

MINUTE ITEM

This Calendar Item No. 30
was approved as Minute Item
No. 30 by the State Lands
Commission by a vote of 2
to 0 at its 6/26/85
meeting.

CALENDAR ITEM

A 7
S 5

30

06/26/85
SA 5649
Frey
Bjornsen

CANCELLATION OF SCHOOL LAND
PURCHASE APPLICATION SA 5649

At its March 1983 Meeting, the Commission authorized the waiver of the State school land sales restriction for a sale at fair market value of Lots 1, 2, 7, 8, Section 16, T1S, R15E, MDM, containing 163.38 acres in Tuolumne County. This authorization was granted upon a determination that it was in the best interest of the State that the sale be made without competitive bidding in lieu of litigating the applicant's mineral interest in the subject State land. In addition to payment of fair market value for the school land, conditions in the purchase application required the applicants to quitclaim any possible mineral interest in the land to the State.

The purchase applicants are Timothy Patterson, Teresa Machado and Tom Machado of Stockton, California. The initial offer in their purchase application was a total of \$24,507 for the described school land. The appraised fair market value of the subject property was initially determined to be \$57,000 by Commission staff in May 1983. Because the Commission was to receive, in addition, an easement for access across the applicant's land, and because the sale was in part in lieu of litigation, the commission staff agreed to reduce the fair market price to \$45,000.

The applicants challenged the appraisal. Several adjustments were made to it. Still the applicants did not tender an offer equal to the appraisal price. A second appraisal was done at Commission expense in August 1984. It confirmed the original appraisal. The applicants have offered no evidence that the Commission's appraisals are in error.

CALENDAR PAGE	<u>107</u>
MINUTE PAGE	<u>1926</u>

CALENDAR ITEM NO. 30 (CONT'D)

Through their attorney by letter dated October 26, 1984 the applicants stated they believed a price of \$41,000 was appropriate under the circumstances. In light of the two appraisals Commission staff believe this price not to be fair market value. The applicants have failed to raise their offer to \$45,000. In view of the time which has elapsed without the purchase being completed it is staff's position that it probably never will and that the authorization for sale should be cancelled.

STATUTORY AND OTHER REFERENCES:

- A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.
- B. Cal. Adm. Code: Title 2, Div. 3; Title 14, Div. 6.

AB 884: N/A.

OTHER PERTINENT INFORMATION:

- 1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that this activity is exempt from the requirements of the CEQA because CEQA does not apply to projects which a public agency rejects or disapproves.

Authority: P.R.C. 21080(b)(5) and 14 Cal. Adm. Code 15270(a).

EXHIBIT: A. Site Map.

IT IS RECOMMENDED THAT THE COMMISSION:

- 1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT P.R.C. 21080(b)(5) AND 14 CAL. ADM. CODE 15270(a) BECAUSE CEQA DOES NOT APPLY TO PROJECTS WHICH A PUBLIC AGENCY REJECTS OR DISAPPROVES.
- 2. AUTHORIZE CANCELLATION OF PURCHASE APPLICATION SA 5649 FOR STATE SCHOOL LAND IN LOTS 1, 2, 7, 8, SECTION 16, T1S, R15E, MDM, BECAUSE OF APPLICANTS FAILURE TO PURCHASE AT THE APPRAISED, FAIR MARKET VALUE.

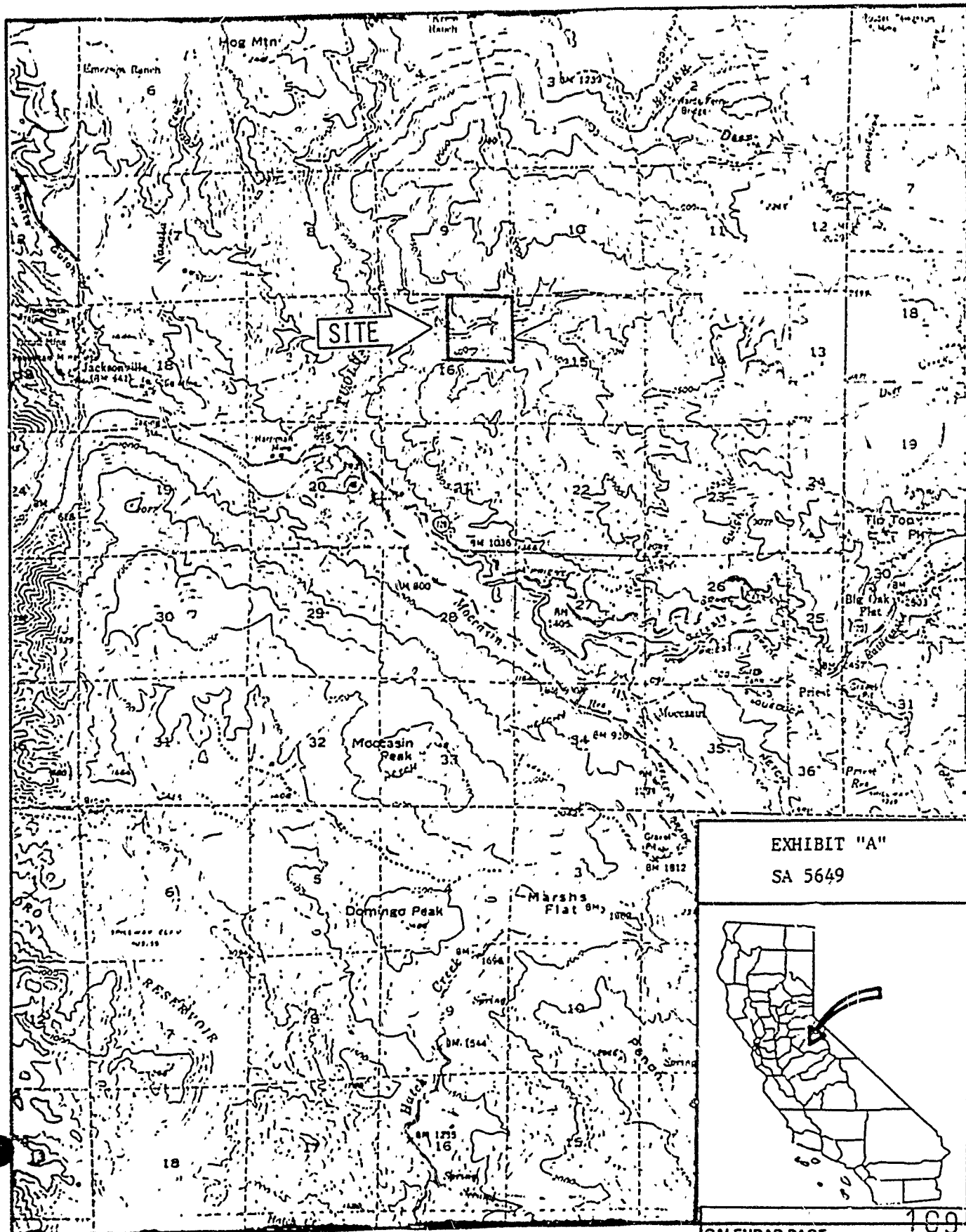


EXHIBIT "A"

SA 5649



CALENDAR PAGE

109

MINUTE PAGE

1928