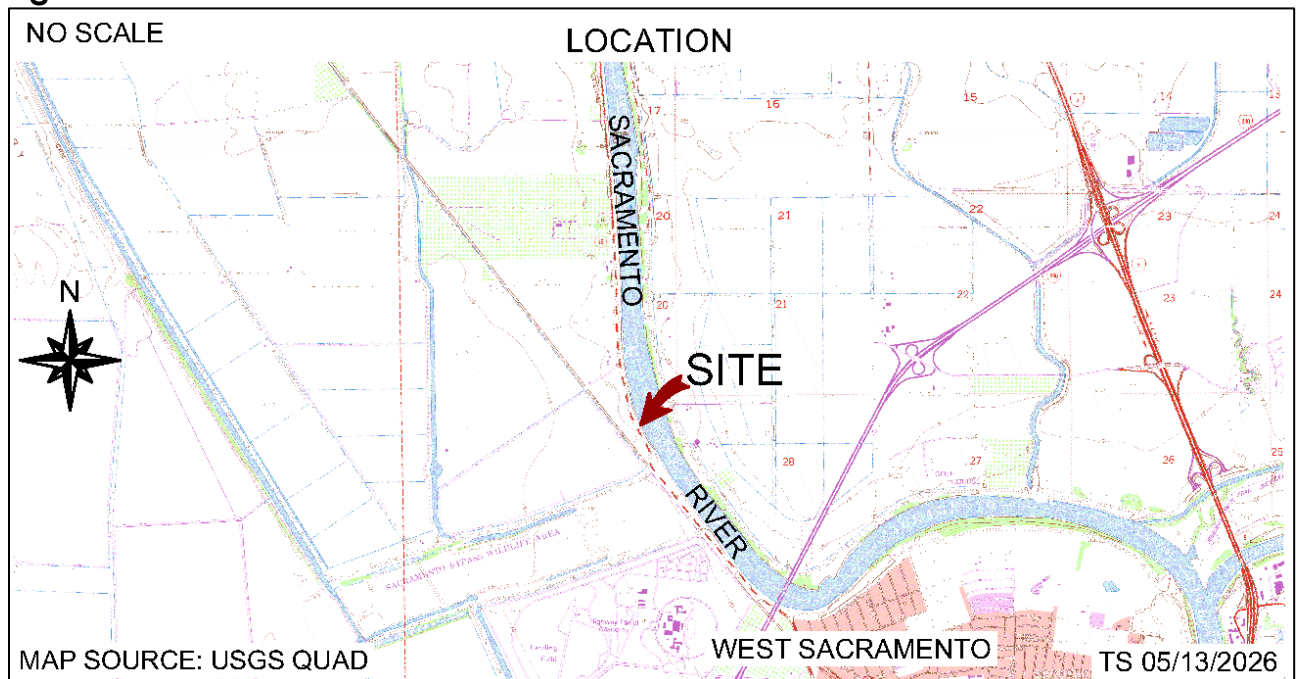
PROPOSED ACTION:

Amendment and Restatement of a General Lease – Public Agency Use.

AREA, LAND TYPE, AND LOCATION:

Approximately 9.68 acres of sovereign land located along the west bank of the Sacramento River, adjacent to 22568 Old River Road, West Sacramento, Yolo County (as shown in Figure 1).

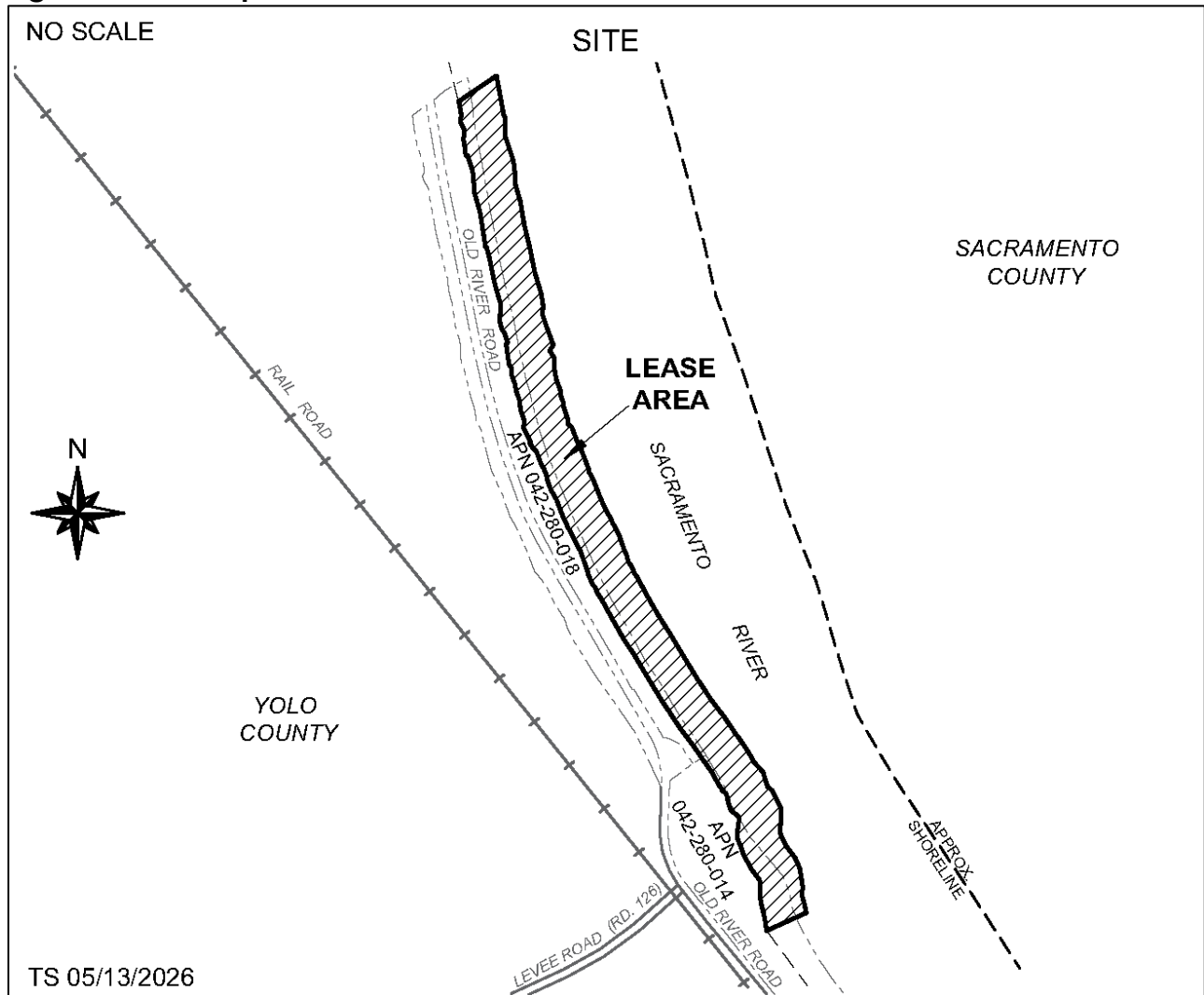
Figure 1. Location



AUTHORIZED USE:

Construction, use, and maintenance of erosion control (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:

20 years, beginning December 8, 2021.

CONSIDERATION:

The 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 AMENDMENT:

- Amend Section 1, Basic Provisions, (Restated Lease, Section 1, Basic Provisions, Term) to extend the term of the lease from 20 to 49 years.
- Amend Section 2, Special Provisions, (Restated Lease, Section 2, Special Provisions) to include certain provisions agreed upon between the Commission and the Department of Water Resources (DWR) that will apply to the Applicant's use of the Lease Premises.
- Amend Section 3, General Provisions (Restated Lease, Section 3, General Provisions) to replace it with the Commission's current General Provisions.

All other terms and conditions of the Lease shall remain in effect without amendment.

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:

On December 8, 2021, the Commission authorized Lease 9677, a General Lease – Public Agency Use, to the Central Valley Flood Protection Board (CVFPB) for the construction, use, and maintenance of erosion protection along the west bank of the Sacramento River as part of the Sacramento Weir Widening Project (Project [\(Item 31\)](#)). The Project is part of a larger project, the American River Commons Features (ARCF) Project, aimed at levee strengthening and erosion repair along the Sacramento and American Rivers. The lease will expire on December 7, 2041.

The CVFPB is now applying to amend and restate Lease 9677 to amend certain provisions in the Section 2, Special Provisions agreed upon between the Commission, DWR, and the CVFPB for levee improvement projects to prevent flooding and protect the public health and safety; extend the term of the Lease to 49 years; and to replace Section 3, General Provisions of the Lease with the Commission's current General Provisions. Given the number of amendments considered, staff proposes a "restatement of the lease" which replaces the original lease and its amendments with a single, updated, and consolidated agreement.

The Applicant works in partnership with the United States Army Corps of Engineers (USACE) and DWR on each of the projects within the larger ARCF Project. The Applicant requested a 49-year lease term for various reasons, the most pertinent being that the USACE requires that the Applicant have control over the land for the life of the project, anticipated for over 50 years. Given that the Commission is not able to lease lands for more than 49 years, nor alienate sovereign Public Trust lands, a 49-year lease is proposed as a compromise that best satisfies federal requirements for the Project. A memorandum of understanding (MOU) outlining the agreement between the Commission, DWR, and the Applicant is also under consideration at the August 25, 2026 Commission meeting.

The proposed amendments of the Lease will allow the completion of the Project and would not result in any changes to the use of the lease premises. The Project does not alienate the State's fee simple interest, does not permanently impair public rights, and does not grant the Lessees exclusive rights to the lease premises. The lease requires the Lessees to conduct all work safely and indemnify the Commission in the event of any liability resulting from the proposed action or use. Staff believe this use of public land will not substantially impair the public rights to navigation and fishing or substantially impact on Public Trust-consistent uses or resources in the area.

CONCLUSION:

For all the reasons above, staff believe amendment of this lease will not substantially impair the public rights to navigation, fishing, and commerce, 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.

OTHER PERTINENT INFORMATION:

1. 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 also has no right to a new lease or to renewal of any previous lease.
2. This action is consistent with the "Leading Climate Activism", "Meeting Evolving Public Trust Needs", and "Committing to Collaborative Leadership" Strategic Focus Areas of the Commission's 2021-2025 Strategic Plan.

3. The MOU between the Commission, DWR, and the Applicant is also on the August 25, 2026 Commission meeting agenda.
4. Amendment and restatement of the lease for the proposed actions is not a project as defined by the California Environmental Quality Act 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).

RECOMMENDED ACTION:

It is recommended that the Commission:

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed amendment will not 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.

AUTHORIZATION:

Authorize the amendment and restatement of Lease Number 9677, a General Lease – Public Agency Use, effective August 25, 2026, to extend the term of the lease to 49 years; replace Section 2, Special Provisions of the Lease; and to replace Section 3, General Provisions of the Lease.