

MINUTE ITEM C32

PRC 5757

PRC 1648

W 23390

SA 5687

Don Reese

AUTHORIZE THE STATE LANDS COMMISSION, ACTING AS
SCHOOL LAND BANK TRUSTEE, TO OFFER FOR SALE
FIFTEEN PARCELS OF STATE SCHOOL LAND STATEWIDE

Calendar Item C32, attached, was pulled from the agenda prior to the meeting.

Attachment: Calendar Item C32

A)
) Statewide
S)

CALENDAR ITEM

A)
S) Statewide

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12/12/90
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AUTHORIZE THE STATE LANDS COMMISSION, ACTING AS
SCHOOL LAND BANK TRUSTEE, TO OFFER FOR SALE
FIFTEEN PARCELS OF STATE SCHOOL LAND STATEWIDE

PARTY: State Lands Commission
1807 - 13th Street
Sacramento, California 95814

Pursuant to P.R.C. 8700 (School Land Bank Act) and the School Land Management Study, staff analyzes and identifies parcels of land scattered throughout the State which, in their present condition, are either uneconomic for leasing purposes, are difficult to manage due to their location, terrain, etc., or have a highest and best use for sale for surface development. During staff analysis, a determination is made if leasing a parcel of school land or offering that parcel for sale would be in the best interest of the State and the retired teachers.

Based on analysis, staff has made a preliminary determination that offering for sale the parcels described on Exhibit "A", by competitive bid, is in the best interest of the State and the retired teachers.

The majority of these parcels have not had a mineral evaluation. The six parcels that have had mineral evaluations range from low to high potential for economic mineral resources. Staff does not believe the parcels identified for

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sale are likely to be developed for minerals, so that the expenditures of staff time and money for a mineral valuation would not be advisable. Staff proposes that the subject sale parcels be marketed without mineral evaluations for the following reasons:

- (a) If the sales are approved by the Commission, the patent, pursuant to P.R.C. 6402, will contain a reservation reserving right of entry and minerals.
- (b) A survey conducted by staff has shown that most potential purchasers, i.e., federal, State agencies, and private parties, do not object to the purchase of property with a split estate.
- (c) Mineral evaluations are not cost effective for low market-valued surface parcels.
- (d) The school lands asset is composed of 550,000± acres scattered throughout the State. Actual mining activities on school lands take place on only one-tenth percent (.1%±) of the land asset, and prospecting permits have been issued for only two percent (2%) of the land asset. The average cost of the school lands mineral program, exclusive of oil and gas and geothermal, over the last three years has been approximately \$300,000 per annum and average revenues over the last three years, excluding a one-time settlement for trespass (\$400,000), have been \$40,000 per annum.

It is proposed that the Commission authorize staff to offer the subject properties for sale by competitive bid. The minimum bid would be the appraised value in addition to any associated costs incurred preparing the sale.

Final bids on the properties will be presented to the Commission for approval and acceptance.

STATUTORY AND OTHER REFERENCES:

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

AB 884: N/A.

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OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Code Regs. 15061), the staff has determined that this activity is exempt from the requirements of the CEQA as a statutorily exempt project. The project is exempt because it involves an action taken pursuant to the School Land Bank Act, P.R.C. 8700, et seq.

Authority: P.R.C. 8710.

- EXHIBITS:
- A. Land Description.
 - B. Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. CODE REGS. 15061 P.R.C. 8710, AN ACTION TAKEN PURSUANT TO THE SCHOOL LAND BANK ACT, P.R.C. 8700, ET SEQ.
2. AUTHORIZE THE OFFERING FOR SALE, BY COMPETITIVE BID, FIFTEEN (15) STATE SCHOOL LAND PARCELS, SUBJECT TO SUBSEQUENT COMMISSION ACCEPTANCE OF BIDS, APPROVAL OF SALE, AND ISSUANCE OF PATENTS IN CONFORMANCE WITH ALL APPLICABLE LAWS, RULES, AND REGULATIONS.

EXHIBIT "A"

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LAND DESCRIPTION

Those parcels of school lands in the State of California more particularly described as follows:

EL DORADO COUNTY

Lots 5 and 6 in Section 19, T10N, R12E, MDM.
E1/2 of the SW1/4 of the SE1/4 of Section 20, T10N, R12E, MDM.

IMPERIAL COUNTY

Section 36, T10S, R14E, SBM.
N1/2 of the SE1/4 of Tract 81, T15S, R12E, SBM.

LOS ANGELES COUNTY

Section 16, T1N, R10W, SBM.

MODOC COUNTY

Section 16, T40N, R17E, MDM.

RIVERSIDE COUNTY

Section 36,, T2S, R20E, SBM.
W1/2 of the SE1/4; SE1/4 of the SE1/4 of Section 36, T6S, R5W, SBM.

SANTA BARBARA COUNTY

Lots 14 and 19 in Section 36, T12N, R31W, SBM.

SAN BERNARDINO COUNTY

SW1/4 of the SW1/4 of Section 28, T6N, R3W, SBM.
W1/2; SE1/4; E1/2 of the NE1/4 of Section 36, T9N, R22E, SBM.

SAN DIEGO COUNTY

Portion of the NW1/4 of the NW1/4 of Section 36, T15S, R3E, SBM.
W1/2 of the NE1/4; NW1/4 of the SE1/4, Section 16, T16S, R3E, SBM.

SISKIYOU COUNTY

Portion of the SE1/4 of the SE1/4 of Section 34, T41N, R4W, MDM.

END OF DESCRIPTION

PREPARED DECEMBER BY LLB.

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