Meeting Date: 10/21/26
Lease Number: 2635
Staff: D. Romero

Staff Report 29

APPLICANT:

City of Santa Cruz

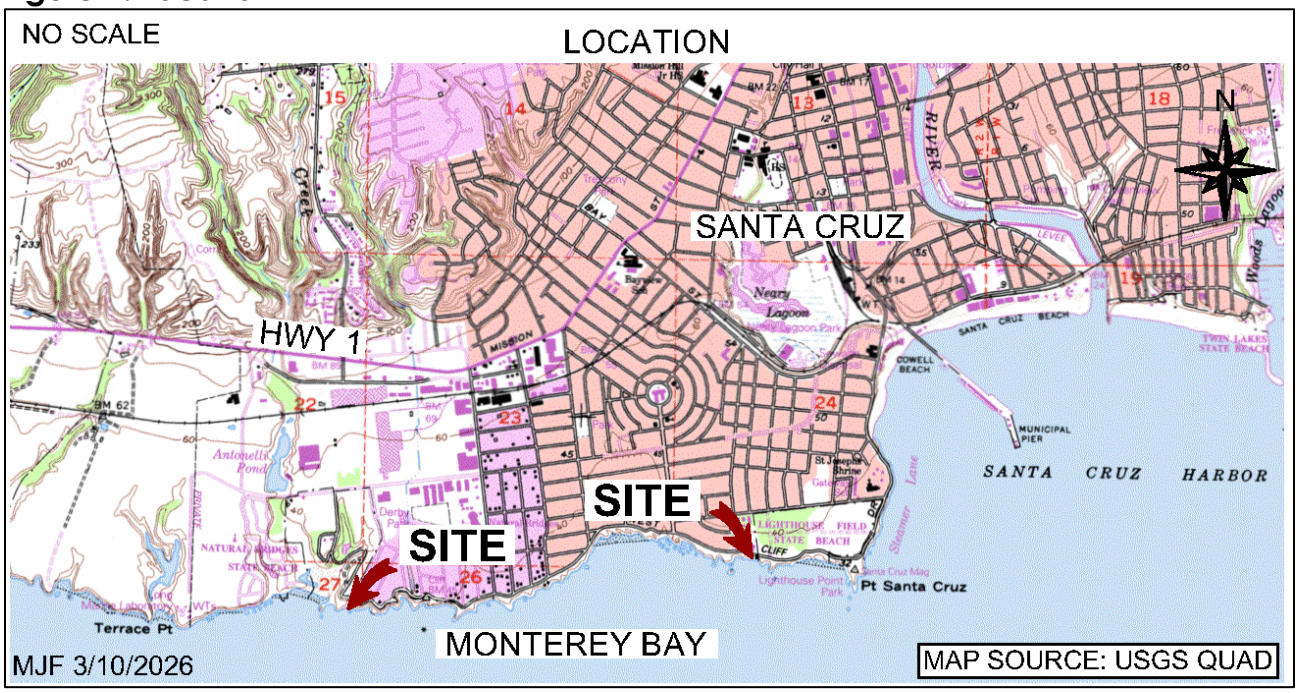
PROPOSED ACTION:

Issuance of a General Lease – Public Agency Use.

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the Pacific Ocean, adjacent to West Cliff Drive, Santa Cruz, Santa Cruz County (as shown in Figure 1).

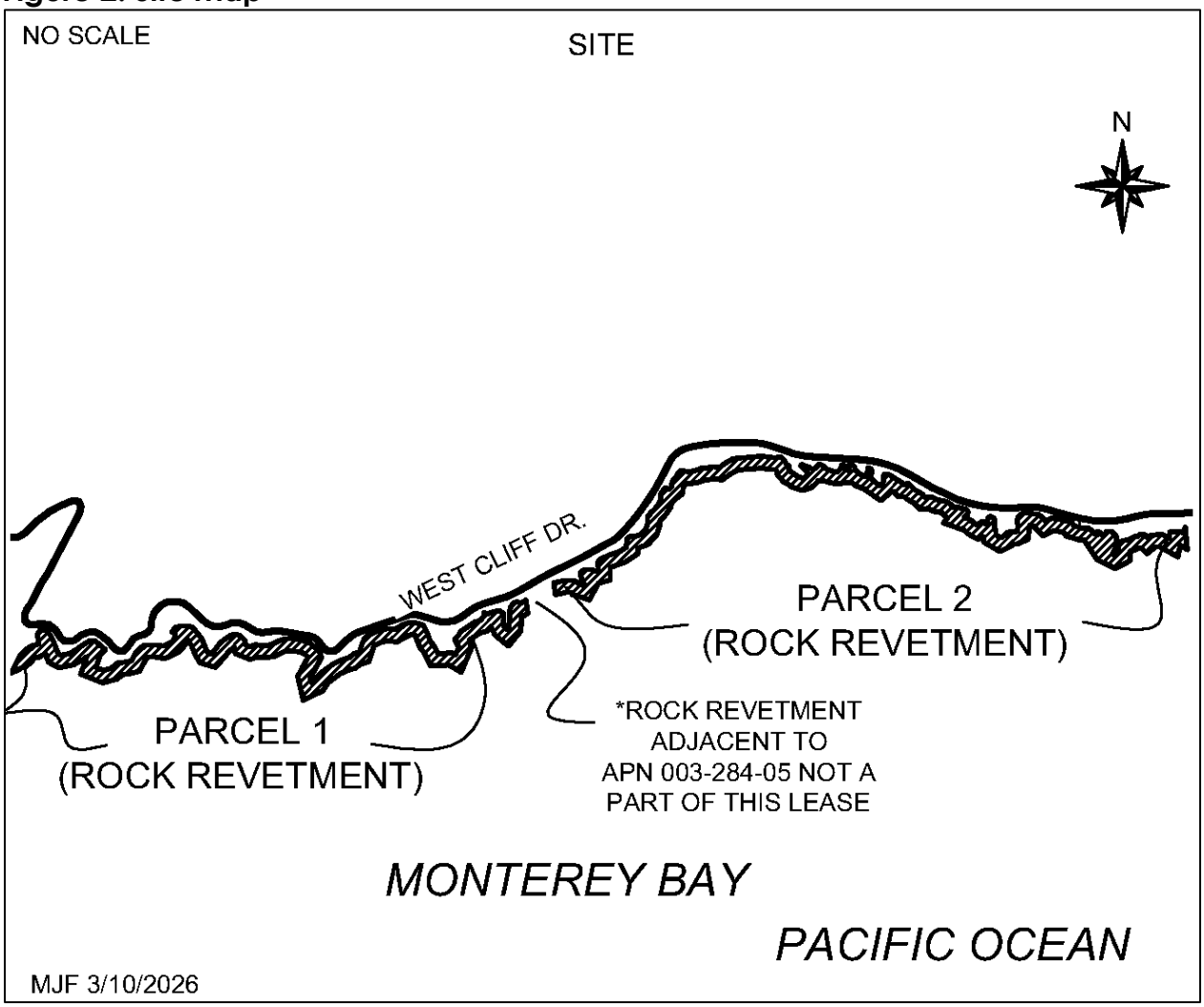
Figure 1. Location



AUTHORIZED USE:

Use of rock revetment structures at various locations along West Cliff Drive (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; beginning June 26, 2026.

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.

SPECIFIC LEASE PROVISIONS:

- All future repairs, structural modifications, abandonment, or removal of the authorized improvements on the Lease Premises shall require prior review and approval by Lessor.
- Lessee will assess the feasibility of any replacement or repair using alternative adaptation strategies such as nature-based or hybrid solutions utilizing materials that mimic rocky, intertidal habitats prior to any replacement or repair of the rock riprap. Any such adaption strategies will be consistent with the Shoreline Adaptation and the Public Trust report.

STAFF ANALYSIS AND RECOMMENDATION:

AUTHORITY:

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

PUBLIC TRUST AND STATE'S BEST INTERESTS:

On June 28, 2016, the Commission authorized the issuance of a General Lease – Public Agency Use to the City of Santa Cruz, for the use and maintenance of existing rock revetment structures at various locations along West Cliff Drive, Santa Cruz, Santa Cruz County (Item 21). This lease expired on June 25, 2026.

Now, the Applicant is applying for a new General Lease – Public Agency Use for the use of existing rock revetment structures at various locations along West Cliff Drive. Staff recommends issuance of a General Lease – Public Agency Use to the Applicant, effective June 26, 2026.

The rock revetment structures have existed for many years at this location and are used for shoreline protection and provide a public benefit by protecting the public roads and infrastructure along West Cliff Drive. The City of Santa Cruz (City) continues to conduct periodic inspections of the rock revetment structures, as well as perform maintenance and repair activities on an as-needed basis. The Applicant began constructing rock revetment structures along West Cliff Drive

beginning in the 1960s. On December 12, 1990, the California Coastal Commission issued Coastal Development Permit # 3-90-111 to allow the construction of rock revetments at ten locations. This permit was then amended to allow for the construction of more rock revetments along West Cliff Drive. The rock revetments help to protect the road, public spaces, utilities, and private residences from coastal erosion along West Cliff Drive.

Although the existing rock revetments provide benefits to the public, this benefit is not attained without some compromise. As with all hard armoring, the existing rock revetment has the potential to impact the coast in this area in multiple ways, including increased erosion of the adjacent beach area. As the coastal bluff in this area has been armored for many years, the impacts from increased coastal erosion have existed at this location for quite some time. Nevertheless, to help ensure that the potential impacts from the seawall do not persist indefinitely, the proposed lease includes a provision requiring the lessee assess the feasibility of implementing alternative adaption strategies such as nature-based solutions or hybrid protective structures should any of the rock revetment structures require any major repairs of alterations during the term of the lease.

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, the lessee may be required to remove all improvements from State land and restore the Lease premises to their original condition.

The proposed lease requires the lessee to indemnify the State for any liability incurred as a result of the lessee's activities thereon. No monetary payment is required at this time because of the lessee's public use and benefit, with the State reserving the right to set a monetary rent is the Commission finds such action to be in the State's best interests.

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 will continue to affect the existing rock revetment protective structures subject to the proposed lease, located along the coastal bluffs of West Cliff Drive in the Pacific Ocean, near Santa Cruz.

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 Monterey 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 Monterey

Year	Intermediate-High (feet)	High (feet)
2040	0.6	0.7
2060	1.4	1.9
2080	2.9	3.9
2100	4.6	6.4

Source: Table 8, State of California Sea Level Rise Guidance: 2024 Update
Note: Projections are with respect to a 2000 baseline.

The natural erosion of the bluffs along West Cliff Drive, estimated in some areas to be approximately one foot per year, already poses a challenge to maintaining shoreline infrastructure like public access stairways, seawalls, and sea cave notch infills (West Cliff Drive Adaptation and Management Plan, 2019). The rate of erosion will likely be exacerbated by sea level rise. The storms of the last few winter seasons severely impacted West Cliff Drive, resulting in multiple sinkholes and bluff failures that required emergency repairs, including placement and reconfiguration of

riprap, construction of infill walls and secant/pile-supported walls, culvert replacement with armored headwalls, sea cave filling, and restoration of damaged public paths and roadways. Collectively, these projects resulted in greater structural stabilization of the bluffs, drainage improvements, and protection of public access infrastructure.

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 revetments may sustain substantial damage and degradation over the lease term, requiring more frequent repairs and maintenance to retain its function. As waves collide with the revetments, the reflected wave energy erodes the sediment below and surrounding the revetments, leading to structural instabilities. Reliance on revetments is typically not a long-term or sustainable protection strategy because the revetment will provide diminishing protection as it becomes destabilized and rising sea levels exceed the conditions for which the revetment was originally designed.

While the revetments may protect upland properties and infrastructure, that protection comes at the expense of the beach in front of the revetments by covering and eliminating the intertidal area where it is placed and altering the natural coastal processes. As sea levels rise, the revetments will further accelerate the erosion and narrowing of the beach by preventing it from migrating inland. The loss of intertidal areas harms critical habitats and ecosystem services, degrades the scenic quality of California's iconic coast, and impairs public coastal access and recreational uses. The revetments can block public access to the shoreline in front of and adjacent to the revetments, exacerbating the existing inequities in coastal access that affect many disadvantaged and tribal communities (Reineman et al., 2017).

The City of Santa Cruz is in the midst of planning extensively for sea level rise and climate change adaptation along the entire stretch of West Cliff Drive. In

coordination with the California Department of Transportation (CalTrans), the City completed the West Cliff Drive Adaptation and Management Plan in 2019. The plan identified preferred adaptation strategies and routine monitoring and maintenance programs for the bluffs and the shoreline protection devices, including the rock revetment structures subject to this lease, to reduce the costly need for emergency responses. In March 2026, the California Coastal Commission approved an amendment to the City's Local Coastal Program (LCP) for a new coastal hazards chapter, *Beaches and Bluffs Hazards Adaptation*. The new chapter establishes a current baseline regulatory framework and review lens, while also creating a foundation for subsequent, more detailed, and area-specific adaptation planning and implementation work to follow. Key features of the adaptation strategy for this area are 1) reliance on the best available science to inform planning, 2) implementation of regular monitoring and maintenance programs, 3) phased adaptation based on triggers and thresholds (e.g., elevating or relocating structures once certain sea levels or erosion rates are observed to prevent or accommodate flooding), 4) hazard avoidance whenever feasible, 5) preference for use of nature-based solutions where feasible, and 6) prioritization of hard armoring for protection of critical infrastructure.

RECOMMENDATIONS:

The applicant should refer to Section Four of the Commission's 2023 Shoreline Adaptation and the Public Trust report for more information about mitigating coastal hazards while protecting and adapting Public Trust resources. The Commission anticipates the applicant may consider significant changes to the structures of the lease premises, potentially during the lease term, pursuant to the development of additional and more refined sea level rise adaptation strategies and plans (as outlined in the newly amended LCP). 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 approval of this lease will not substantially interfere with Public Trust needs at this location, at this time, nor for the term of the lease; and is in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. The existing rock revetment adjacent to APN 003-284-05 is covered under Lease 9795, with 1307 West Cliff Holdings LLC.
2. 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 as authorized by law. If the Commission denies the application, the Applicant may be required to remove the rock revetment structures and restore the lease premises to their original condition. The lessee has no right to a new lease or renewal of any previous 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.

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:

1. Find that the existing and, for a limited period, continuing use of the rock riprap will not substantially interfere with the Public Trust needs and values at this location.

2. Find that issuing the proposed lease is in the best interest of the State.

AUTHORIZATION:

Authorize issuance of a General Lease – Public Agency Use to the Applicant beginning June 26, 2026, for a term of 10 years, for the use of rock revetment structures at various locations along West Cliff Drive; consideration being the public use and benefit, with the State reserving the right to set a monetary rent if the Commission finds such an action to be in the State's best interest.