

MINUTE ITEM

22

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 22 was amended at the meeting with the Santa Barbara County parcel being pulled for a one month delay.

Lance Kiley passed out a FAX received from Donald Walker of El Centro who wanted it presented to the Commissioners.

Commissioners voted 3-0 to approve the Item as amended.

A)

(Statewide

S)

FEB. 5, 1991

TO: LANCE KILEY  
RE: THE SLABS

Lance I am faxing this letter in regards to the property called the Slabs.

I have talked to numerous people about a lease option purchase or lease purchase of the 600 acres which is called the slabs, east of Niland.

I have checked the property out and have read the grand jury report that was made one year or so ago. I am willing to tackle this headache that you and the county have had for some time.

I feel that I can do this but only with a lease purchase option. The reasons for this is:

1. When an individual owns a piece of property is always tied up by the county offices in one way or the other through planning, permits, time delays.
2. He is also held up by the state through permits, timing, plans, and regulations.
3. In essence with the both of you as my partners I feel I would have the help and the necessary power to correct all the problems up there without all the red tape I would have to go through as an individual.

As you know this has been a thorn in everyones side for quite a while, I feel an individual could not do this on his own without some help. That is the only reason I am asking for a lease purchase on the property and not wanting to buy it at the present time.

I have a good track record with the state of Utah on a 7 year lease and have a record with the state of California with a 90 day lease and have renewed a 3 year lease with them at present. I lease the Mid-winter Fairground in Imperial Ca.

I have the knowledge and the financial backing to make the slabs into a primitive camp area and swap meet.

Would you please present this letter to the commissioners meeting Feb. 6, 1991.

Cordially,



Donald Walker  
Imperial Valley GMC Trucks  
2090 Hwy 111  
El Centro Ca. 92243

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**MINUTE ITEM**

This Calendar Item No. 22  
was approved as Minute Item  
No. 22 by the State Lands  
Commission by a vote of 2  
to 0 at its 2/16/91  
meeting.

**CALENDAR ITEM**

A )  
 ) Statewide  
S )

22

02/06/91  
PRC 5757  
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Reese

**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

The legislature enacted the School Lands Bank Act in 1984. Pursuant to section 8702 of this Act, the legislature declared that the State's school lands were to be managed and enhanced to support the public school system. The Commission is directed to conduct its transactions in a manner which maximizes revenue. The Commission contracted with the real estate consulting firm of Williams-Kuelbelbeck and Associates Inc. ("Williams-Kuelbelbeck") to evaluate the Commission's management of school lands and to make recommendations on achieving these legislatively mandated goals.

In 1987, Williams-Kuelbelbeck submitted a report of its analysis and recommendations. One recommendation was that the Commission focus on enhancing the quality of the school lands asset for revenue production through a cost effective exchange and sales program. Williams-Kuelbelbeck noted that, in many cases, the Commission could meet its mandate by selling certain school lands and placing the proceeds in the School Land Bank until suitable

acquisitions could be made. The report recommended that a specific process to evaluate the economic potential of selected school land parcels. The report recommended that school lands best suited for disposition through sale or exchange are those which are determined to be: (1) non-revenue producing, (2) without significant environmental values, (3) not likely to have any future revenue potential, and (4) whose appreciation is likely to have been maximized.

The staff has, since the report, consummated land exchanges to acquire lands from the federal government which can be consolidated into current holdings and/or can be marketed and the proceeds deposited in the School Land Bank for later investment. Under the criteria recommended by Williams-Kuelbelbeck, the lands identified herein for disposal are those lands which are either uneconomic for leasing purposes, difficult to manage due to location, terrain, lack of access, or which have appreciated substantially and have development nearby, or are otherwise best suited for disposal.

Upon approval to offer the parcels for sale, the staff will complete its appraisals of the parcels and contact parties who may be interested. Other parties, including environmental groups, would receive notice of the proposed sale. The lands would then be marketed primarily by competitive bid. The minimum sale price will be the fair market value in addition to any associated costs incurred preparing the sale. Once the highest qualified bidder(s) are determined, the staff will submit all proposals to the Commission for its final consideration. All sales proposals will contain a provision indicating that the Commission must give the final authorization to sell. Once the lands are sold to private parties, they would become subject to all local zoning, planning, and permit requirements.

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 many potential purchasers, i.e., federal, State agencies, and private parties, do not object to the purchase of property with a split estate.

**STATUTORY AND OTHER REFERENCES:**

A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.

B. Cal. Code Regs.: Title 3, 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. Code Regs. 15061), the staff has determined that his 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.

**EXHIBIT:**

- 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 AS A STATUTORILY EXEMPT PROJECT PURSUANT TO P.R.C. 8631, AN ACTION TAKEN PURSUANT TO THE SCHOOL LAND BANK ACT, P.R.C. 8700, ET SEQ.
2. AUTHORIZE THE OFFERING FOR SALE FIFTEEN (15) STATE SCHOOL LAND PARCELS, SUBJECT TO SUBSEQUENT COMMISSION ACCEPTANCE OF 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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