

**CALIFORNIA STATE LANDS
COMMISSION**

100 Howe Avenue, Suite 100-South
Sacramento, CA 95825-8202



Established in 1938

JENNIFER LUCCHESI, Executive Officer

916.574.1800

TTY CA Relay Service: **711** or Phone **800.735.2922**

from Voice Phone **800.735.2929**

or for Spanish **800.855.3000**

Contact Phone: 916-574-1900

August 12, 2024

File Ref.: G09-02

Lauren Wooding Whitlinger
Real Property Administrator
City of Newport Beach
100 Civic Center Drive
Newport Beach, CA 92660
Via email to: LWooding@newportbeachca.gov

Subject: Granted Lands Management Review and Information Requests

Dear Ms. Whitlinger,

Commission staff appreciates the City's decision to pause the adoption of ordinance 2024-15. This letter provides further details on the scope of the California State Lands Commission staff's Newport Bay fiduciary management review and requests information from the City.

As described in our July 22, 2024 letter, Commission staff will comprehensively assess the City's management of its residential pier leases (Pier Leases) and mooring permits, which include offshore and onshore permits and other mooring licenses (collectively referred to as Mooring Permits). Staff will evaluate whether the City's administration of these programs adheres to the City's obligations under its statutory trust grant, California Constitution, and the Public Trust Doctrine. The goal is to ensure that all user groups are treated equitably and that all rates reflect fair rental value. Commission staff's review will include, but is not limited to:

- A history of the City's management of Pier Leases and Mooring Permits from 2006 to the present
- The City's Mooring Permit transfer policies
- The rates charged for the Pier Leases and Mooring Permits
- The frequency of rate reassessment
- The basis for rate revisions
- The current terms and conditions imposed on Pier Leases and Mooring Permits
- A history of the City's modifications to these terms and conditions, including those in response to the 2006-2007 Grand Jury Report
- A comparison between how the City manages its Pier Leases and its Mooring Permits

Information Requests

Commission staff requests that the City provide records related to the management of the Pier Lease and Mooring Permit programs. The scope of records requested are from January 1, 2006, to August 1, 2024, unless otherwise stated. Staff requests:

1. All City policies and procedures for adopting, reassessing, and modifying Mooring Permit and Pier Lease terms, conditions, and rates in effect since January 1, 2006.
2. Official minutes and transcripts of all City Council meetings in which the City:
 - a. adopted or modified City policies or practices related to Pier Leases or Mooring Permits; or
 - b. adopted or modified Mooring Permit or Pier Lease rates; or
 - c. adopted or modified the terms of Mooring Permits or Pier Leases, including transferability or Mooring Permits; or
 - d. responded to or implemented the 2006-2007 Grand Jury Report recommendations.
3. All staff reports, memoranda, and other material considered or prepared by the City in connection with the actions listed in Paragraph 2.

4. A list of all Mooring Permits, including rates charged and date issued.
5. A list of all Pier Leases, including rental amounts and date issued.
6. Mooring Permit forms. If there are current permits that have different provisions from prior versions, then provide those permits as well.
7. Pier Lease forms. If there are current leases or lease forms that have different provisions from prior versions, then provide those leases or lease forms as well.
8. The City's leases with the Newport Harbor Yacht Club and Newport Beach Yacht Club.
9. Records with information on Mooring Permit transfers, or price of vessel and price of transfer.
10. Appraisal instructions and scope of work for all appraisals initiated by the City related to the Mooring Permits and Pier Leases.
11. Appraisals and records reflecting rent methodology for the current Mooring Permits and Pier Lease rates.
12. 2016 residential Pier Lease rate appraisal and records reflecting rent methodology.

Please provide the requested information as soon as possible but no later than September 6, 2024. Commission staff would also like to schedule a meeting to discuss the requested records and to set expectations for the review process. This meeting will help ensure that both the Commission staff and the City are aligned on the objectives and requirements of the review.

Sincerely,



Reid Boggiano
Granted Lands Program Manager
State Lands Commission

Lauren Wooding Whitlinger

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cc: Jennifer Lucchesi, Executive Officer

Sheri Pemberton, Chief, External Affairs Division

Chaun Wong, Staff Appraiser

Ben Johnson, Staff Attorney