

STAFF REPORT

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06/28/19

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PRC 8221.1

J. Holt

TERMINATION AND ISSUANCE OF A GENERAL LEASE – RECREATIONAL USE

LESSEE:

Donald G. Phillips and Debra L. Phillips

APPLICANT:

Gary M. Martin and Coletta A. Martin, as Trustees of The Gary M. Martin and Coletta A. Martin Revocable Trust dated September 27, 2000

PROPOSED LEASE:

AREA, LAND TYPE, AND LOCATION:

Sovereign land in Georgiana Slough, adjacent to 17211 Terminous Road, near Isleton, Sacramento County.

AUTHORIZED USE:

Use and maintenance of an existing covered floating boat dock with boat slip, boat lift, gangway, six pilings, personal watercraft dock and utility conduit.

LEASE TERM:

10 years, beginning January 17, 2018.

CONSIDERATION:

\$2,179 per year, with an annual Consumer Price Index adjustment.

SPECIFIC LEASE PROVISIONS:

- Liability insurance in an amount no less than \$1,000,000 per occurrence.
- Lessee agrees and acknowledges hazards associated with sea-level rise may require additional maintenance or protection strategies regarding the improvements on the Lease Premises.

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STAFF ANALYSIS AND RECOMMENDATION:

Authority:

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

Public Trust and State's Best Interests Analysis:

On April 6, 2011, the Commission authorized a General Lease – Recreational Use to Paul A. Maddox ([Item C11, April 6, 2011](#)). On January 23, 2012, the upland was deeded to Donald G. Phillips and Debra L. Phillips. On December 5, 2012, the Commission authorized an assignment of Lease No. PRC 8221.1 to Donald G. Phillips and Debra L. Phillips ([Item C06, December 5, 2012](#)). On January 17, 2018, the upland was deeded to Gary M. Martin and Coletta A. Martin, as Trustees of The Gary M. Martin and Coletta A. Martin Revocable Trust dated September 27, 2000. The Applicant is now applying for a General Lease – Recreational Use, for the use and maintenance of the existing improvements in Georgiana Slough.

Staff recommends termination of the existing Lease No. PRC 8221.1, due to the Lessee's abandonment of the lease area, effective January 16, 2018, the day preceding the title transfer. The title transfer occurred without a lease quitclaim deed and notification to Commission staff. Staff recommends that the Commission issue a new lease to the Applicant, effective January 17, 2018, the day associated with the Applicant's upland ownership.

The proposed lease area contains similar facilities as in the prior lease. These facilities are designed for recreational boating and fishing purposes. Recreational boating is a water-dependent activity and 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 lands (Pub. Resources Code, § 6503.5).

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 improvements from State land.

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

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compensate the people of 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 subject facilities are located on Georgiana Slough, 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 region as listed in Table 1.

Table 1. Projected Sea-Level Rise for San Francisco¹

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: ¹ Projections are with respect to a 1991 to 2009 baseline.

This effect could increase Georgiana Slough’s inundation levels within the lease area. In addition, as stated in *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

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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 and docks. 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 covered floating boat dock with boat slip and gangway are adaptable to variable water levels, allowing them to rise and fall with storms and droughts and increasing their resiliency to some climate change impacts, but may require more frequent maintenance or replacement to ensure continued function during and after storm seasons and to avoid dislodgement. The fixed features, such as the boat lift, pilings, and utility conduit may need reinforcement to withstand higher levels of flood exposure and more frequent storm events. Regular maintenance, as required by the terms of the lease, will reduce the likelihood of severe structural degradation or dislodgement.

Pursuant to the proposed lease, the Applicant acknowledges that the lease premises and adjacent upland (not within the lease area) are located in an area that may be subject to effects of climate change, including sea-level rise.

Conclusion:

For all the reasons above, staff believes the issuance of this lease will not substantially interfere with Public Trust needs, is consistent with the common law Public Trust Doctrine, and is in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. Approval of the lease termination and approval or denial of the lease application are discretionary actions 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

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Public Trust lands as authorized by law. If the Commission denies the application, the Applicant may be required to remove the covered floating boat dock with boat slip, boat lift, gangway, six pilings, personal watercraft dock, and utility conduit, and restore the premises to their original condition. Upon expiration or prior termination of the lease, the lessee also has no right to a new lease or to renewal of any previous lease.

2. This action is consistent with Strategy 1.1 of the Commission's Strategic Plan to deliver the highest levels of public health and safety in the protection, preservation, and responsible economic use of the lands and resources under the Commission's jurisdiction.
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, section 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 2, section 2905, subdivision (a)(2).

Authority: Public Resources Code section 21084 and California Code of Regulations, title 14, section 15300 and California Code of Regulations, title 2, section 2905.

EXHIBITS:

- A. Land Description
- B. Site and Location Map

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 2, section 2905, subdivision (a)(2).

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PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the termination and issuance of the proposed 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 foreseeable term of the lease; is consistent with the common law Public Trust Doctrine; and is in the best interests of the State.

AUTHORIZATION:

1. Authorize termination of Lease No. PRC 8221.1, a General Lease – Recreational Use, issued to Donald G. Phillips and Debra L. Phillips, effective January 16, 2018.
2. Authorize issuance of a General Lease – Recreational Use to the Applicant beginning January 17, 2018, for a term of 10 years, for the use and maintenance of an existing covered floating boat dock with boat slip, boat lift, gangway, six pilings, personal watercraft dock, and utility conduit, as described in Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; annual rent in the amount of \$2,179 per year, with an annual Consumer Price Index adjustment; and liability insurance in an amount no less than \$1,000,000 per occurrence.

EXHIBIT A

PRC 8221.1

LAND DESCRIPTION

A parcel of tide and submerged land situate in the bed of the Georgiana Slough, lying adjacent to Swamp and Overflow Survey 849 patented April 2, 1873, Sacramento County, State of California, more particularly described as follows:

All those lands underlying an existing covered floating boat dock with boat slip, boat lift, gangway, six pilings, personal watercraft dock and utility conduit lying adjacent to Parcel 2 as described in that Grant Deed recorded January 17, 2018, in Document Number 201801171520, of Official Records of said County.

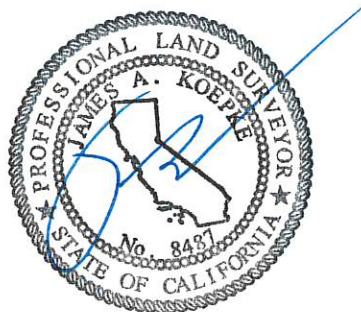
TOGETHER WITH any applicable impact area(s).

EXCEPTING THEREFROM any portion(s) lying landward of the Ordinary High Water Mark of the bank of the Georgiana Slough.

Accompanying plat is hereby made part of this description.

END OF DESCRIPTION

Prepared April 12, 2019 by the California State Lands Commission Boundary Unit.



NO SCALE



Georgia Slough

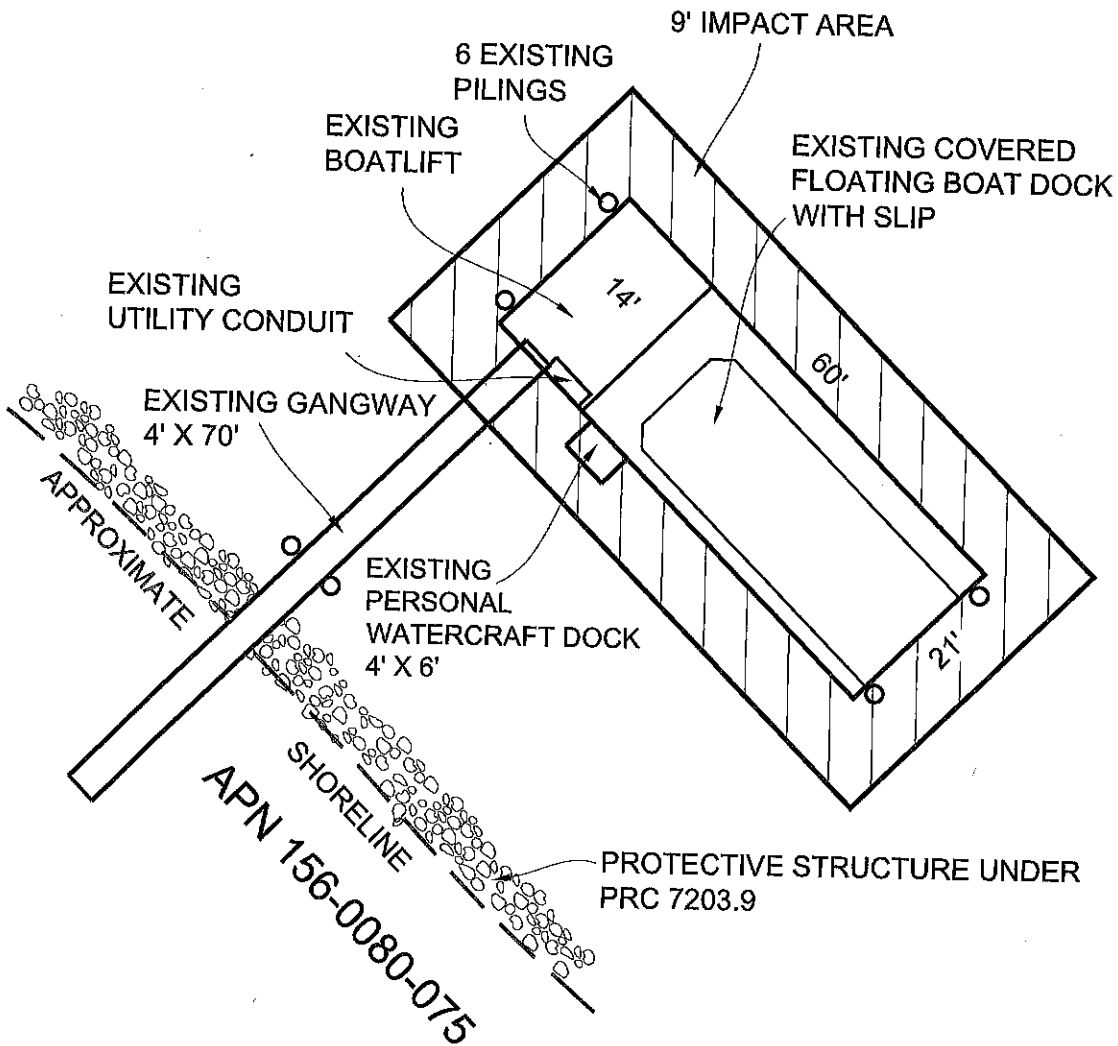


EXHIBIT A

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LAND DESCRIPTION PLAT
 PRC 8221.1, MARTIN TRUST
 SACRAMENTO COUNTY

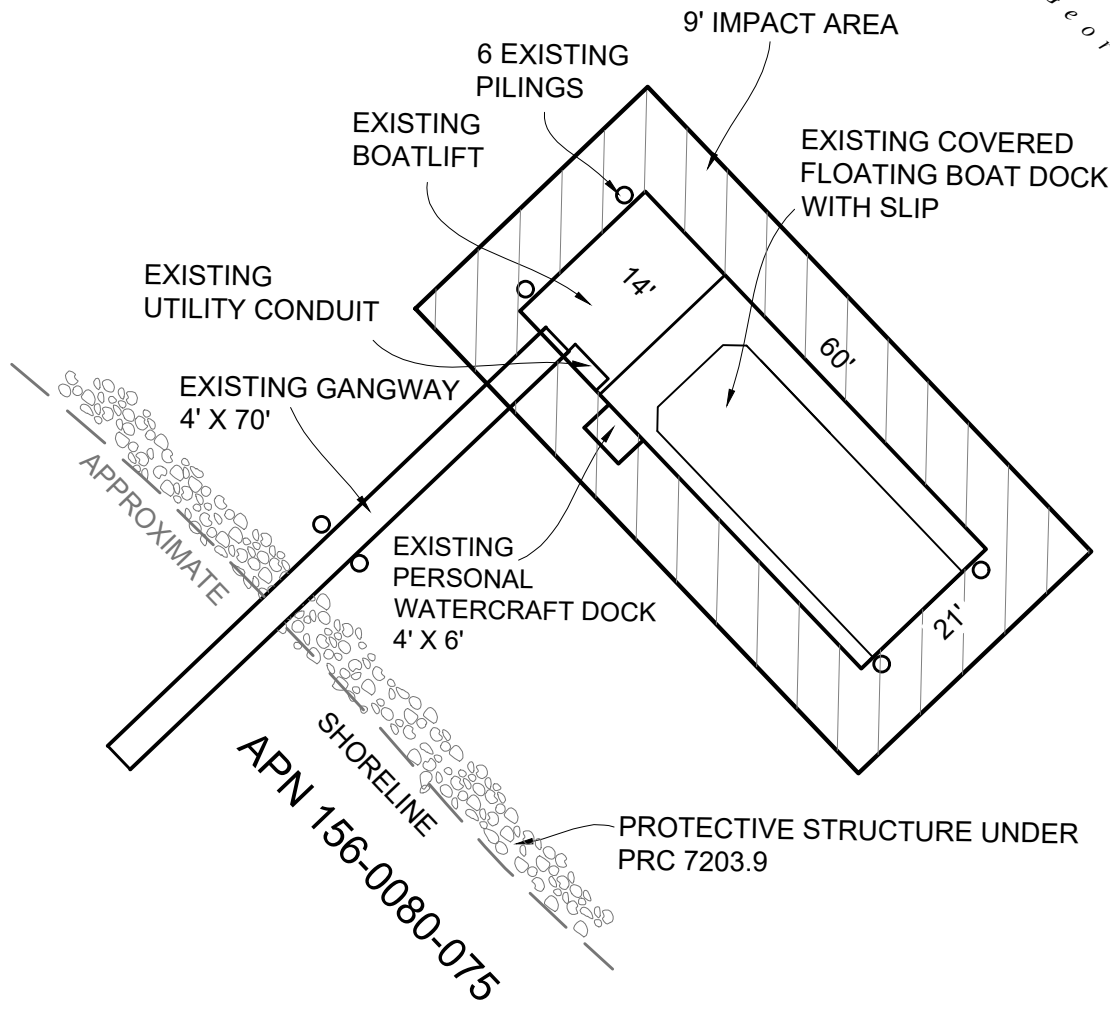
CALIFORNIA STATE
 LANDS COMMISSION



NO SCALE

SITE

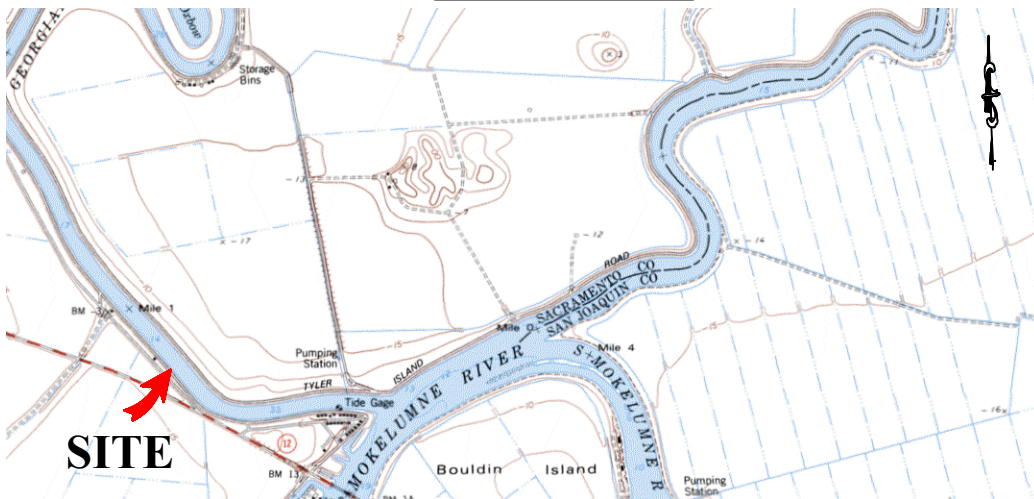
Georgiana Slough



17211 TERMINOUS ROAD, NEAR ISLETON

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit B

PRC 8221.1
 MARTIN TRUST
 APN 156-0080-075
 GENERAL LEASE -
 RECREATIONAL USE
 SACRAMENTO COUNTY



This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.