

MINUTE ITEM
This Calendar Item No. C52
was approved as Minute Item
No. 52 by the State Lands
Commission by a vote of 3
to 0 at its 10/28/96
meeting.

CALENDAR ITEM
C52

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10/28/96
W 25358
Pelkofer

**PROPOSED FINDING OF NO KNOWN COMMERCIAL MINERAL VALUE
AND APPROVAL OF SALE WITHOUT RESERVATION OF MINERAL RIGHTS
OF THREE PARCELS OF LAND**

APPLICANT:

Department of General Services
Office of Real Estate and Design Services
Proactive Asset Management
400 R Street, Suite 5100
Sacramento, California 95814
Attn: Jamie Safford

AREA, TYPE LAND AND LOCATION:

Three individual parcels, Parcels A (54.7 acres), B (39.9 acres), and C (60.2 acres), of state proprietary land located along Zanker Road south of Highway 237 in Santa Clara County.

LAND USE:

State proprietary land held by Department of General Services as surplus for disposal.

PROPOSED COMMISSION ACTION:

A finding that "there are no known deposits of commercially valuable minerals in and above a plane located 500 feet below the surface" of three state owned parcels of land; and approval of the sale without reservation of the existing mineral deposits within 500 feet of the surface of those parcels of land.

CONSIDERATION:

The Department of General Services has agreed to reimburse the Commission for the cost of the staff effort in preparation of the mineral evaluation.

STATUTORY AND OTHER REFERENCES:

- A. Public Resources Code Section 6401(a) and (b)
- B. Public Resources Code Section 6404

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AB 884:

N/A

OTHER PERTINENT INFORMATION:

1. The Department of General Services has requested the Commission evaluate three parcels of state proprietary land for mineral potential and if appropriate make a finding in accord with Public Resources Code Section 6401(b) that there are no known deposits of commercially valuable minerals in and above a plane located 500 feet below the surface in order to sell the parcels without the statutory reservation of minerals as required by Section 6401(a).
2. Mineral Resources Management Division has preformed the mineral evaluation and their report is attached as an Exhibit. Staff has concluded that there is a low potential overall for mineral occurrences on the subject property. Considering the location of the parcels and the close proximity of suburban areas including residential, commercial, industrial and some agricultural and zoning which does not provide for mineral development, it is reasonable to conclude that the potential for commercial mineral development is minimal. The staff therefore recommends the Commission make the required finding pursuant to Section 6401(b) which will permit the sale of the parcels without the statutory reservation to a depth of 500 feet.
3. The parcels are included in the general plan for the City of San Jose and are covered by a Draft EIR amending the plan. Mineral resource development is not discussed in the plan.
4. 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 CEQA, because the activity is not a "project" as defined by CEQA and the State CEQA Guidelines.

EXHIBIT:

- A. Mineral Evaluation of Agnews (East) Property, Santa Clara County with attached location maps.

CALENDAR ITEM NO. C52 (CONT'D)

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND PURSUANT TO PUBLIC RESOURCES CODE SECTION 6401(b) THAT "THERE ARE NO KNOWN DEPOSITS OF COMMERCIALY VALUABLE MINERALS IN AND ABOVE A PLANE LOCATED 500 FEET BELOW THE SURFACE" OF THE PARCELS PROPOSED FOR SALE BY THE DEPARTMENT OF GENERAL SERVICES AND THAT THE SALE MAY BE MADE WITHOUT THE RESERVATION OF MINERAL RIGHTS REQUIRED BY PUBLIC RESOURCES CODE SECTION 6401(a) TO A DEPTH OF 500 FEET BELOW THE PARCELS.
2. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. CODE REGS. 15061, BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND 14 CAL. CODE REGS. 15378.
3. AUTHORIZE THE EXECUTIVE OFFICER TO EXECUTE SUCH DOCUMENTS AND STAFF TO COMPLETE SUCH MINISTERIAL TASKS AS ARE NECESSARY TO CARRY OUT THE PURPOSES OF THIS CALENDAR ITEM.

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MEMORANDUM

To : Alex Gonzalez, Senior
Mineral Resources Engineer

Date : August 14, 1996

File No: Mineral Inquiries
1996
W40732

From : Eric L. Kruger, Jr.
Mineral Resources Management Division
California State Lands Commission
200 Oceangate, 12th Floor
Long Beach, CA 90802

Telephone: ATSS 635-5237
(310) 590-5237

California Relay Service
TDD/TT (800) 735-2626

Subject: Mineral Evaluation of the Agnews (East) Property, Santa Clara County.

Background

The subject property is located at the site of the Agnews State Hospital in portions of Sections 13 and 14, T6S, R1W, MDM. The property consists of approximately 155 acres of State interest land situated in North San Jose about two miles south of Milpitas. The general vicinity is composed of typical suburban areas including residential, commercial, industrial and some agricultural lands. The property is bounded by Interstate 880, U.S. Highway 101 and State Highway 237.

Mineral Evaluation

The mineral evaluation consisted of a regional overview of the general geology and mineral resource potential. Staff found that the State land at Agnews was not favorable to mineral resource development, and overall is classified low potential for occurrence of commercial mineral resources. There may be some limited potential for sand and gravel extraction along part of the east boundary of the property in the area of the bed of nearby Coyote Creek.

Several well symbols appear on the USGS 15 min. San Jose, Calif. (1961) quadrangle map in the Agnews vicinity. Staff believes that these are water wells for agricultural use, since there's no oil and gas potential.

Geologically, the Agnews property appears to be in a transition zone between the San Francisco Bay saline estuary mud deposits to the

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sediments of Coyote Creek to the east and the Guadalupe River to the south. The State land underlying Agnews is probably composed of Quaternary alluvium including silts and clays prone to subsidence from groundwater removal.

MILS data show mineral locations within a five-mile radius of Agnews consisting of industrial works that include steel mills, cement plants and gravel pits. Other sites in the area include an automobile assembly plant.

SCH#95073065

This is a revised Draft EIR amending the City of San Jose's general plan for 260 acres at the Agnews site. Approximately 195 acres of the site would change land use designation from Public/Quasi-Public to Industrial Park and 65 acres along the east boundary of the site would become Public Park/Open Space. It appears that most of the State land is included in the area to be redesignated as industrial park. According to the Draft EIR, the site is classified as prime agricultural land. Mineral resource development at the site is never discussed in the document.

Staff reviewed this document in March 1996, and specified that the State interest land involved has low potential and that the environmental impacts should be mitigated.

Conclusions

Staff concludes there is low potential overall for mineral occurrences on the subject property and in the general vicinity of Agnews. Staff further concludes that with the combination of extensive water well systems for agriculture or commercial and industrial uses of the land, environmental issues including subsidence from groundwater removal may exist in this area.

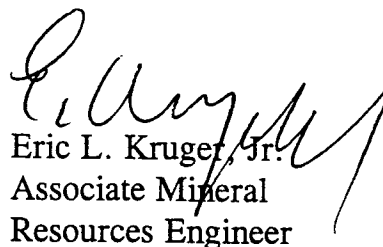
Disposal of the subject property may result in a zoning change and hence a change in the County's General Plan for land use.

Recommendation

It is recommended that if the State proposes to sell or otherwise dispose of this property, that it reserve all minerals below a depth of 500 feet.

Staff Cost

Staff estimates that three work days (24 hours) were used to complete this evaluation. At approximately \$83 per hour (reimbursable billing rate), the total cost for staff time on this project is \$2000.

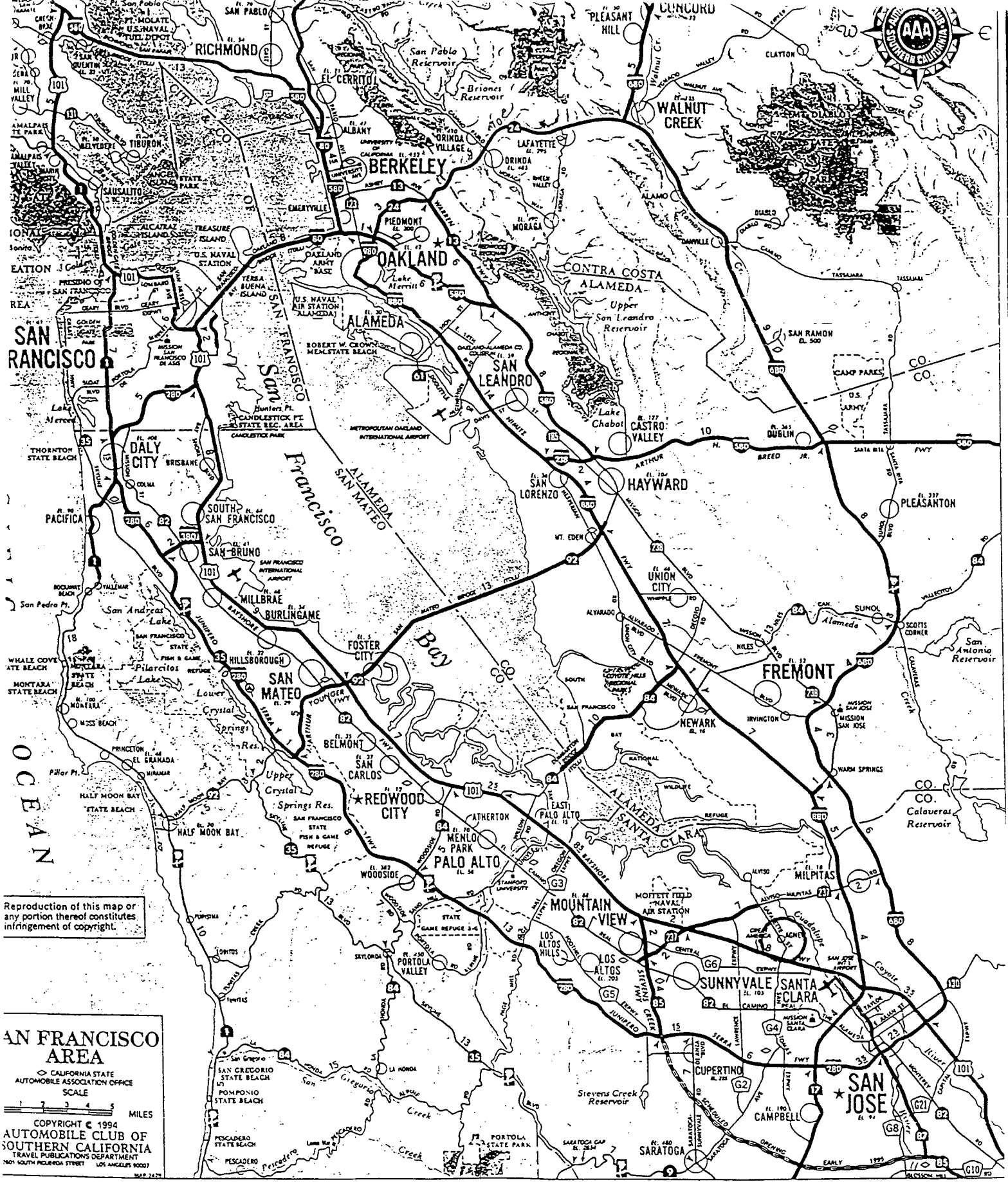

Eric L. Kruger, Jr.
Associate Mineral
Resources Engineer

Attachment: site maps

cc: P. B. Mount II - w/attach.
A. D. Willard - w/attach.

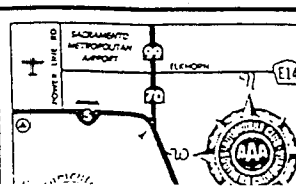
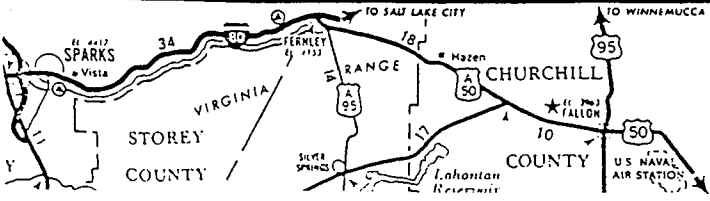
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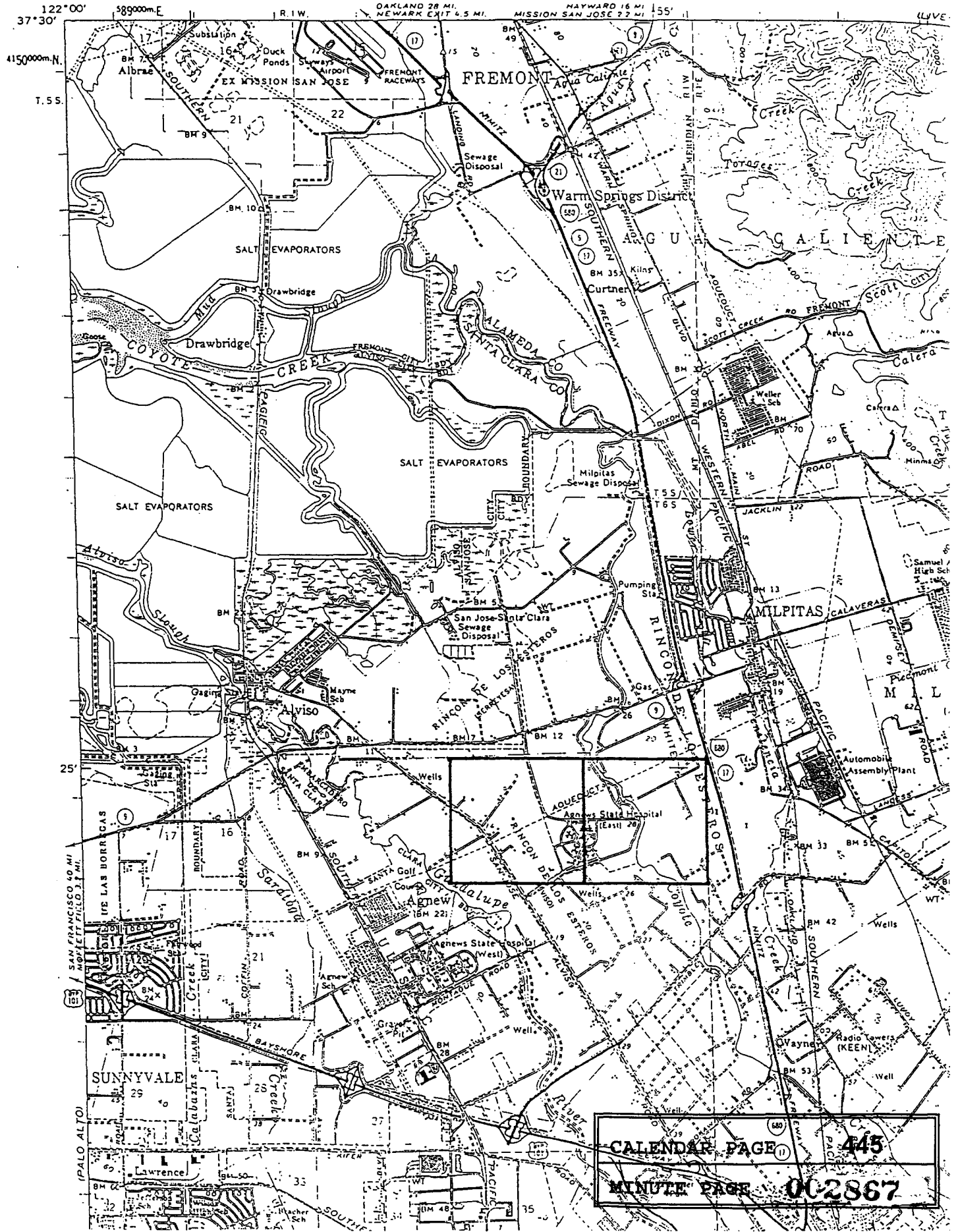
SAN FRANCISCO AREA
 CALIFORNIA STATE AUTOMOBILE ASSOCIATION OFFICE SCALE
 1 2 3 4 5 MILES
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(HAYWARD)

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