

CALENDAR ITEM
C43

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PRC 5865.1
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ASSIGNMENT OF LEASE

LESSEE/ASSIGNOR:

JaniCo, LLC

APPLICANT/ASSIGNEE:

Kit H. Kinne and Lisa Mack Kinne

AREA, LAND TYPE, AND LOCATION:

Sovereign land located in the Sacramento River, adjacent to 7257 Garden Highway, near Sacramento, Sacramento County.

AUTHORIZED USE:

Continued use and maintenance of an existing floating boat dock, gangway, piling, two-pile dolphin, and bank protection.

LEASE TERM:

10 years, beginning May 6, 2016.

CONSIDERATION:

Floating boat dock, gangway, piling, and two-pile dolphin: \$125 per year, with an annual Consumer Price Index adjustment.

Bank protection: 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:

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, 6501.1, 6503, and 6503.5; California Code of Regulations, title 2, sections 2000 and 2003.

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Public Trust and the State's Best Interests Analysis:

On October 13, 2016, the Commission authorized a General Lease – Recreational and Protective Structure Use to JaniCo, LLC ([Calendar Item C34, October 13, 2016](#)). That lease will expire on May 5, 2026. On March 17, 2017, interest in the upland parcel was deeded to Kit H. Kinne and Lisa Mack Kinne. The Applicant is now requesting an assignment of the lease.

The recommended action will not substantially interfere with the Public Trust needs at this time and at this location. The lease assignment will not change the use of the lease premises. For these reasons, staff recommends finding the proposed action is in the best interests of the State at this time.

Climate Change:

Climate change impacts including sea-level rise, increased wave activity, storm events, and flooding are not limited to the open coast. The existing structures within the proposed lease area are located along the Sacramento River within a region identified as tidally influenced. The subject facilities are vulnerable to flooding at current sea levels and at a higher risk of flood exposure given future projected scenarios of sea-level rise. The facilities associated in this lease area include an existing floating boat dock, adjustable gangway, fixed piling, floating 2-pile dolphin, and fixed bank protection.

By 2030, California's coast could see up to 1 foot of sea-level rise (from year 2000 levels), 2 feet by 2050, and possibly more than 5 feet by 2100 (National Research Council 2012). This effect could increase the Sacramento River's inundation levels within the lease area. Rising sea levels can lead to increased flooding through regular inundation and larger flooding events when combined with tidal events and storm surges. These climate change and sea-level rise impacts can also affect erosion and sedimentation rates through increased wave action and scour, which in turn can lead to decreased shoreline stability and structure. In addition, 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).

Climate change could have a number of impacts for the region. The amount and timing of snowmelt runoff will likely change such that runoff pulses are earlier in the season and stronger precipitation events will occur over a shorter period of time. This is because warming temperatures

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will result in more water falling as rain rather than snow, earlier spring snowmelt, and less snowpack overall. In rivers and tidally influenced waterways, more frequent and powerful storms can result in increased flooding conditions and damage from storm-created debris. In addition, there will be greater amounts of runoff because less water will be trapped at higher altitudes in snowpack. 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 coastal and riverine areas by changing erosion and sedimentation rates. In rivers and tidally influenced waterways, flooding and storm flow will likely increase scour decreasing bank stability and structure.

The combination of these projected conditions could potentially raise the likelihood of damage 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 structures 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 potentially leading to increased wear and tear on the pilings and dock, reduce navigability of the channel thereby increasing hazards, and impact the function and utility of the lease area structures.

The floating boat dock, and adjustable 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 to ensure continued function during and after storm seasons and to avoid dislodgement of dock facilities. The fixed features like the pilings, 2-pile dolphin, and bank protection may need to be reinforced to withstand higher levels of flood exposure. The bank protection and bank vegetation provide stability and reduce the amount of erosion and scour pressure the bank may experience during future events because of the underground root system created from the vegetation and trees on the bank. Still, there is the risk of accelerated deterioration from currents and floods. Regular maintenance, as required by the terms of the lease, will reduce the likelihood of severe structural degradation or dislodgement.

Conclusion:

For all the reasons above, Commission staff believes the issuance of this lease will not substantially interfere with the Public Trust needs at this location and at this time or the foreseeable term of the lease, is consistent

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with the common law Public Trust Doctrine, and in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. This activity 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.
2. 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, section 15378, subdivision (b)(5).

EXHIBITS:

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

RECOMMENDED ACTION:

It is recommended that the Commission:

PUBLIC TRUST AND STATE'S BEST INTERESTS:

Find that the proposed lease will not substantially interfere with the Public Trust needs and values at this location at this time or 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:

Authorize the assignment of Lease No. PRC 5865.1, a General Lease – Recreational and Protective Structure Use, of sovereign land as described in Exhibit A, Land Description, and shown on Exhibit B, Site and Location Map (for reference purposes only), attached and by this reference made a part hereof, from JaniCo, LLC, to Kit H. Kinne and Lisa Mack Kinne, effective March 17, 2017.

EXHIBIT A

PRC 5865.1

LAND DESCRIPTION

A parcel of tide and submerged land situate in the bed of the Sacramento River lying adjacent to Swamp and Overflow Survey 924 patented August 24, 1870, Sacramento County, State of California, more particularly described as follows:

All those lands underlying an existing floating boat dock, two-piling dolphin, one piling and gangway, lying adjacent to those parcels as described in Exhibit A of that Grant Deed recorded March 17, 2017, in Book 20170317 Page 0930 in Official Records of said County.

TOGETHER WITH any applicable impact area(s).

ALSO TOGETHER WITH that land lying immediately beneath any bank protection structure adjacent to said parcel.

EXCEPTING THEREFROM any portion(s) lying landward of the Ordinary High Water Mark of the left bank of the Sacramento River.

Accompanying plat is hereby made part of this description.

END OF DESCRIPTION

Prepared April 13, 2017 by the California State Lands Commission Boundary Unit.





River

Sacramento

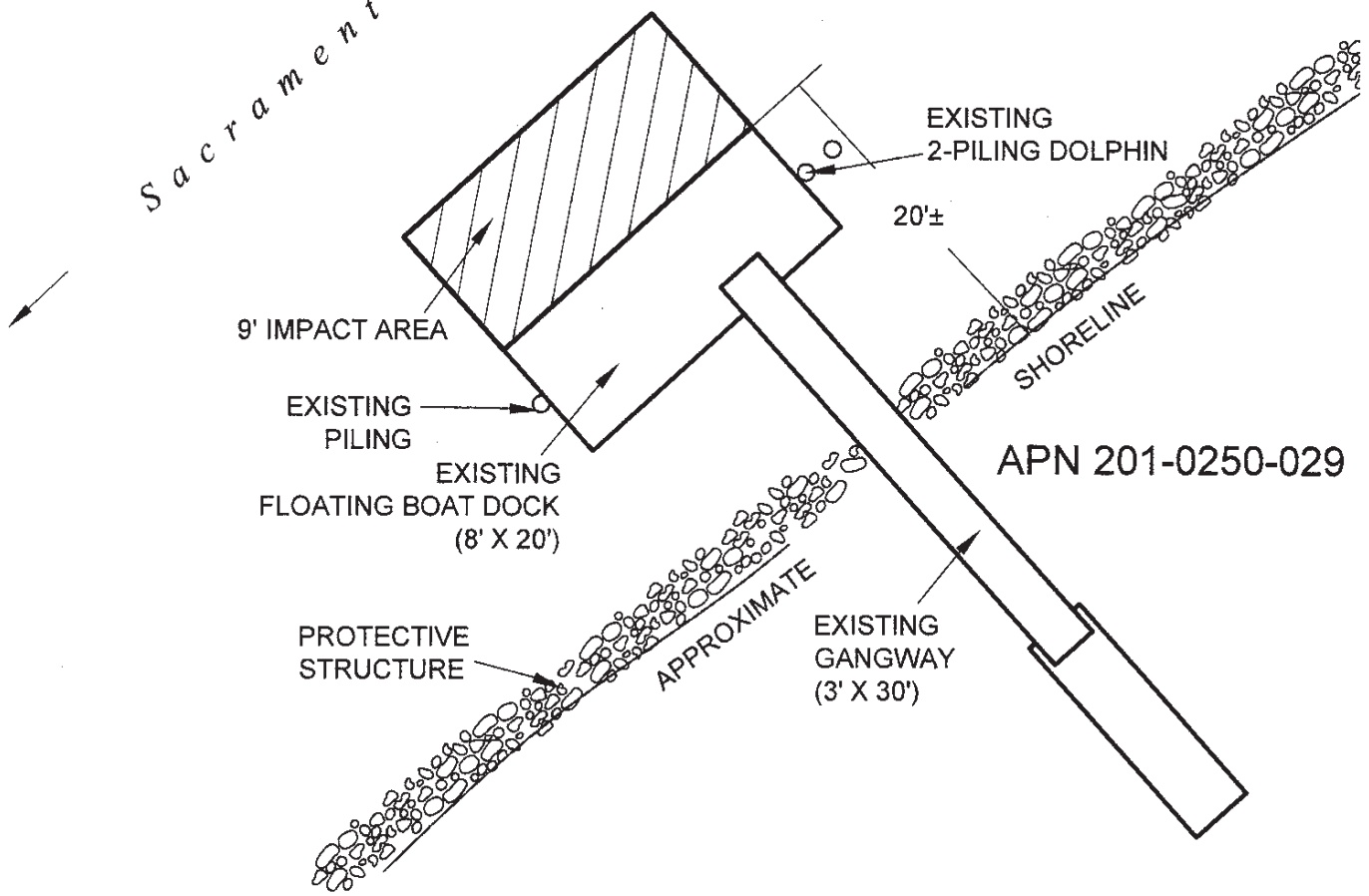


EXHIBIT A

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LAND DESCRIPTION PLAT
 PRC 5865.1, KINNE
 SACRAMENTO COUNTY

CALIFORNIA STATE
 LANDS COMMISSION

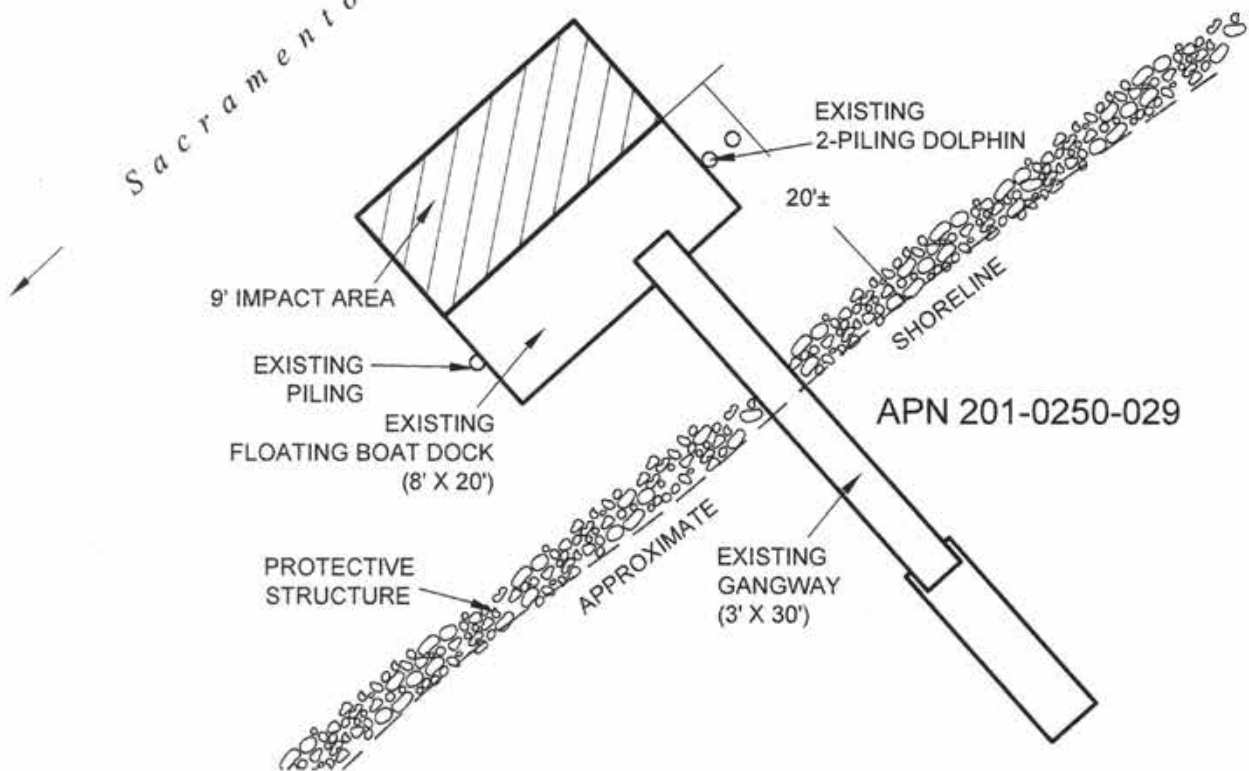


NO SCALE

SITE

River

Sacramento



7257 GARDEN HWY., SACRAMENTO

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit B

PRC 5865.1

KINNE

APN 201-0250-029

GENERAL LEASE -

RECREATIONAL & PROTECTIVE

STRUCTURE USE

SACRAMENTO COUNTY



SITE

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.

MJJ 4/15/2017