

MINUTE ITEM

This Calendar Item No. C90 was approved as Minute Item No. 90 by the California State Lands Commission by a vote of 3 to 0 at its 7-24-01 meeting.

**CALENDAR ITEM
C90**

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Statewide

04/24/01

Bid Log 2000-05

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M. Wetzel, D. Brown, A. Cueva

**REQUEST DELEGATION OF AUTHORITY FOR EXECUTIVE OFFICER
TO SOLICIT BIDS, AWARD AND EXECUTE AGREEMENT
FOR AGRICULTURAL LAND INVESTMENT CONSULTANT**

PARTY:

California State Lands Commission
100 Howe Avenue, Suite 100 South
Sacramento, CA 95825-8202

BACKGROUND:

The CSLC, through its State School Lands Management Program, manages approximately 478,000 of school lands held in fee ownership by the State and the reserved mineral interests on another 790,000 acres of school lands. Public Resources Code (PRC) Sections 8700-8716 created the School Land Bank Fund in 1984 and directed the lands to be proactively managed to provide for an economic base and the generation of revenue for support of the public school system. The funds are statutorily permitted to be expended for the purchase of revenue-generating real property.

To maintain its historic commitment to a land-based investment policy, the CSLC is researching real estate investment options that will maximize the revenues it contributes to the State Teachers Retirement System (STRS). With a specific emphasis on agricultural lands, the CSLC is seeking California-based real estate investments that will generate an acceptable rate of return while recognizing the importance of other public issues, including social, environmental and macro economic goals.

PROPOSED ACTIVITY:

The Agricultural Land Investment Consultant will assist and advise the staff of the CSLC in developing an informed investment strategy leading to the acquisition of revenue generating lands for addition to the existing school lands resource base.

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The work will involve the evaluation and comparison of the feasibility of investment in various types of real estate opportunities, with specific emphasis on agricultural lands. A thorough analysis of the positives and negatives for each type of investment opportunity will be required, as well as a comparison of the anticipated rate of return for both the short and long term.

The bids shall be conducted consistent with procedures as specified in the State Administrative Manual and Public Contract Code. All bid proposals and evaluation sheets will be available for public inspection at the Commission's Sacramento office in accordance with Public Contract Code requirements.

STATUTORY AND OTHER REFERENCES:

- A. Public Resources Code Section 6106 (Delegation to execute written instruments)
- B. Public Contract Code Section 10335 et. seq. (Contracts for Services)
- C. Public Contract Code Section 10355 et. seq. (Consulting Services)
- D. State Contracts Manual Section 1200 (Contracts)
- E. Public Resources Code Division 7.7 (School Land Bank Act)

IT IS RECOMMENDED THAT THE COMMISSION:

- 1. FIND THAT THESE ACTIVITIES ARE EXEMPT FROM THE REQUIREMENTS OF CEQA PURSUANT TO 14 CAL CODE REGS. 15061 BECAUSE THESE ACTIVITIES ARE NOT PROJECTS AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND 14 CAL CODE REGS. 15378.
- 2. AS TRUSTEE, AUTHORIZE EXPENDITURE FROM THE SCHOOL LAND BANK FOR THIS PURPOSE.
- 3. AUTHORIZE THE EXECUTIVE OFFICER OR HIS DESIGNEE TO SOLICIT BIDS, AWARD AND EXECUTE CONTRACT IN ACCORDANCE WITH STATE POLICIES AND PROCEDURES NOT TO EXCEED \$40,000.