

MINUTE ITEM

This Calendar Item No. C01 was approved as Minute Item No. 01 by the California State Lands Commission by a vote of 3 to 0 at its 4-9-02 meeting.

**CALENDAR ITEM
C01**

A		04/09/02
	Statewide	W 25758
S		B. Crandall, D. Brown A. Cueva

REQUEST AUTHORITY FOR EXECUTIVE OFFICER TO SOLICIT PROPOSALS, NEGOTIATE FAIR AND REASONABLE PRICE, AWARD AND EXECUTE AGREEMENTS FOR PROFESSIONAL LAND USE PLANNING/DESIGN AND SURVEYING SERVICES FOR BARSTOW PROPERTY DEVELOPMENT

PARTY:

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

BACKGROUND:

In April 2000, the California State Lands Commission (CSLC), as trustee of the School Fund Bank Fund acquired an approximately one-acre parcel located at the northwesterly corner of a newly constructed interchange at Interstate Highway 15 and Avenue L in Barstow. Acquisition of the parcel, combined with the approximately 32.5-acre adjoining school land parcel, created a total parcel of 33.49 acres that, in staff's opinion, has potential for commercial development.

Staff, acting on Commission approval at the April 24, 2001 meeting, contracted with a consultant for the purpose of analyzing the feasibility of ground leasing the property for revenue generating purposes. The consultant's report and verbal presentation of findings indicate the prospects of implementing a ground lease program for the property are exceptional, with a time horizon for complete build-out of nearly 20 years. The consultant indicates the property is ideally suited to highway commercial development because of the exceptionally high traffic counts along Interstate Highway 15, a heavily traveled route between Los Angeles and Las Vegas, Nevada. The city of Barstow, due to its location roughly midway between Los Angeles and Las Vegas, has historically served as a stop for traveler services along the route. The California Department of Transportation estimates traffic along Interstate Highway 15 through Barstow will increase significantly through 2020, which should create an increased demand for services in the area.

The consultant envisions a mix of uses on the property, including service stations, restaurants, retail, lodging facilities, and a museum/visitor center. The

CALENDAR ITEM NO. C01 (CONT'D)

consultant estimates that when fully ground-leased, the property could generate annual income ranging from approximately \$900,000 to \$1,600,000 depending on future market conditions.

Staffs recommendation is to proceed with the initial phase of work required for a successful program of ground leasing the Barstow property for revenue generating purposes. This step will include the planning and surveying needs of the project. The process will eventually include retention of other professional services including, but not necessarily limited to, engineering, legal, and marketing. In addition, with future Commission authorization, construction of infrastructure improvements may be undertaken by the CSLC at the appropriate time to enhance the marketability of the property.

PROPOSED ACTIVITY

At this time, staff proposes to retain professional planning services to design an overall land use development plan for the property and to perform other incidental services related to the land use planning process that may be necessary. Staff is also proposing to retain the services of a surveying company, if necessary.

Consultant selection shall be conducted consistent with procedures as specified in CSLC Regulations and in the State Contracting Manual on the basis of demonstrated competence and qualifications for the types of services to be performed and at a fair and reasonable price.

STATUTORY AND OTHER REFERENCES:

- A. Public Resources Code Section 6106 (Delegation to execute written instruments)
- B. State Contracts Manual Section 11.00 (A & E method)
- C. Public Contract Code Section 6106
- D. Government Code Section 4526
- E. California Administrative Code Title 2 Article 13 Section 2980.0 - 2990.0

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THESE ACTIVITIES ARE EXEMPT FROM THE REQUIREMENTS OF CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061, BECAUSE THESE ACTIVITIES ARE NOT PROJECTS AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.
2. FIND THAT THE SELECTION OF CONSULTANTS UNDER THIS PROCESS DOES NOT AFFECT SMALL BUSINESSES AS DEFINED IN GOVERNMENT CODE SECTION 11342, SUB. (H), BECAUSE THEY WILL BE ACCORDED

CALENDAR PAGE	000002
MINUTE PAGE	000000

CALENDAR ITEM NO. C01 (CONT'D)

EQUAL OPPORTUNITY TO SUBMIT STATEMENTS OF QUALIFICATIONS AND PERFORMANCE DATA.

3. AUTHORIZE THE EXECUTIVE OFFICER OR HIS DESIGNEE TO SOLICIT PROPOSALS, NEGOTIATE FAIR AND REASONABLE PRICE, AWARD AND EXECUTE CONTRACTS IN ACCORDANCE WITH STATE POLICIES AND PROCEDURES IN THE AMOUNT NOT TO EXCEED \$125,000.