

**CALIFORNIA STATE LANDS
COMMISSION**

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Established in 1938

JENNIFER LUCCHESI, Executive Officer

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May 3, 2021

File Ref.: G15-01

Mike Wiltshire, Waterfront Director
City of Santa Barbara
Waterfront Department
132-A Harbor Way
Santa Barbara, CA 93109

Subject: Request for Input on Addition of Slip Holder Family Members to Slip Permits

Dear Mr. Wiltshire:

This letter is in response to your request for the California State Lands Commission staff to advise on discounted slip permit transfer fees for specific groups. We understand the current transfer fee is paid to the Waterfront Department anytime a slip rental is transferred between registered owners or if additional partners are added and that the fee is applied equally to all individuals. The new proposal suggests offering a discounted rate when current slip holders add or transfer adult children and family members to slip permits.

Commission staff has serious concerns that a discounted slip permit transfer fee for family members would violate the City's fiduciary duties to the State. As you are aware, the City is a trustee of sovereign tide and submerged lands granted to it by the Legislature pursuant to Chapter 78, Statutes of 1925, and as amended. As with a private trust, the City, as trustee, must manage and use the State's lands and assets consistent with that trust. (Public Resources Code, § 6009.1, subd. (b).) This includes the duty to administer the granted lands solely in the interest of the statewide public (Public Resources Code § 6009.1, subd. (c)(5)), and the duty to administer the trust impartially (Public Resources Code § 6009.1, subd. (c)(6)). Allowing certain users to pay a discounted rate, without a countervailing benefit to the trust, would benefit those users at the expense of the trust. This would likely violate the City's fiduciary duties as the State's trustee.

Mr. Wiltshire

May 3, 2021

Page 2

In addition, the proposed permit transfer fee discount discriminates between fees charged for transfers to family members and fees charged for all other transfers. Section (d) of Chapter 78, as amended by Chapter 193, Statutes of 1978, states that, "in the management, conduct, operation, and control of said lands or any improvements... the City or its successors shall make no discrimination in rates, tools, or charges for any use or service in connection therewith." Based on staff's preliminary review, a discounted slip permit transfer fee for interfamily transfers violates this provision.

Finally, Commission staff shares your concern that a discounted permit transfer fee for transfers to their family is not fair or equitable. Fair and equitable access to the tidelands is a fundamental value of the Public Trust Doctrine and subsidizing certain families' retention of marina slip permits would appear to violate the City's duty to protect the people's common heritage in the tidelands. We appreciate the opportunity to offer advice to the City regarding the use of discounted transfer fees. Please do not hesitate to contact me at (916) 574-1800 or via email if you have additional questions or would like further information.

Sincerely,



Reid Boggiano
Granted Lands Program Manager

cc: Benjamin Johnson
Staff Attorney
California State Lands Commission

Andrew Vogel
Deputy Attorney General