



AB 2393 – Newport Bay Tidelands

Background

AB 2393 will extend the available lease terms for public trust lands for Newport Bay to sixty-six years.

Currently, counties can lease tidelands and submerged lands for a period not exceeding fifty years, as authorized by the Tidelands Grant Authority.

Problem Being Addressed

Current law provides that Orange County may lease tidelands and submerged lands bordering upon and under Newport Bay for a period not exceeding fifty years for purposes consistent with the trust upon which said lands are held by the State of California.

A developer who has sufficient experience, financial resources and personnel to successfully plan, design, operate, manage and maintain multiple use, phased projects with significant infrastructure work would need ample time, beyond fifty years, to carry out these efforts. It is generally the case that the initial planning and infrastructure construction period takes several years before the developer can begin subleasing spaces to end-users. An extension of the leasing period will allow additional planning, construction and investment recovery time, while making it easier to secure financing for particularly expensive projects.

For over one hundred years, the legislature has granted public trust lands to local governments so that the lands can be managed locally for the benefit of the people of California. There are currently over

seventy trustees in the state, including but not limited to the Ports of Los Angeles, San Diego and Eureka; four other trustees in the state have been granted sixty-six-year leases. The State Lands Commission retains oversight authority to ensure these local trustees are complying with the public trust doctrine and the applicable granting statutes, while the lands are managed locally. Current statute limits lease terms to fifty years.

In 2017, the County of Orange's sponsored legislation, SB 367 (Bates), extended the leasing period for the tidelands and submerged lands in Dana Point Harbor to sixty-six years.

Which code section is affected?

This bill would amend Section 1 of Chapter 415 of the Statutes of 1975.

Summary

AB 2393 extends the available lease terms for public trust lands at the Newport Bay from fifty years to sixty-six years.

The extended lease period will allow the county more flexibility when creating land lease agreements for projects that enhance opportunities for public access, deliver quality recreational activities, update visitor servicing commercial opportunities, provide water quality improvements or promote coastal resource preservation.

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Supporters

County of Orange - Sponsor