1. CLARIFICATION OF REGULATIONS FOR PRESERVING AND ENHANCING THE ENVIRONMENT AND PROTECTING ENVIRONMENTALLY SIGNIFICANT STATE LANDS (2 CAL. ADM. CODE, ARTICLE 11, SECTION 2961) W 20528.

Due to technical problems with the item, Calendar Item No. 1 was withdrawn from the Commission's agenda to be considered at a future date.

CALENDAR ITEM

2/76 JFF W 20528

ESTABLISHMENT OF STATE LANDS COMMISSION POLICY FOR IMPLEMENTATION

Public Resources Code Section 6370, et seq., directed the State Lands Commission to inventory unconveyed State school lands and tide and submerged lands for the purpose of identifying those possessing significant environmental values of statewide interest. Additionally the Commission was to adopt rules and regulations to protect these "significant lands".

In compliance with this directive, the Commission adopted new regulations on December 1, 1975, concerning the protection of environmentally significant lands. These regulations now appear in Title 2, Division 3, Article 11, of the California Administrative Code.

Article 11 requires an additional level of environmental evaluation for projects involving lands possessing significant environmental values. It is necessary for the State Lands Commission, prior to an issuance of an application for sale, lease or other use, to find that:

- Adequate provisions have then made for the permanent protection of the significant environmental characteristics of such lands; or
- 2. The granting of the application will have no significant effect upon said characteristics.

There are numerous instances in which there is no entronmental decument required by the California Environmental Quality Act of 1970 (CEQA). In these instances it is difficult to determine that the proposal is compatible with the identified values. Additional clarification of Article 11 appears necessary.

After substantial discussion, it is proposed that in instances where (1) CEQA does not require an environmental document; and (2) the Division does not receive any adverse comments concerning the project; it can be assumed that the granting of the application will have no significant effect upon said characteristics.

The notification of the Division of any adverse effects on significant lands will result in the implementation of the initial study process as outlined in Section 15080 of the State FIR Guidelines.

CALENDAR ITEM NO. 1. (CONTD)

It is proposed that Section 2961, Article 11 of the California Administrative Gode be amended to reflect this interpretation of the Division requirements.

EXHIBIT: A. Title 2, Div. 3 Art. 11, Section 2961 California Administrative Code

IT IS RECOMMENDED THAT THE COMMISSION:

- 1. FIND THAT A CLARIFICATION IS NEEDED FOR TITLE 2, DIV. 3, ARTICLE 11, SECTION 2961, OF THE CAL. ADM. CODE, RELATING TO THE LEASE, SALE OR OTHER USE OF STATE LANDS.
- 2. DETERMINE THAT THE GRANTING OF A LEASE WILL HAVE NO SIGNIFICANT LEFECT UPON THE ENVIRONMENTAL VALUES, IDENTIFIED PURSUANT TO SECTION 6370.1, ET SEQ., OF THE PUBLIC RESOURCES CODE FOR PROJECTS WHERE:
 - (A) CEQA DOES NOT REQUIRE AN ENVIRONMENTAL DOCUMENT.
 - (B) THE STATE LANDS DIVISION HAS NOT RECEIVED ANY ADVERSE COMMENTS CONCERNING THE PROJECT.
- 3. AUTHORIZE THE STATE LANDS DIVISION TO TAKE STEPS AS REQUIRED BY THE ADMINISTRATIVE PROCEDURES ACT TO AMEND TITLE 2. DIVISION 3, ARTICLE 11, OF THE CALIFORNIA ADMINISTRATIVE CODE AS SET FORTH IN EXHIBIT "A", ATTACHED AND BY REFERENCE MADE A PART HEREOF.
- 4. DIRECT STAFF TO EVALUATE APPLICATIONS WHICH REQUIRE COMMISSION APPROVAL IN THE INTERIM AS IF THE SAID AMENDMENTS TO ARTICLE 11 WERE IN FFECT,

Attachment: Exhibit "A"

California Administrative Code Title 2, Administration Division 3, State Property Operations

ARTICLE 11

REGULATIONS PROTECTING ENVIRONMENTALLY SIGNIFICANT STATE LANDS

Section 2961 is amended to read:

2961. Sales, Leages or Other Uses of Significant Lands.

At such time as an application for sale, lease or other use is made to the Division for lands classified as environmentally significant, the Commission will consider the use classification, information about the land which was obtained during the inventory, and other information that may have been obtained subsequent thereto.

- (a) The Commission rhall consider at this time additional protective actions for the environmentally significant State parcel as may be appropriate.
- (b) The Commission may not approve any application affecting lands designated as environmentally significant without finding that adequate provisions have been made for the permanent protection of the significant environmental characteristics of such lands or that the granting of the application will have no significant affect upon said characteristics.

(c) For projects where

- (1) CEQA does not require an environmental decument; and
- (2) The State Lands Division has not received any adverse comments concerning the project.

Unless the granting of the application will have no significant effects upon the environmental values identified pursuant to Section 6370.1 et. seq. of the Public Resources Code.

(d) Such additional protection of the significant environmental values as may be needed shall be incorporated in the terms of an agreement or lease for use of the land.

(d) (e) When unusual circumstances are present, and sufficient public interest has been shown, the Commission may authorize a public hearing concerning the use classification and the need for any additional regulations to protect environmentally significant State land. The hearing shall be held, when feasible, at a convenient location near the area where the land is located. Adequate notice of the hearing will be provided in the area where the hearing will be held.

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