

**STAFF REPORT
C95**

A 36
S 16

08/23/18
W 27171
J. Porter

GENERAL LEASE – RIGHT-OF-WAY USE

APPLICANT:

CalPortland Company

PROPOSED LEASE:

AREA, LAND TYPE, AND LOCATION:

0.23 acre, more or less, of State-owned school land located in the East ½ of the Northwest ¼ of Section 36, Township 10 North, Range 13 West, SBM, northwest of Rosamond, Kern County.

AUTHORIZED USE:

Use and maintenance of an existing unpaved access road.

LEASE TERM:

20 years, beginning August 23, 2018.

CONSIDERATION:

\$450 per year, with an annual Consumer Price Index adjustment.

SPECIFIC LEASE PROVISIONS:

1. Insurance: Liability insurance in the amount of no less than \$1,000,000 per occurrence.

2. Lessee will maintain the unpaved road in a passable condition and will assume all costs and expenses associated with road maintenance.

STAFF ANALYSIS AND RECOMMENDATION:

Authority:

Public Resources Code sections 6005, 6216, 6217.5, 6501.1, and 6503, California Code of Regulations, title 2, sections 2000 and 2003.

STAFF REPORT NO. C95 (CONT'D)

State's Best Interests Analysis:

This lease application was received on April 19, 2018. The Applicant owns the property adjacent to the State-owned land. While there are no mining operations on the adjacent land, the Applicant has indicated a proposed future mining use. This lease will authorize use and maintenance of the existing unpaved road to provide access to the adjacent private property for the limited purposes of data collection and mineral exploration activities. No information was found in the file regarding the original date of construction of the road. However, the Commission approved a preferential mineral lease, Lease PRC No. 1498 to Verdi Development on the State-owned parcel on March 31, 1955 ([Item 5, March 31, 1955](#)). The Commission approved the termination of Lease No. PRC 1498.2 on April 14, 1958 ([Item 8, April 14, 1958](#)).

The proposed lease is limited to a 20-year term, does not alienate the State's fee simple interest, and does not grant the lessee exclusive rights to the lease premises. The lease requires the lessee obtain a lease amendment before any further improvements are placed on the State's land. The lease requires the lessee to insure and indemnify the State for any liability incurred as a result of the lessee's activities thereon. The lease also requires the payment of annual rent, which generates revenue for the California State Teachers' Retirement System, consistent with the School Land Bank Act. For the reasons stated above, staff believes issuance of this lease is in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. This action is consistent with Strategy 1.1 of the Commission's Strategic Plan to deliver the highest levels of public health and safety in the protection, preservation and responsible economic use of the lands and resources under the Commission's jurisdiction, and Strategy 2.1 to optimize returns for the responsible development and use of State lands and resources, both onshore and offshore.
2. Staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, title 2, section 2905, subdivision (a)(2).

Authority: Public Resources Code section 21084 and California Code of Regulations, title 14, section 15300 and California Code of Regulations, title 2, section 2905.

STAFF REPORT NO. **C95** (CONT'D)

EXHIBITS:

- A. Land Description
- B. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, title 14, section 15061 as a categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, title 2, section 2905, subdivision (a)(2).

STATE'S BEST INTERESTS:

Find that the proposed lease is in the best interests of the State.

AUTHORIZATION:

Authorize issuance of a General Lease – Right-of-Way Use to CalPortland Company beginning August 23, 2018, for a term of 20 years, for use and maintenance of an existing unpaved access road on 0.23 acre, more or less, of State-owned school land, as shown on Exhibit A and described on Exhibit B (for reference purposes only), attached and by this reference made a part hereof; annual rent in the amount of \$450, with an annual Consumer Price Index adjustment; and liability insurance in an amount no less than \$1,000,000 per occurrence.

EXHIBIT A

W 27171

LAND DESCRIPTION

A twelve (12) foot wide strip of State School land being a portion of the East half of the Northwest quarter of Section 36, Township 10 North, Range 13 West, SBM, County of Kern, State of California, as shown on the Dependent Resurvey on file in the Office of said County Surveyor, accepted on June 19, 1935, lying six (6) feet on each side of the following described centerline:

COMMENCING at a point of intersection of the north line of said Section 36 with the centerline of the 60-foot wide Mojave Tropico Road, said point bears westerly 318 feet more or less from the North quarter corner of said Section 36; thence South 15° 31' 45" West 1603 feet more or less to a point of intersection of the westerly line of said road with the centerline of an unnamed dirt road, and being the POINT OF BEGINNING; thence in a northwesterly direction along the centerline of said dirt road 868 feet more or less to a point of intersection with the west line of the East half of the Northwest quarter of said Section 36 and point of TERMINUS of said centerline.

The sidelines of said twelve (12) foot wide strip to be extended or shortened so as to begin at the westerly line of the 60-foot wide Mojave Tropico Road and terminate at the west line of the East half of the Northwest quarter of Section 36.

END OF DESCRIPTION

Prepared 05/24/2018 by the California State Lands Commission Boundary Unit.



NO SCALE

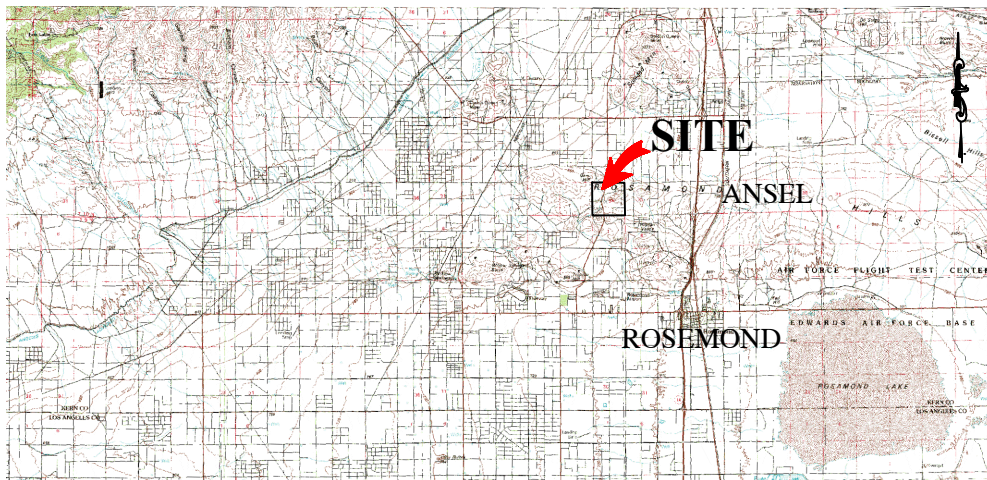
SITE



E¹/₂ OF NW¹/₄ OF SECTION 36, T10N, R13W, SBM

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit B

W 27171
 CALPORTLAND COMPANY
 APN 345-032-02
 GENERAL LEASE -
 RIGHT-OF-WAY USE
 KERN COUNTY



This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.