
SENATE COMMITTEE ON NATURAL RESOURCES AND WATER

Senator Josh Becker, Chair

2025 - 2026 Regular

Bill No:	AB 2312	Hearing Date:	June 23, 2026
Author:	Ávila Farías		
Version:	April 6, 2026 Amended		
Urgency:	No	Fiscal:	Yes
Consultant:	Edith Hannigan		

Subject: State property: tidelands transfer: City of Martinez: leases

SUMMARY

This bill would authorize the City of Martinez to lease certain city trust lands for up to 66 years, or for a longer term if authorized by the State Lands Commission if the State Lands Commission finds that a longer lease is in the best interest of the state.

BACKGROUND AND EXISTING LAW

State Lands Commission (commission). Established in 1938, the commission manages 4 million acres of tide and submerged lands and the beds of natural navigable rivers, streams, lakes, bays, estuaries, inlets, and straits. These lands are often referred to as sovereign or public trust lands. The commission, in its capacity as a landowner, protects and enhances these lands and natural resources by issuing leases for use, development, and environmental preservation, championing public access, and resolving boundaries between public and private lands.

The commission oversees sovereign land granted in trust to about 70 local jurisdictions, which are predominantly prime waterfront lands, coastal waters, and the lands underlying California's five major ports. Through its actions, the commission secures and safeguards the public's access rights to navigable waterways and the coastline and preserves irreplaceable natural habitats for wildlife, vegetation, and biological communities. The commission, through its two regulatory programs, protects state waters from marine invasive species introductions and prevents oil spills by regulating oil transfers at marine oil terminals.

Ownership and management of tidelands. During the 1800s, the Legislature authorized the sale of tidelands, particularly in the San Francisco Bay. This practice eventually became a controversial issue at the 1879 Constitutional Convention, where the delegates discussed whether to create a Constitutional prohibition on the sale of tide and submerged lands.

After two days, the delegates voted to protect access to the navigable waters of the state, preventing individuals and businesses from excluding the public from or obstructing the free navigation of tidal and navigable waters in the state.

The Legislature has authorized leases on tidelands and submerged lands granted to any city by the state, or owned or controlled by any city, for no longer than 66 years, or unless a grant from the state authorizes otherwise (Civil Code (CIV) §718).

Public Trust Doctrine. The foundational principle of the common law Public Trust Doctrine is that it is an affirmative duty of the state to protect the people's common heritage in navigable waters for their common use. The traditional uses allowed under the Public Trust Doctrine were described as water-related commerce, navigation, and fisheries. As a common law doctrine, the courts have significantly shaped the Public Trust Doctrine in a number of important ways. Courts have found that the public uses to which sovereign lands are subject are sufficiently flexible to encompass changing public needs. The courts have also found that preservation of these lands in their natural state, so that they may serve as ecological units for scientific study, as open space, and as environments that provide food and habitat for birds and marine life, are appropriate uses under the common law Public Trust Doctrine. Courts have also made clear that sovereign lands subject to the Public Trust Doctrine cannot be sold into private ownership.

For more than 100 years, the Legislature has granted public trust lands to local governments so the lands can be managed locally for the benefit of the people of California. While these trust lands are managed locally, the commission has oversight authority to ensure those local trustees are complying with the Public Trust Doctrine and the applicable granting statutes.

Existing Law:

- 1) Establishes the commission as the steward and manager of the state's public trust lands. (Public Resources Code (PRC §6009)
- 2) Establishes the City of Martinez (City) as a trustee of sovereign tide and submerged lands granted by the Legislature all right, title, and interest of the state to four specified parcels of land in the Straits of Carquinez, to be held in trust for specified uses. (Chapter 815 of the Statutes of 1976, and Chapter 628 of the Statutes of 2014)
- 3) Authorizes the City, as trustee, to lease the trust lands for limited periods not to exceed 49 years. (Section 3, Chapter 628, Statutes of 2014).
- 4) Recasts the three granted lands statutes and adds a fourth parcel to the City pursuant to SB 1424 (Wolk, Chapter 628, Statutes of 2014).
- 5) Authorizes the commission, in recognition of deteriorated conditions at the Martinez Marina (Marina), until June 30, 2029, to relieve the trustee of its obligation to transmit gross revenues so the trustee can take action to address those conditions, including the dredging of sediment to restore adequate depth for launching, berthing, and safe navigation at the marina. (Chapter 628, Statutes of 2014 (d)(2))

PROPOSED LAW

This bill would:

- 1) Authorize the City, as trustee, to lease trust lands for a period not to exceed 66 years.
- 2) Authorize the commission to approve a lease term for longer than 66 years if the commission finds that a longer lease is in the best interest of the state.
- 3) Change "his or her" to "their"
- 4) Fix an erroneous reference to statute.

- 5) Make findings and declarations regarding the Marina as public trust lands of the City.
- 6) Declares the intent of the Legislature that the parties to the agreement to revitalize the Martinez waterfront continue to work together to determine the appropriate lease term to spur the revitalization of the public trust lands.

ARGUMENTS IN SUPPORT

According to the author, “The Martinez Marina has far exceeded its useful life and currently faces dire and deteriorating conditions that are a drain on the city’s limited budget and demand significant intervention. Revitalizing the Waterfront and Marina has been a top City and community priority for decades, and the City has now entered into an exclusive negotiating agreement with a private developer to realize a one-in-a-lifetime opportunity to rebuild and improve the infrastructure of the Marina and create a vibrant, accessible, sustainable, and community-serving Waterfront. This project will be funded with solely private capital. Unfortunately, current law’s 49-year maximum lease term with the State Lands Commission cannot support the needed private lending and investment. In lieu of seeking scarce public funding, AB 2312 simply allows for a longer lease term that will attract the required capital.”

ARGUMENTS IN OPPOSITION

None received.

COMMENTS

City of Martinez trusted lands. The City was initially granted certain sovereign lands in trust in 1851. The grant to the City was repealed and re-granted in 1976 and 2014. Chapter 628, Statutes of 2014 repealed the City’s prior grants and provided the City with a new grant of sovereign tide and submerged lands that updated the granting statute and added an additional parcel that encompasses the Marina.

The City must use the land for purposes consistent with the Public Trust Doctrine and, beginning in 2020, in conformance with a trust lands use plan approved by the commission.

SB 1424 (Wolk, Chapter 628, Statutes of 2014), established a revenue-sharing agreement between the City and the state. This revenue sharing requires the City to transmit 20% of the annual revenue generated from its granted lands to the commission, of which 80% is deposited into the state’s General Fund and 20% into the Kapiloff Land Bank. Recognizing the deteriorating conditions at the Marina, SB 1424 allowed the commission to relieve the City of its revenue-sharing obligation until June 30, 2021. This relief was intended to enable the City to address critical issues at the Marina, including dredging to restore adequate depth for vessel launching, berthing, and safe navigation.

AB 1686 (Grayson, Chapter 143, Statutes of 2023), subsequently extended the commission’s authority to annually relieve the City from its revenue sharing requirement for another five years—from January 1, 2024, until June 30, 2029. This extension supports the City’s efforts to restore the deteriorated Marina’s condition through continued dredging and maintenance activities.

Martinez Marina. The City waterfront encompasses almost 80 acres of trust lands along the northern shoreline that are zoned for open space and recreational use. Included is the Marina, which has a range of facilities, including a harbormaster building, boat slips, a four-lane public launch ramp, a fishing pier, a guest dock, wastewater pump-out facilities, and a bait shop.

Constructed in the 1960s, the facility has far exceeded its useful life. Studies on the Marina's marine structures and sedimentation confirm that it is in extremely poor condition, highlighting the urgent need for action to preserve access and functionality. Revitalizing the waterfront and Marina has been a top community priority for decades. With aging infrastructure, deteriorating facilities, limited resources, and a marina well beyond its useful life, the City has faced growing operational and financial pressures that necessitate a broader reimagining through a private-public partnership.

In June 2024, the City's long-standing marina management partner, Almar Management, submitted a 60-day notice to terminate its contract after almost 20 years. Almar Management stated that the Marina has deteriorated beyond the point of viable maintenance or repair, making continued operation infeasible. The City continues to address only key safety issues and minimally maintains the boat, pedestrian, and vehicular access in and around the Marina, but rising costs, infrastructure challenges, and storm damage have strained the City's limited financial resources.

At the December 17, 2025 regular City Council meeting, the Martinez City Council unanimously approved an exclusive negotiating agreement (ENA) with Tucker Sadler Architects, a private developer, to revitalize the Martinez Waterfront and Marina. The agreement sets in motion a new phase of study and collaborative planning that will evaluate the project's feasibility, refine design concepts, and lay the groundwork for decisions on the future of the Waterfront and Marina.

The project envisions new recreation amenities such as sport fields, a dog park, kite area, and public art installations, along with expanded open spaces featuring plazas, pedestrian pathways, marshland restoration, and stronger connections to downtown. Hospitality and community facilities, including hotels, restaurants, a community/event center, a new Martinez Yacht Club and Sea Scouts' facility, and an outdoor amphitheater, are also included. These project elements would complement new commercial and retail spaces and support boating, fishing, recreation, and other waterfront activities, and would be supported by upgraded infrastructure, including surface and underground parking, utilities, and lighting.

Incentivizing investment. This bill aligns the allowable lease length at the Marina with existing law, which authorizes leases up to 66 years, or unless a grant from the state provides the specific terms of the lease.

This bill authorizes the City to lease the Marina for up to 66 years, or longer with approval of the commission. This provides the city, commission, and investors with the flexibility to more deeply investigate financing options for the Marina work.

In order to provide the commission with the necessary expertise to review information submitted by the City or the developer in support of a longer lease, the committee may wish to amend this bill to allow the commission to contract with outside experts, and

recoup the costs for that review from the City, who may then recoup costs from the developer. **[SEE Amendment #1]**.

SUGGESTED AMENDMENTS:

AMENDMENT 1

Amend Sec. 3 of the bill to add:

(k) The trustee shall bear the costs of any study or analysis that the commission undertakes, reviews, or requests, including reasonable reimbursement for commission staff time in processing, investigating, and analyzing any submittal, in consideration of whether a longer lease term is in the best interest of the state, as authorized pursuant to subdivision (d). The trustee's reimbursement obligation does not affect its ability to seek payment or reimbursement for these costs from a master developer. The commission is authorized to contract with external experts to accomplish any necessary study, investigation, or analysis.

SUPPORT

Tucker Sadler Architects (sponsor)
City of Martinez

OPPOSITION

None received

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