

MINUTE ITEM

This Calendar Item No. C45 was approved as Minute Item No. 45 by the California State Lands Commission by a vote of 3 to 2 at its 4-26-05 meeting.

**CALENDAR ITEM
C45**

A 34
S 18

04/26/05
SA 5760
J. Porter
J. Frey

AUTHORIZE, AS SCHOOL LAND BANK TRUSTEE, THE SALE AND SUBSEQUENT ISSUANCE OF A PATENT TO HOME DEPOT U.S.A, INC. FOR APPROXIMATELY 13.95 ACRES OF SCHOOL LANDS LOCATED AT THE INTERSECTION OF INTERSTATE 15 AND L STREET, CITY OF BARSTOW, SAN BERNARDINO COUNTY

PURCHASER:

Home Depot U.S.A., Inc.

BACKGROUND:

The California State Lands Commission (CSLC), through its State School Lands Management Program, manages approximately 473,000 acres of school lands held in fee ownership by the State and the reserved mineral interests on another 790,000 acres of school lands. Section 8700 et seq. of the Public Resources Code (School Land Bank Act) provides for the selection, acquisition, and conveyance of real property (or any interest in real property) by the CSLC acting as the School Land Bank trustee with the objective of facilitating management of school lands to generate revenue. Through the establishment of the Act, as amended, the Legislature directed the CSLC to manage the remaining school lands to provide an economic base for support of the State Teacher's Retirement System. The CSLC is responsible for developing school lands into a permanent and productive resource base to ensure such financial support.

AREA, LAND TYPE, AND LOCATION:

13.95 acres, more or less of State School Land located at the intersection of Interstate 15 and L Street, City of Barstow, San Bernardino County.

STATUTORY AND OTHER REFERENCES:

- A. Public Resources Code Section 6106 (Delegation to execute written instruments)

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B. Title 2, California Code of Regulations, Section 2030, et seq.

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines [Title 14, California Code of Regulations, sections 15061(b)(1) and 15282], the staff has determined that this activity is statutorily exempt from the requirements of the CEQA because it involves an action taken pursuant to the School Land Bank Act, Public Resources Code, section 8710.

Authority: Public Resources Code section 8710.

2. The CSLC is the owner of a parcel of school land containing approximately 33.5 acres of land located at the intersection of Interstate 15 and L Street in Barstow. At its meeting of December 9, 2004, pursuant to Item 34, the Commission authorized staff to issue a Request for Proposals entitled "Barstow I-15/L Street Site Development Project", State School Lands Bid Log No. 2005-01, (RFP) for the sale of approximately 13.70 acres of the property (sale property).
3. The RFP was issued on January 19, 2005. The RFP provided that, after receiving final authority from the Commission to complete the transaction, the CSLC would convey fee title to the sale property after the finalization of the legal description of the sale property and upon the completion of the terms and conditions of the RFP.
4. Pursuant to the terms of the RFP, a duly appointed staff panel reviewed and evaluated the proposals received in response to the RFP.
5. On March 16, 2005, staff announced its intention to award the RFP to Home Depot U.S.A., Inc.
6. Upon the finalization of the legal description, the sale property was determined to contain approximately 13.95 acres. The purchase price of \$1,500,000.00, together with the cost of the infrastructure improvements to be paid for by the purchaser, as described in Paragraph 7 below, exceed the fair market value of the sale property, as supported by a staff review of an independent appraisal of the sale property and other pertinent data.

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7. In addition to the purchase price, the purchaser also will pay for the installation of infrastructure improvements for the entire 33.5-acre property as well as pay all city fees associated with all of the infrastructure improvements. Upon the sale of the 13.95-acre parcel and completion of the required infrastructure improvements, the CSLC will have approximately 19.55 acres of vacant land that will be suitable for immediate commercial ground leasing that will provide long-term regular income. Pursuant to Public Resources Code section 6217.5, the income provided by the ground leasing will be deposited into the State Treasury to the credit of the State Teachers' Retirement Fund.
8. All of the infrastructure improvements will be constructed either within existing city or private utility right-of-ways or within the boundaries of the sale property. Although none of the infrastructure improvements will be constructed on the state's remaining 19.55 acres (remainder property), the CSLC will retain 1) comprehensive access easements across portions of the sale property to allow legal access to all portions of the remainder property, and 2) utility easements to permit future hook-ups to utility services by future tenants of the remainder property.
9. The consideration of \$1,500,000.00 will be deposited into the School Land Bank to: 1) facilitate the management of school lands, 2) generate revenue, and 3) carry out the goals of the School Land Bank Act. The CSLC will be acting as trustee for the School Land Bank Act, pursuant to Division 7.7 of the Public Resources Code for this transaction.
10. Staff has filed a General Plan for this activity with the Legislature pursuant to Public Resources Code section 6373.

EXHIBITS:

- A. Location Map
- B. Land Description
- C. General Plan

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, 15061 AS A STATUTORILY EXEMPT PROJECT PURSUANT TO PUBLIC RESOURCES CODE SECTION 8710, AN

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ACTION TAKEN PURSUANT TO THE SCHOOL LAND BANK ACT,
PUBLIC RESOURCES CODE SECTION 8710.

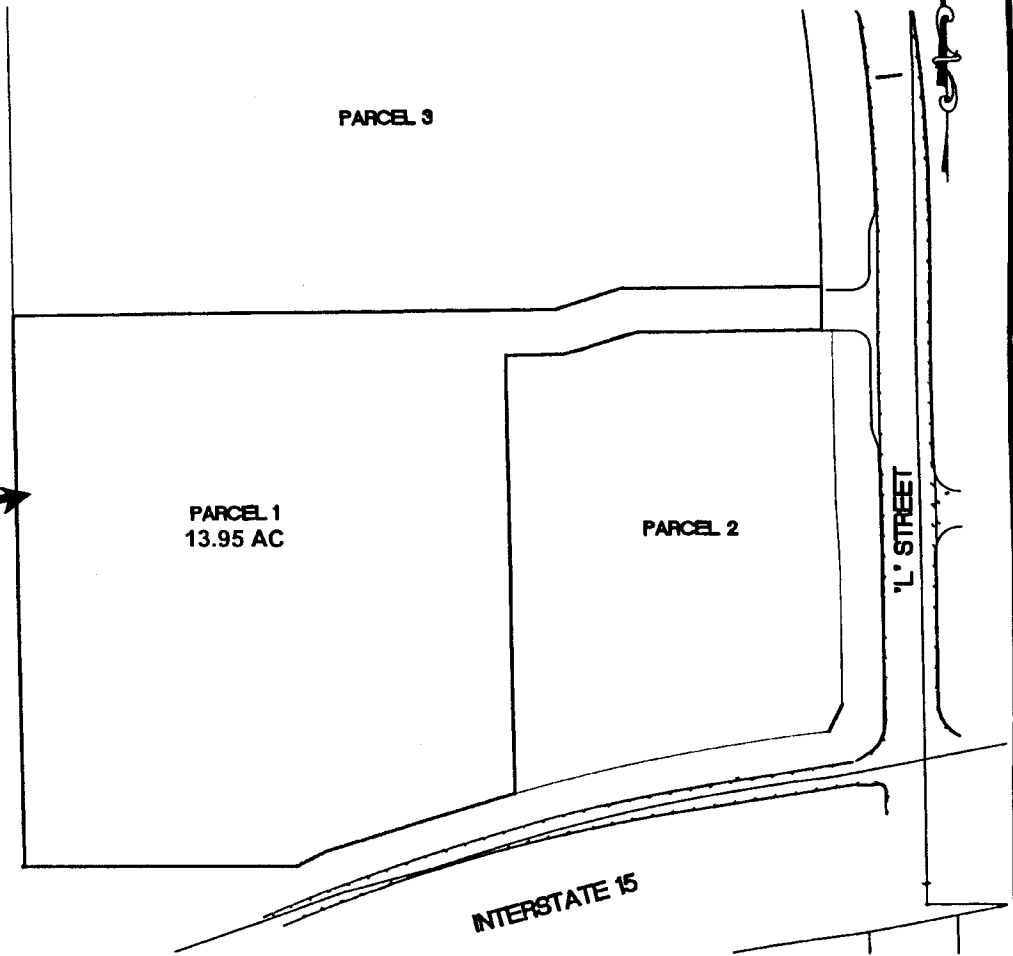
2. FIND THAT THIS ACTIVITY IS CONSISTENT WITH THE USE CLASSIFICATION DESIGNATED BY THE COMMISSION FOR THE LAND PURSUANT TO PUBLIC RESOURCES CODE SECTIONS 6370, ET SEQ.
3. FIND THAT A GENERAL PLAN FOR THIS ACTIVITY WAS FILED WITH THE LEGISLATURE PURSUANT TO PUBLIC RESOURCES CODE SECTION 6373 AND THAT THE USE OF THE LAND SHOWN ON THE EXHIBIT AND DESCRIBED IN EXHIBIT B WILL BE CONSISTANT WITH SUCH PLAN.
4. AUTHORIZE THE EXECUTIVE OFFCER OR HIS DESIGNEE, TO EXECUTE, CONSISTENT WITH THE GENERAL PLAN, THAT CERTAIN DOCUMENT ENTITLED "OFFER TO PURCHASE REAL ESTATE IN SAN BERNARDINO COUNTY AND ACCEPTANCE OF OFFER TO PURCHASE", IN SUBSTANTIALLY THE SAME FORM AS IS ON FILE WITH THE COMMISSION, AND ANY OTHER DOCUMENT NECESSARY TO COMPLETE THIS TRANSACTION.
5. AUTHORIZE ISSUANCE OF A PATENT TO HOME DEPOT U.S.A, INC., SUBJECT TO NEGOTIATED AND APPLICABLE STATUTORY AND CONSTITUTIONAL RESERVATIONS, FOR THE LAND SHOWN ON EXHIBIT A AND DESCRIBED IN EXHIBIT B, BOTH ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF.
6. AUTHORIZE THE DEPOSIT OF \$1,500,000.00 INTO THE SCHOOL LAND BANK FUND, LESS ANY SALES EXPENSES INCURRED UP TO 5% OF THE SALES PRICE, AS AUTHORIZED BY PUBLIC RESOURCES CODE SECTION 8709.

NO SCALE

SITE

NOTE:
PARCELS SHOWN HEREON
ARE PROPOSED

PROPOSED
SALE PARCEL



PORTION OF S $\frac{1}{2}$ NW $\frac{1}{4}$ OF SECTION 11 T9N R2W, SBBM, BARSTOW

NO SCALE

LOCATION

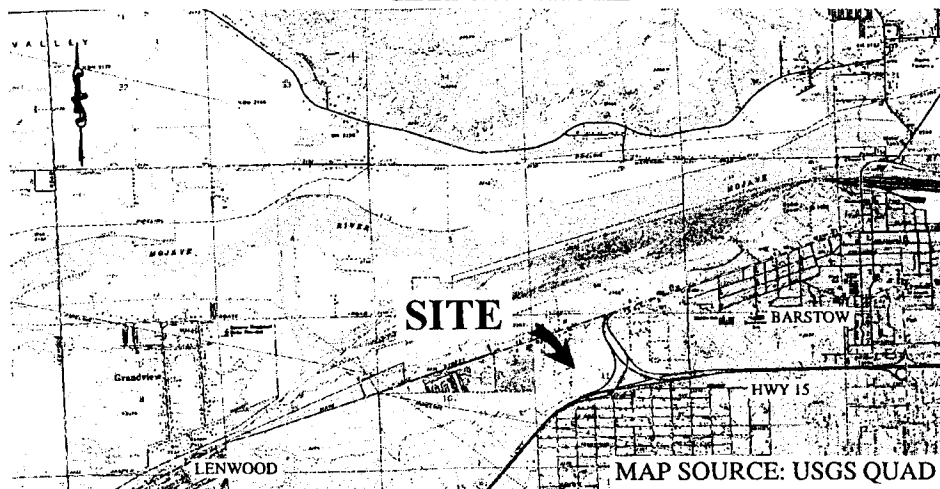


Exhibit A

SA 5760
STATE SCHOOL LANDS
CITY OF BARSTOW
SAN BERNARDINO CO.



This Exhibit is solely for purposes of generally defining the sale parcel, is based on unverified information provided by other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.

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EXHIBIT "B"
LAND DESCRIPTION

THAT CERTAIN PARCEL OF STATE SCHOOL LAND BEING A PORTION OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SECTION 11, TOWNSHIP 9 NORTH, RANGE 2 WEST, S.B.M., AS SHOWN ON THE OFFICIAL U.S. GOVERNMENT TOWNSHIP PLAT APPROVED AUGUST 22, 1955, CITY OF BARSTOW, COUNTY OF SAN BERNARDINO, STATE OF CALIFORNIA, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 11, MARKED BY U.S. GOVERNMENT LAND OFFICE BRASS CAP STAMPED C-W 1/16 SECTION 11, 9/2 PER CERTIFIED SURVEY CORNER RECORD DOCUMENT # 165044; THENCE ALONG THE FOLLOWING EIGHTEEN (18) COURSES:

- 1) NORTH 00°42'54" WEST (NORTH 0°10' WEST PER SAID TOWNSHIP PLAT), ALONG THE WEST LINE OF THE SOUTHEAST QUARTER OF THE NORTHWEST QUARTER OF SAID SECTION 11, A DISTANCE OF 810.57 FEET; THENCE
- 2) DEPARTING SAID WEST LINE, NORTH 89°29'10" EAST, A DISTANCE OF 779.66 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 115.00 FEET, FROM WHICH POINT A RADIAL LINE BEARS NORTH 00°30'50" WEST; THENCE
- 3) EASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 21°35'00", AN ARC LENGTH OF 43.32 FEET; THENCE
- 4) NORTH 67°54'10" EAST, A DISTANCE OF 36.17 FEET TO THE BEGINNING OF A CURVE CONCAVE SOUTHERLY, HAVING A RADIUS OF 185.00 FEET, FROM WHICH POINT A RADIAL LINE BEARS SOUTH 22°05'50" EAST; THENCE
- 5) EASTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 21°35'00", AN ARC LENGTH OF 69.69 FEET; THENCE
- 6) NORTH 89°29'10" EAST, A DISTANCE OF 254.39 FEET TO THE WESTERLY RIGHT-OF-WAY LINE OF "L" STREET PER DOCUMENT NO. 19960057318 OFFICIAL RECORDS IN THE OFFICE OF THE SAN BERNARDINO COUNTY RECORDER AND AS SHOWN ON THE CALIFORNIA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAP FOR PROJECT NUMBER E.A. 043502, DATED MAY 15, 1992, SHEET 28; THENCE
- 7) SOUTH 00°33'06" EAST, ALONG SAID WESTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 65.00 FEET; THENCE
- 8) DEPARTING SAID WESTERLY RIGHT-OF-WAY LINE, SOUTH 89°29'10" WEST, A DISTANCE OF 254.44 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 120.00 FEET, FROM WHICH POINT A RADIAL LINE BEARS SOUTH 00°30'50" EAST; THENCE
- 9) WESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 21°35'00", AN ARC LENGTH OF 45.20 FEET; THENCE
- 10) SOUTH 67°54'10" WEST, A DISTANCE OF 36.17 FEET TO THE BEGINNING OF A CURVE, CONCAVE NORTHERLY, HAVING A RADIUS OF 180.00 FEET, FROM WHICH POINT A RADIAL LINE BEARS NORTH 22°05'50" WEST; THENCE

EXHIBIT "B"
LAND DESCRIPTION
CONTINUED

- 11) WESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 21°35'00", AN ARC LENGTH OF 67.81 FEET; THENCE
- 12) SOUTH 89°29'10" WEST, A DISTANCE OF 24.09 FEET TO THE BEGINNING OF A CURVE, CONCAVE SOUTHEASTERLY, HAVING A RADIUS OF 20.00 FEET, FROM WHICH POINT A RADIAL LINE BEARS SOUTH 00°30'50" EAST; THENCE
- 13) SOUTHWESTERLY ALONG SAID CURVE, THROUGH A CENTRAL ANGLE OF 90°12'04", AN ARC LENGTH OF 31.49 FEET; THENCE
- 14) SOUTH 00°42'54" EAST, A DISTANCE OF 619.90 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF STATE ROUTE 15 (INTERSTATE 15) PER DOCUMENT NO. 19960057318 OFFICIAL RECORDS IN THE OFFICE OF THE SAN BERNARDINO COUNTY RECORDER AND AS SHOWN ON THE CALIFORNIA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAP FOR PROJECT NUMBER E.A. 043502, DATED MAY 15, 1992, SHEET 24, ALSO BEING THE BEGINNING OF A NON-TANGENT CURVE, CONCAVE SOUTHERLY, HAVING A RADIUS OF 3000.55 FEET, FROM WHICH POINT A RADIAL LINE BEARS SOUTH 15°44'03" EAST; THENCE
- 15) SOUTHWESTERLY ALONG SAID CURVE AND ALONG SAID NORTHERLY RIGHT-OF-WAY LINE, THROUGH A CENTRAL ANGLE OF 03°09'17", AN ARC LENGTH OF 165.21 FEET; THENCE
- 16) SOUTH 73°06'09" WEST, CONTINUING ALONG SAID NORTHERLY RIGHT-OF-WAY LINE, A DISTANCE OF 139.39 FEET; THENCE
- 17) SOUTH 63°38'50" WEST, CONTINUING ALONG SAID NORTH RIGHT-OF-WAY LINE, A DISTANCE OF 51.85 FEET; THENCE
- 18) NORTH 89°55'40" WEST, CONTINUING ALONG SAID NORTH RIGHT-OF-WAY LINE, A DISTANCE OF 396.38 FEET TO THE POINT OF BEGINNING.

CONTAINING 13.95 ACRES, MORE OR LESS.

THE BASIS OF BEARINGS ARE BASED ON CCS27, ZONE 5 AND ON CALIFORNIA DEPARTMENT OF TRANSPORTATION RIGHT OF WAY MAP NUMBER 443584.

THE DISTANCES DESCRIBED ARE GROUND DISTANCES. MULTIPLY GROUND DISTANCES BY 0.9998167 TO OBTAIN GRID DISTANCES.

END OF DESCRIPTION

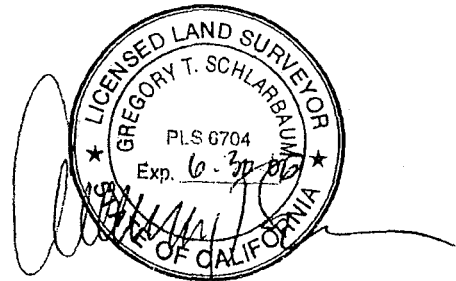


EXHIBIT C

GENERAL PLAN

PROPOSED TRANSACTION

Home Depot U.S.A., Inc. proposes to purchase 13.95 acres, more or less, of State School Land in San Bernardino County.

PROPERTY LOCATION/INFORMATION

The property proposed for acquisition lies within the boundary of State School Land identified as a portion of Section 11, T. 9 N., R. 2 W., SBBM and further identified as a portion of Assessor Parcel Number 0182-231-36, San Bernardino County. The property is located in the northwest quadrant of the intersection of Interstate 15 and L Street within the city of Barstow.

LAND USE

The subject property is vacant land that is zoned CH (Highway Commercial) by the city of Barstow. The area is characterized by older retail and commercial developments to the north and a Caltrans "Park and Ride" parking lot to the east. Interstate 15 borders the property on the south.

PROPOSED USE

Home Depot U.S.A., Inc. proposes to construct a home improvement retail store that will provide for the sale of home improvement products and services to the residents of Barstow and a regional trade area that includes the communities of Baker, Daggett, Newberry Springs and other communities in the Mojave Desert area.

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