

**STAFF REPORT
C78**

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08/23/18
PRC 6470.1
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ASSIGNMENT OF LEASE

ASSIGNOR:

6525 Point Lechuza Drive, LLC

ASSIGNEE:

Jeffrey Fish

AREA, LAND TYPE, AND LOCATION:

Sovereign land in the Pacific Ocean, adjacent to 6525 Point Lechuza Drive, Malibu, Los Angeles County.

AUTHORIZED USE:

Continued use and maintenance of an existing rock revetment.

LEASE TERM:

10 years, beginning December 8, 2017

CONSIDERATION:

\$4,379 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.

STAFF ANALYSIS AND RECOMMENDATION:

Authority:

Public Resources Code sections 6005, 6216, 6301, 6321, 6321.2, 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 October 19, 2017, the Commission authorized the issuance of Lease No. PRC 6470.1, a 10-year General Lease – Protective Structure Use, to 6525 Point Lechuza Drive, LLC, for the continued use and maintenance of an existing rock revetment adjacent to 6525 Point Lechuza Drive, beginning December 8, 2017 ([Item C73, October 19, 2017](#)). On February

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1, 2018, ownership of the upland property was transferred to Jeffrey Fish, who is now applying for an assignment of the lease.

Climate Change:

Climate change impacts, including sea-level rise, more frequent and intense storm events, and increased flooding and erosion, affect open coastal areas in California. By 2030, the region could see up to 1 foot of sea-level rise (from year 2000 levels), 2 feet by 2050, and possibly over 5 feet by 2100 (National Research Council 2012). Rising sea levels can lead to increased flooding and larger tidal events, and can affect erosion and sedimentation rates. As stated in *Safeguarding California* (California Natural Resources Agency 2014), climate change is projected to increase the frequency and severity of natural disasters related to flooding, drought, and storms (especially when coupled with sea-level rise). The combination of these conditions will likely result in increased wave run up, storm surge, and flooding in coastal and near coastal areas. Climate change and sea-level rise will further influence coastal areas by changing erosion and sedimentation rates. Beaches and coastal landscapes will be exposed to increased wave force and run up, potentially resulting in greater beach erosion than previously experienced.

The lease area is located at Lechuza Point, an area characterized by low-lying bluffs and a rocky shoreline. The lease area contains boulders located at the toe of the slope that act as a revetment. The revetment essentially protects against uncertainties associated with variability in shoreline change rates due to ongoing beach erosion, and significant short-term beach losses due to large seasonal fluctuations or severe erosion due to extreme wave events and potential long-term acceleration of beach erosion due to sea-level rise. The revetment is likely to degrade at a faster pace over the lease term than in the past, due to increased time of exposure to wave action, storm surge, and higher total water levels. Bluff erosion as a result of precipitation, groundwater drainage, wind force, and slumping may also exert pressure on the revetment from the landward side. Therefore, the revetment may require more frequent maintenance to ensure continued function during and after storm seasons, and to reduce the risk it potentially poses to public safety should it become a source of marine debris or a coastal hazard as a result of dislodgement or structural failure.

The revetment also has the potential to exacerbate the impacts of sea-level rise and increased storm and wave activity on State sovereign land adjacent to the lease area. The beach area seaward of the revetment is subject to width reduction and loss from erosion, scour, and coastal

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squeeze (the reduction of beach width due to the inability of the beach to naturally migrate landward as a result of hard armoring infrastructure). In addition, the revetment in combination with the upper hardscaping also prevents the bluff from naturally eroding, and effectively prevents beach replenishment via natural passive erosion. Beach loss is anticipated to increase over the term of the lease, because of the combined factors of climate change impacts, natural dynamic coastal processes, and the presence of the rock revetment.

The current 10-year lease term ending in December 2027 provides both the Commission and the lessee an opportunity to check in at a relatively short-term interval, to evaluate the effects of sea-level rise and the design and functionality of the revetment, in order to make incremental adaptation steps as necessary and appropriate.

Conclusion:

Assignment of this lease will not result in a change in the use of or impacts to Public Trust resources; will not substantially interfere with the Public Trust needs and values at this location at this time; and is in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. On February 8, 2011, the Commission accepted an Offer to Dedicate Lateral Public Access Easement, adjacent to 6525 Point Lechuza Drive.
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. Approving an assignment of lease 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 15378, subdivision (b)(5).

EXHIBIT:

- A. Site and Location Map

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RECOMMENDED ACTION:

It is recommended that the Commission:

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed Assignment of this lease will not result in a change in the use of or impacts to Public Trust resources; will not substantially interfere with the Public Trust needs and values at this location at this time; and is in the best interests of the State.

AUTHORIZATION:

Authorize the assignment of Lease No. PRC 6470.1, a 10-year General Lease – Protective Structure Use, for the continued use and maintenance of a rock revetment, as described in Exhibit A and as shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof, from 6525 Point Lechuza Drive, LLC to Jeffrey Fish; effective February 1, 2018.

