

An aerial photograph of a coastal area at sunset. The sky is filled with vibrant orange and red clouds. In the foreground, a long wooden pier extends into the water. A small boat is visible near the pier. The water reflects the colors of the sky. The overall scene is serene and scenic.

# Marine Leasing on South Carolina's Coastal Submerged Lands: Options and Considerations for Commercial and Conservation Strategies

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# Making Comparisons of how coastal states regulate submerged lands

- In all states reviewed (Texas – Virginia) all have a submerged lands leasing program except South Carolina
- **Comparing the Area of marine/tidally influenced lands and Revenue produced from leasing:**
  - Gulf Coast States versus Southeastern States
- **Types of Activities leased:**
  - Most states allow leasing for water-bottoms, marinas, and aquaculture
  - Texas and Louisiana also allow leasing for easements and right-of-ways

# Comparisons Continued....

- **Fee Systems:**

- Texas- initial fees and annual fees
- Louisiana- current fair market value
- Mississippi- initial fees, annual fees and sq. ft fees
- Alabama- bidding process and land appraisal
- Georgia- for-profit activity fees versus non-profit activity fees
- Virginia- initial fees, lease area survey, annual fees

- **What Revenue Supports:**

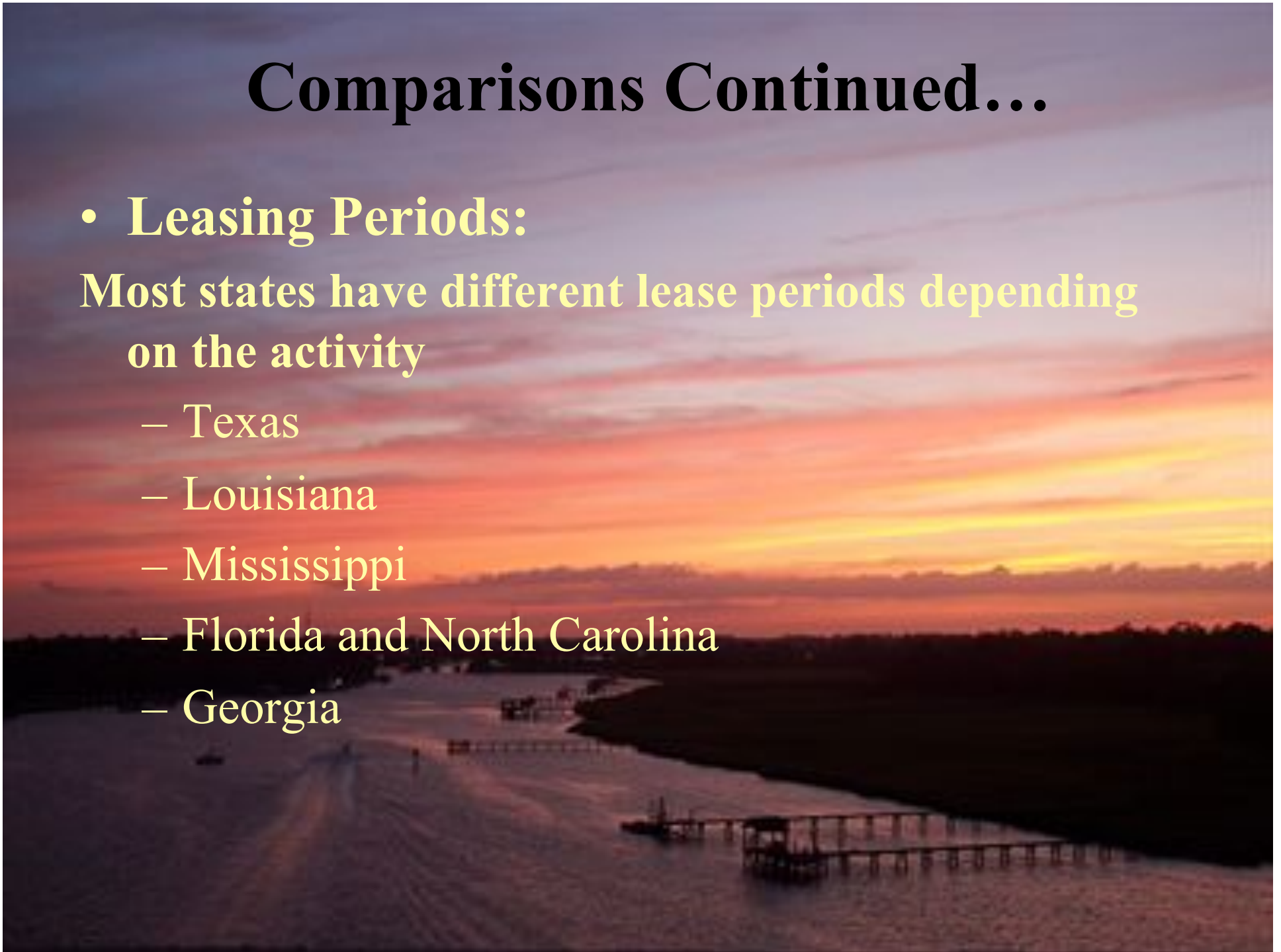
- Depending on the state it goes toward a “General State Fund” or supports Coastal programs
  - Texas
  - Louisiana
  - Mississippi

# Comparisons Continued...

- **Leasing Periods:**

**Most states have different lease periods depending on the activity**

- Texas
- Louisiana
- Mississippi
- Florida and North Carolina
- Georgia



# Developing Options for South Carolina

- Current Issues with instating new marine policy
- Reasons why it is important to consider marine leasing in South Carolina
  - (1) Private uses of PTL
    - (1) Compensating the public for loss of access/use
  - (2) Better regulation of coastal activities
    - (1) Addressing User Conflicts

# Options for a General Marine Leasing Program

- **Conduct a Submerged Lands Inventory**
  - Last general “submerged lands leasing study” was done for DHEC-OCRM in 1995 (Milt Rhodes)
  - Helpful to know current status of public trust lands
  - Use Current technology (GIS)
- **Consider Public and Stakeholder Education and Involvement**
  - **Education**
    - Why it is important
    - Past issues when this topic was considered
    - Types of programs
  - **Involvement**
    - Allow public input and opinion

# Options for a General Marine Leasing Program

- **Specifying Leasing Activities:**
  - Typical activities
  - Base on marine acreage (minimize user conflicts)
  - Consider including current licensed activities for South Carolina
  - Addressing conservation activities



# Options for a General Marine Leasing Program

## A General Fee System:

- Several methods
  - Initial fees
  - Annual fees
  - Bidding\*
  - Royalties\*
  - Current Market Value
  - Individual land appraisal
- Incentive Plans\*
  - Florida
  - Georgia
  - Louisiana
- Fee Installment Plans\*
- General Credit System\*
- Conservation Fees\*

# Options for a General Marine Leasing Program

- **Lease Length**
  - Short-term, Long-term and/or Activity Dependent
  - Renewable leases
  - Reevaluations
  - Violations
- **Number of Leases Issued for Activities**
  - Marine Acreage
  - Moratoriums
  - Where leases can occur

# Options for a General Marine Leasing Program

- **Regulating Agencies**

- Lead Agency
- Supporting Agencies

- **Revenue Uses**

- General Fund versus Coastal Programs
- Combination of the two
  - Mississippi
- SC could conduct an economic analysis to see potential revenue from leasing

# Broad Overview of Conservation Leasing

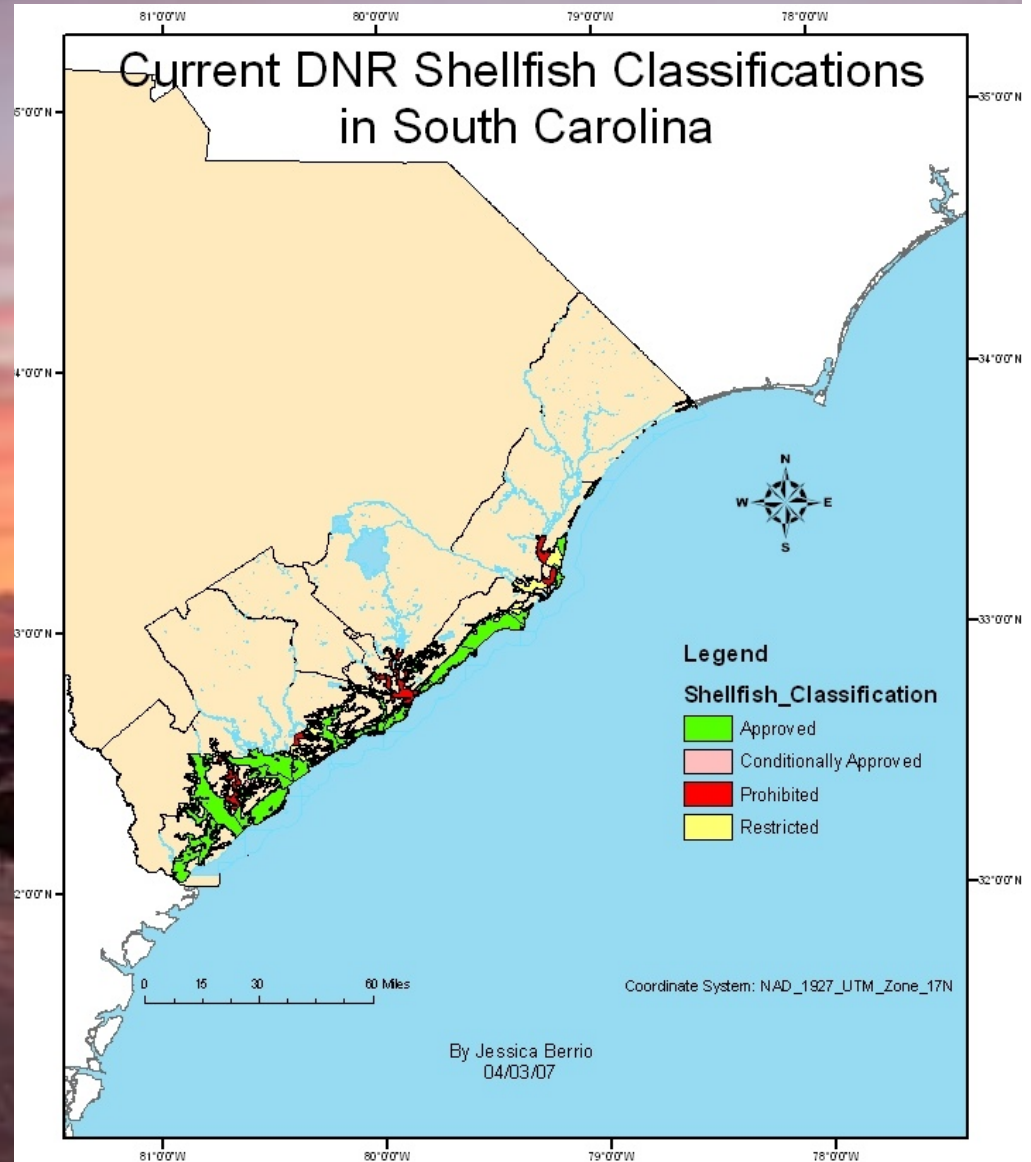
- A unique Conservation technique used in many coastal states

## Recommendations

- Initiate Policy specific to conservation leasing
  - Example- Washington State
- Conservation Leasing on a Smaller Scale
  - Example- North Carolina
- Conservation Leasing Costs- Who Should Pay
  - Conservation Bank
  - Partnerships between agencies and organizations
  - Outright private land donations
  - Allow involvement of the local community to offset costs related to long-term monitoring and enforcement

# Conservation Leasing Recommendations Continued...

- **Determining Potential Conservation Lease Sites**
  - Areas degraded and/or of poor water quality
    - Example- Consult the Shellfish Growing Area Status Report (SCDNR)
    - Potential Sites could be chosen from areas currently classified as restricted or prohibited for shellfish harvesting



## Other States uses of coastal areas considered degraded, of poor water quality, and/or currently unacceptable for public or commercial harvesting of shellfish

State	Area to Protect	Organizations Involved	Purpose of Lease	Project Goals	Current Status
Maine	Cobscook Bay	The Nature Conservancy Local organizations Local Fishers	To Reestablish the clam resources in the bay	To re-seed mudflats with clams Research how to reduce impacts of introduced predators	Work still being done Have created a community- based water quality monitoring program
New York	Peconic Estuary	The Nature Conservancy Local Towns Baymen/Fishers	Protect and store marine habitats such as salt marshes	To restore marine areas to promote marine organism return to the ecosystems including finfish and shellfish	The Nature Conservancy has created two permanent hard clam spawners sanctuaries
Virginia	Cobb Island Bay (Virginia Coastal Reserve)	The Nature Conservancy Virginia Marine Resources Commission	Restore oyster and seagrass beds	Plans are to plant ten acres of seagrass and plant 40,000 bushels of oyster shells	Long-term goals are to increase water quality and biological diversity in the area
Florida	Machaba Balu Preserve	The Nature Conservancy National Park Service	To protect tidal saltmarsh, which acts as a nursery for the region's important fisheries and is a spawning ground for commercial and recreational fish	TNC has helped protect almost 10,000 acres in this region	TNC is working with the National Park Service to manage area of tidal marsh & more than 77 islands
Washington	Woodard Bay (1 <sup>st</sup> aquatic conservation lease)	The Nature Conservancy WASCDNR	In 2005, TNC signed a 10 yr lease with WASCDNR to manage area	Restore native habitat to restore Olympia oyster population	Attempting to set up a fee system for new conservation leasing permits
California	Monterey Bay National Marine Sanctuary- TNC has a lease in the sanctuary	The Nature Conservancy UCSC PISCO ISP Alginates	lease more than 1700 acres of California 's kelp forests within the MBNMS	the leased beds are being monitored to assess the biodiversity supported by kelp canopy habitats	Long-term goals are to determine the potential impacts of canopy loss on that diversity.

# Overall Summary and Conclusions

- **Recommendations:**

- **The State should determine efficiency and effectiveness of a submerged lands leasing policy**

**If it is deemed appropriate and is pursued next steps:**

- **Conduct a submerged lands survey (of public trust lands)**
- **Educate the public about the issue so people are informed about what public trust lands are and how they are being used by both the public and private sector**
- **Involve the public to get opinions on what they feel should be done with public trust lands**
- **Conduct a legal analysis to determine the general processes necessary to change state legislation related to the South Carolina's submerged lands**
- **Conduct an economic analysis to determine potential revenue that could occur from a marine leasing program**
- **Continue to have meetings and stimulate more dialogue about this topic**