California State Lands Commission
100 Howe Avenue, Suite 100 South
Sacramento, CA 95825

July 17, 2026
And August 17, 2026

Sent via e-mail to: Seth.Blackmon@slc.ca.gov; Matthew.Dumlao@slc.ca.gov;
cslc.commissionmeetings@slc.ca.gov;
Sahar.Durali@doj.ca.gov;

Re: Trustee's/Grantee's Tidelands Management

Good day Mr. Blackmon and Dr. Dumlao,

To aid in the efficiency of Statewide Tidelands management review processes moving forward, referencing State Lands Commission remarks related rate setting options in the City of Newport Beach, i.e.:

From State Lands "Report on the City of Newport Beach's Public Trust Lands Management":

> Staff is not suggesting that the City must use the above numbers – which are only rough calculations– or that other approaches to valuation are not reasonable.

Please indicate State Lands' position on whether or not a Trustee of Granted Lands, in setting "market rate", would be prohibited by State Lands from reasonably relying on a State Lands Commission Benchmark Rate for the area overlaying the Trustee's management area? A rate, which as you know, is regularly analyzed and calculated by State Lands, and uses data from the Trustee's surrounding area, as well as from the Trustee's specific area of management itself.

And does State Lands contend, that a Trustee's use of a current State Lands Commission Benchmark Rate, would not improve the consistency, transparency, and efficiency in how rents are established in that area, saving time, resources, and money? And that the periodic benchmark adjustments by State Lands of that very rate would not assure that the people of the State are fairly compensated according to current market rate for the private recreational use of sovereign land, consistent with the California Constitution?

And that further, a Trustee adopting use of a well-documented and established, regularly reviewed and updated State Lands determined market rate for their specific geographic region, would not help protect from undue and improper local influences, which State Lands has indicated as appearing to be political in nature, and would not also remove from the local appraisal and decision-making processes, risk of influences of various parties with documented financial, and other conflicting interests which have brought us to this point?

Again, please make clear if State Lands Commissioners' and Staff's position is, that a Trustee using a current State Lands Commission Benchmark Rate as described above, would be prohibited by State Lands, as a valuation approach which would be "reasonable"?

Regards,

Adam Leverenz

On behalf of Newport Harbor Stakeholders

California State Lands Commission
100 Howe Avenue, Suite 100 South
Sacramento, CA 95825

June 17, 2026
Revised July 23, 2026
Revised August 20, 2026

Sent via e-mail to: cslc.commissionmeetings@slc.ca.gov;
Seth.Blackmon@slc.ca.gov;
Matthew.Dumlao@slc.ca.gov;
Sahar.Durali@doj.ca.gov;

Re: City of Newport Beach Tidelands Management

Dear California State Lands Commissioners and Alternates; State Controller Malia M. Cohen; State Controller Alternate unnamed; Lieutenant Governor Eleni Kounalakis; Policy Director Karl Larson; State Finance Director Joe Stephenshaw; Chief Deputy Finance Director Michele Perrault; State Lands Chief Counsel Seth Blackmon; State Lands Executive Officer Dr. Matthew Dumlao; and California Deputy Attorney General Sahar Durali,

What follows, as you each know, is a not an all-inclusive set of observations on the evolution of State Lands December 2025: ***"Report on the City of Newport Beach's Public Trust Lands Management"***, and related City and State actions:

State Lands Staff Report 66, for the August 2025 Meeting of the Commission, included this text:

"There are clear differences in rate revisions for moorings and residential piers. The trend for mooring permit rates has been to use regular appraisals to reflect market conditions; the trend for residential pier permits has been to reduce the overall rent amount through reductions of lease area and lowering of rates without conducting new or updated appraisals. These decisions appear to be political in nature and may violate both the granting statute and the California constitution."

Following that Report's release, a Newport Beach Harbor Commissioner noted political aspects of Newport's Tideland's management as well:

From:	Scully, Steve
To:	CSLC.CommissionMeetings@slc.ca.gov
Subject:	Item 66 - Report on the City of Newport Beach's Public Trust Lands Management
Date:	August 20, 2025 8:07:28 PM

"Similarly, the discussion around residential pier permits has become politically sensitive and presents challenges for our City Council. I believe is important to acknowledge these concerns openly and respectfully."

"The Harbor Commission understands our responsibility to manage Newport Harbor consistently with the Public Trust Doctrine, the California Constitution, and the City's grant statutes. At the same time, we must navigate the practical and political realities of our community."

State Lands Staff Report 105, for the December 16, 2025 meeting of the Commission, included this text:

"There are clear differences in rate revision methodologies for mooring permits and residential piers. The trend for mooring permit rates has been to use regular appraisals to reflect market conditions, which is generally appropriate; the trend for residential pier permits has been to reduce the overall rent amount through reductions of lease area and lowering of rates without conducting new or updated appraisals. The decisions relating to residential piers appear to be political in nature and may violate both the granting statute and the California Constitution. Moving forward, the City should change this practice and follow consistent valuation methodologies, applied at the same time interval, for both mooring permits and residential piers."

Within the agenda materials for that December 16, 2025 Commission meeting, is a redline version of Staff Report 105. Infra, are examples of State Lands redlining text from pages 4 and 5 of that Report:

actions appear to conflict with its legal obligations to the state, this report identifies the potential legal violations so that the City may review its management and provide responses and make corrections as needed. Taking into account public input, staff added a section discussing residential pier subleasing to the final report and made minor changes to several other sections. Staff has also prepared responses to public comments, attached as Exhibit D. ~~The final report also includes responses to public comments.~~

RESPONSE TO PUBLIC COMMENT:

As mentioned above, staff has prepared responses to public comments ~~the final report includes responses to public comments~~. In reviewing these comments, it is apparent that commentor's concerns fall generally into several topics. Brief responses to each of these topics are as follows:

Language ***that "decisions" "appear to be political in nature"*** from predecessor Report 66, is included within Report 105, **also** on pages 4 and 5, and is **not** redlined. However, the ***"Report on the City of Newport Beach's Public Trust Lands Management"***, resulting from Report 105, and sent the City a short time there-after, does not contain the ***"appears to political in nature"*** language. Commissioners; Staff; Deputy AG, what became of things which had previously appeared to State Lands, to be political in nature?

At the December 16, 2025 meeting, State Lands expressed desire for the City of Newport Beach to show sufficient progress addressing issues identified by State Lands in 3 to 6 months. One recommendation was that the City should immediately have Residential Pier rates appraised. State Lands Staff and the City though, declined to mention that the City had already commissioned such an appraisal in early 2025, and has refused to release it to the public, defining it as a "draft" document, exempt from public records release. The City's doing the same with current appraisals. State Lands Staff appears to have used the publicly undisclosed 2025 appraisal for rate calculations within their Staff Report(s). Why has Staff not opined that the City's 2025 Residential Pier appraisal could be reasonably relied upon, and instead, indicated that another, costly appraisal should immediately be undertaken? And why the secrecy with the City's "new" appraisals?

On February 10, 2026, after having received State Lands final Report, Newport's Mayor and Council voted to form an Ad Hoc Committee of 2 members of themselves, to later advise all of the members of themselves:

RESOLUTION NO. 2026-12

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF NEWPORT BEACH, CALIFORNIA, ESTABLISHING THE PUBLIC LANDS TRUST MANAGEMENT AD HOC COMMITTEE TO REVIEW AND DEVELOP RECOMMENDATIONS REGARDING THE CALIFORNIA STATE LANDS COMMISSION REPORT REGARDING THE CITY'S MANAGEMENT OF THE TIDELANDS

NOW, THEREFORE, the City Council of the City of Newport Beach hereby resolves as follows:

Section 1: The Public Trust Lands Management Ad Hoc Committee is hereby established consisting of two Council Members, who shall be appointed by the Mayor and confirmed by the City Council. The Mayor hereby appoints Mayor Pro Tem Noah Blom and Council Member Joe Stapleton to the Committee, who are hereby confirmed by the adoption of this resolution.

Section 2: The sole purpose and responsibility of the Committee is to review and develop recommendations to the full City Council regarding a legally compliant, transparent, and strategic path forward to ensure that the City's actions are consistent with applicable state law and the public trust principals. The Committee's scope shall include, but not be limited to, making recommendations to the entire City Council on the best path forward to evaluate: (1) the Report and the City's current management of public trust lands; (2) the rates and fees charged for the use of public trust lands to ensure compliance with legal and fiscal requirements; (3) the transferability of moorings; (4) the overall fairness, equity, and public benefit associated with access to public trust resources; and (5) the most effective methods for meaningful public and stakeholder engagement to ensure community input is incorporated into the City's decision-making process.

Four Council seats in Newport are up for grabs this November though, which may explain why after forming the Ad Hoc Committee, the City seems to have rethought, changed course, and shifted process back to the Harbor Commission. A Commission not elected by, nor accountable to the public, and who created and oversaw **years** of the City's gifting, and problematic management of public trust lands, as well as being the originator of many of the other issues before us now.

State Lands should seriously consider that the ever-changing City whims on who will deal with the issues locally, and on what time frame, do not constitute sufficient progress. They constitute stalling beyond election cycles, and the perpetuation of clear instances of discrimination in rates, rights, and coastal access, for an even longer period of time.

After issuance of State Lands final version of the Report in December 2025, and formation of the City's Ad Hoc in February 2026, Public Stakeholder meetings were requested of the City in March. They did not occur. Public Stakeholder meetings were requested of the City in April. They did not occur. The first such public meeting took place on May 27, 2026, and included no Mayor or Councilmembers, who are to be the final decisionmakers locally, although now removed from the policymaking process in spite of their Ad Hoc Committee. The City continues to fail to meet dates as outlined in its plan.

Of concern too, is that the City indicated that there weren't accommodations for Stakeholders to have slides displayed at this May 27, 2026 Community Meeting, yet the City and State Lands had accommodations to display **their** materials. And that the City was told in writing, that the May 27 meeting was not publicly noticed on the City's website, in the three locations that public meetings are typically noticed. The City subsequently noticed the meeting in two of these locations, but not where the City Clerk has identified as the master location, where all City public meetings should be found.

Informational materials about the State Lands Commission's Category 1 Southern California Benchmark Rate for docks, piers, and buoys, was submitted to the City for public comment for their May 26, 2026 City Council meeting; their May 27th "Navigating Newport Harbor's Future Community Meeting"; and their June 9, 2026, and July 14, 2026 City Council Meetings, but cannot be found online within the other public comments for those meetings (As of 07/22/2026). Other public comment can be found for these Council meetings though.

An example follows, of a multitude of other public comments submitted to the City, and then made available directly through their online agenda link for the July 14, 2024 City Council Meeting. Excluded though, is public comment on State Lands Commission Benchmark Rate information; Permit Transferability; and Title 17 Revisions, all timely submitted to the City **twice** for the very same meeting:

City Council Meeting
July 14, 2026
Page 12

Written Comments Received on Agenda and Non-Agenda Items after Agenda Posting

General Comments on various items

12 - Correspondence

00 - Non-Agenda Items - Correspondence

00 - Study Session - Correspondence

00 - Written Comments

And in addition to submitted public comment normally being made available online through the City's website, previously the City Clerk would also print out copies, so that those attending meetings could obtain materials as they entered the meeting. This procedure no longer occurs. The City Clerk has also recently discontinued allowing members of the public to pay the City to produce copies of materials and/or public comment for distribution at meetings. Benchmark information submitted for these 4 public, City meetings, being handled in these ways, is indicative of ongoing issues with the City's concerning management of Tidelands, and an associated lack of transparency and fairness.

In the more than 8 months that have now passed since this Commission asked to see progress in 3 to 6 months, the City has, conveniently for those seeking re-election this year, shifted the formulation of plans/schemes, back to a body unaccountable to voters, and to perhaps mid, or late 2027. This, in spite of formation in February of Mayor and Council's Ad Hoc intended to do it. The City has also continues to distribute, and state false information, attributing some of this false information as edicts from State Lands.

I strongly encourage State Lands Commissioners and Staff, without litigation being required, to recognize that processes in Newport have, and continue to go beyond ***appearing*** to be political in nature, and that in removing that language from your final Report, you were again manipulated by the City to their goals and advantage. This is not your place.

State Lands should not further make itself party to City plans to continue at least well into 2027, the ***appalling, incredible rate discrepancy, and real definite inequity going on here***, that **<u>your</u>** Executive Officer spoke of before the Coastal Commission on October 9, 2024.

I also encourage that you recognize **your** stated requirement in Staff Report 66, page 2:

"***If the Commission determines that any "transaction or condition" is "in probable conflict with this act [the grant statute] or with any other provision of law," it must report to the Legislature, which may direct the Attorney General to bring litigation to revoke the grant or compel compliance."***

And in Staff Report 105, page 2:

"If the Commission determines that any "transaction or condition" is "in probable conflict with this act [the grant statute] or with any other provision of law," it must report to the Legislature, which may direct the Attorney General to bring litigation to revoke the grant or compel compliance."

And in *"*State Lands "Report on the City of Newport Beach's Public Trust Lands Management", page 6, transmitted to the City on January 6, 2026:

"If the Commission determines that any "transaction or condition" is "in probable conflict with this act [the grant statute] or with any other provision of law," it must report to the Legislature, which may direct the Attorney General to bring litigation to revoke the grant or compel compliance."

Must report to the Legislature is stated multiple times by State Lands as a mandate, not a choice, but at the May 27, 2026 Community Meeting in Newport Beach, State Lands said:

"Our Report did use some qualified language. Because, at this time the Commission has not. Has basically made a decision to not, find a formal

violation… If the City was in a formal violation it would institute, or require that there be a formal hearing, and that could lead to potential legal or legislative action, which would basically preclude our ability to work laterally with the City...”

The City Stated:

“They used qualifying language, because if they used you are in violation, that triggers an issue with the State, and a more formal review, so they're using qualifying language, it allows us as the City, us as a harbor community, to review our management. “

State Lands said:

“The verbiage is intentional, because we did not wanna say that we were explicitly finding a violation.”

Each of these remarks imply that there's a willful intention to usurp/avoid Legislative action/oversight. To allow the City more time/opportunity to try and wriggle out of accountability for the millions of dollars lost to the people of California through the City's unique style of Tidelands management, and the harm imposed for years upon the City's lowest tier users, is wrongful and improper. This approach would have those who the City has damaged most through its management, cause them further harm, both financially, and through loss of coastal access, as the City seeks to transition access to be more and more exclusively available to those of greater means, and/or those more politically connected.

Some of the changes that State Lands is recommending in the ***“Report on the City of Newport Beach's Public Trust Lands Management”***, look like actions that necessitate Legislative action. For State Lands to continue to work closely with the City, given the City's many documented past improper actions; given the resultant loss of those millions of dollars to the people of California; given the involvement of policy and decision-makers with financial and other interests; given State Lands indication that it MUST report to the Legislature, could be perceived as State Lands trying to escape that “must report” condition. This should be of serious, serious concern to each of you.

And why might some seek to avoid Legislative or Attorney General involvement? In October of 2024, at a State Lands meeting in Imperial Beach, it was revealed to the Commission that the City of Newport Beach had knowingly and willfully gone against State Lands policy and direction. This has now led to a decade plus of gifting the fee free use of public Tidelands, to some who were, and have been Decision and Policymakers:

CITY OF

NEWPORT BEACH

City Council Staff Report

February 10, 2015
Agenda Item No. 16

TO:	HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM:	David A. Webb, Public Works Director- (949) 644-3330, dawebb@newportbeachca.gov
PREPARED BY:	Chris Miller, Harbor Resources Manager
PHONE:	(949) 644-3043
TITLE:	Residential Piers: Adjusting the Rental Calculation and Approving a Revised Model Permit Template

Following the Study Session, staff discussed the City Council's proposed changes to the residential pier program with SLC staff. SLC staff was generally not opposed to the revisions to the residential pier permit and the use of the Rasmuson appraisal of $0.50 sf. However, SLC staff stated that is the SLC's practice to include the interior U-shape of a slip within the pier footprint, as doing so reflects what they see as a private use of public property (i.e. few if any visitors will consider the interior of the U - if vacant - to be usable public space).

Ultimately, the decision to include or exclude the interior U-shape of a slip is left to the discretion of the City Council. As to whether the SLC will deem our actions (especially relating to the water in the U) as contrary to our responsibilities under the Tidelands Trust, that is unknown.

Pending the City Council's adoption of the attached resolution, staff is prepared to mail out the revised residential pier permits with a new ten year term by March 1, 2015.

About a month following this revelation at the October 2024 meeting of the State Lands Commission, a lead analyst overseeing Newport, and appearing to have been in place for the entirety of this gifting, departed State Lands employment for another State position. About 2 months later, the Executive Officer did the same, and the Assistant Executive Officer retired. Each too, appearing to have been in place over the entirety of the period of Newport's gifting. The City Manager of Newport Beach left her contract a year early in 2025, and is being compensated at about a half million dollars in pay and benefits, to not come to work in 2026. Ask yourselves why Newport would pay two City managers near a half-million dollars in pay and benefits this year, one to stay home?

State Lands has used the term "unexpected staff departures" to describe the sudden career path changes there. Considering that for 10 years, the City of Newport Beach annually provided detailed Tidelands Financial Reports to State Lands, showing one comparably sized group of Permit lease holders with lower tier access, contributing substantially more to the Tidelands Fund, while another group with much better access, contributed substantially less ($1.1 million in revenue from off-shore, on-shore, guest, and transfer moorings, and $256,159 from residential piers in FY ending June 30, 2018; $1.9 million in revenue from off-shore, on-shore, guest, and transfer moorings, and $282,562 from residential piers in FY ending June 30, 2024; and $1.9 million in revenue from off-shore, on-shore, guest, and transfer moorings and short-term mooring licenses, and $287,707 from residential piers in FY ending June 30, 2025).

It must be contemplated who else at State Lands stood by as this obvious disparity occurred for so long? And consideration given to if those individuals might now, be acting in a manner seeking to protect themselves from adverse consequence resulting from a lack of oversight of the City's problematic style of Tidelands management, and the resultant loss of revenue?

Multiple State Lands Reports say:

"The City's grant contains specific provisions regarding Commission oversight. It directs the Commission to, "from time to time, recommend to the Legislature such amendments as it may determine to be necessary in the terms and conditions of this act" and also, "from time to time, institute a formal inquiry to determine that the terms and conditions of this act, and amendments thereto, have been complied with in good faith."

Where has this “time to time” “formal inquiry” been? Who at the Commission should have been initiating it? And is an apparent lack of formal inquiry for at least 10 years errant, or intentional?

I posit to each of you, that decisions and actions at the City level have, and continue to go well beyond appearances of being political in nature. I posit to you, the real possibility that career and financial considerations of some at State Lands, could explain a continuing desire to compel others to work closely with the City; to not publicly address the millions of dollars lost; to not address the ongoing appalling, incredible discrepancy between rates, and the real definite inequity going on here; to not have the Legislature or Attorney General have a look; to try and penalize and silence whistleblowers through Administrative actions. Each of these things too, are reflective of political in nature.

As California’s most highly placed stewards of finance, you should not be dismissive of what the record clearly indicates has, and continues to occur under Newport’s stewardship as a Trustee of State Lands. Nor should the California Attorney General’s Office, whose representatives have been hearing about the City of Newport Beach’s discriminatory and self-serving mismanagement of a valuable State resource for over 2 years now, at both State Lands and Coastal Commissions. Inaction, complicity, acceptance, do not become the positions State level actors now hold, or seek to hold.

Regards,

Adam Leverenz

Adam Leverenz

On behalf of Newport Harbor Stakeholders

From: Barklee Sanders
Sent: Tuesday, August 11, 2026 4:32:29 PM
To: CSLC CommissionMeetings
Subject: Written Public Comment — August 25, 2026 Commission Meeting — Granted Public Trust Lands / Treasure Island Development Authority
Sensitivity: Normal

Written Public Comment — Granted Public Trust Lands
California State Lands Commission, meeting of Tuesday, August 25, 2026
(San Diego)

Submitted by: Barklee Sanders, resident of Treasure Island
Subject: Grantee reporting and trust-purpose oversight — Treasure Island Development Authority (TIDA)

Honorable Commissioners,

I am a resident of Treasure Island. I am writing about the Commission's oversight of TIDA as a local trustee of granted public trust lands. Every figure below comes from the Commission's own published filings or from records the Commission produced to me on August 11, 2026. None of it requires you to accept a resident's characterization of anything.

1. Three years of grantee reporting forms are not on the Commission's website.

Public Resources Code section 6306(e)(4) provides that "All forms and supporting statements submitted pursuant to this section shall be public records and be made available on the commission's Internet Web site."

The Commission's TIDA grantee page publishes annual reporting forms for fiscal years 2014-15 through 2021-22. I do not find posted forms for FY2022-23, FY2023-24, or FY2024-25. The Commission has the FY2024-25 form — it produced that form to me on August 11, 2026 in response to a Public Records Act request — and it is still not posted.

2. What the published forms show, read consecutively.

Taken in sequence, TIDA's own filings report the trust balance moving as follows:

FY2015-16	beginning $0	ending	($4,057,863)

FY2016-17		ending ($9,429,956)
FY2017-18		ending ($19,280,224)
FY2018-19		ending ($28,888,135)
FY2019-20		ending ($35,448,000)
FY2020-21		ending ($49,238,925)
FY2021-22		ending ($55,891,727)
FY2022-23	no form published or produced	
FY2023-24	no form published or produced	
FY2024-25	beginning ($70,992,746) ending ($77,606,708)	

The FY2021-22 form closes at ($55,891,727). The FY2024-25 form opens at ($70,992,746). The intervening $15,101,019 in reported trust losses is documented in no form the Commission has published or produced. That gap falls entirely within the two years for which no reporting form exists in the public record.

3. In every year on record, TIDA reports no major capital improvement.

Line 3(c) of the reporting form asks whether there have been capital improvements over $250,000. In every published year from FY2014-15 through FY2021-22, TIDA answered that no such improvements were made. The FY2024-25 form, produced to me this month, states: "No improvements over $250,000 were made in the current fiscal year. A total of $1,405,000 is anticipated in FY 2025-26."

4. Why this matters to the trust.

Over the same period, residents documented 216 power outages on Treasure Island between 2015 and 2025 — 30 in 2025 alone — on infrastructure built in the 1940s and transferred to TIDA in 1997. The outage record is published at treasureislandsfpoweroutages.com. In February 2025 a combined gas and electrical failure left roughly 400 units without heat, hot water, or the ability to cook for four days.

I do not ask the Commission to take my word for the condition of the grid. I ask it to note that its own trustee reports no major capital investment in any year on record, on granted public trust lands where the utilities fail every two to three weeks, while the reported trust balance falls to ($77,606,708).

5. What the record does not contain.

In March 2026 I asked the Commission for records describing why utility infrastructure work was required on these trust lands, including any reference to the condition, capacity, age, or reliability of the existing electrical distribution system, and for any correspondence with TIDA, the City, or the SFPUC about the condition, maintenance, upgrade, or replacement of that infrastructure.

The Commission produced 4,258 pages on August 11, 2026. They are a thorough record of easement modification and the Phase 3 trust exchange — sixty easements tracked individually, with square footages, plats, and legal descriptions. Searching the full text of that production, the words "outage," "reliability," "electrical distribution," "switchgear," and "capital improvement" do not appear.

I offer that as an observation about the record, not an accusation. The Commission administers the boundaries of these lands with real precision. My concern is that nothing in the record shows the same attention to whether the lands serve the trust purposes for which they were granted.

6. Requests.

I respectfully ask the Commission to:

a. post the FY2024-25 reporting form and supporting statement, as section 6306(e)(4) requires;

b. determine whether TIDA filed reporting forms for FY2022-23 and FY2023-24, post them if so, and state what follow-up occurred if not;

c. obtain from TIDA an accounting of the $15,101,019 in reported trust losses falling between the FY2021-22 and FY2024-25 forms; and

d. consider, under its oversight authority in section 6009(c), whether utility service adequacy on these granted lands warrants review as a trust matter.

Thank you for your time and for the opportunity to comment.

Respectfully submitted,

Barklee Sanders
Treasure Island resident