

**STAFF REPORT
C60**

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11/29/17
PRC 5531.2
J. Porter

GENERAL LEASE – GRAZING USE

APPLICANT:

John Matley & Son

PROPOSED LEASE:

AREA, LAND TYPE, AND LOCATION:

1,080 acres, more or less, of State-owned school land located in Section 16, Township 25 North, Range 15 East and a portion of Section 36, Township 26 North, Range 15 East, MDM, near Doyle, Plumas County.

AUTHORIZED USE:

Livestock grazing.

LEASE TERM:

10 years, beginning March 20, 2018.

CONSIDERATION:

\$600 per year, with an annual Consumer Price Index adjustment.

SPECIFIC LEASE PROVISIONS:

1. Liability insurance in an amount no less than \$1,000,000 per occurrence.
2. Number of animals permitted on the Lease Premises is restricted to those that can be supported by vegetation.
3. Lessee must exercise good grazing practices to avoid overgrazing and protect the environment.
4. Lessee shall not place any permanent structures on the Lease Premises, including fencing, without an amendment.

STAFF ANALYSIS AND RECOMMENDATION:

Authority:

Public Resources Code sections 6005, 6216, 6217.5, 6501.1, 6503, and 8701; California Code of Regulations, title 2, sections 2000 and 2003.

STAFF REPORT NO. C60 (CONT'D)

State's Best Interests Analysis:

On December 3, 2007, the Commission authorized a 10-year General Lease – Grazing Use to John Matley & Son for livestock grazing ([Item C16, December 3, 2007](#)). The lease will expire on March 19, 2018. The Applicant submitted an application for continued grazing use of these State-owned school lands.

The proposed lease is limited to a 10-year term, does not alienate the State's fee simple interest, and does not grant the lessee exclusive rights to the lease premises. The lease requires the lessee insure and indemnify the State for any liability incurred as a result of the lessee's activities hereon. The lease requires the payment of annual rent, generating revenue for the California State Teachers' Retirement System consistent with the School Land Bank Act, and implementation of good grazing practices to avoid overgrazing and protect the environment. For the reasons stated above, Commission staff believes the issuance of this lease is in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. This action is consistent with Strategy 1.1 of the Commission's Strategic Plan to deliver the highest levels of public health and safety in the protection, preservation, and responsible economic use of the lands and resources under the Commission's jurisdiction and Strategy 2.1 to optimize returns for the responsible development and use of State lands and resources, both onshore and offshore.
2. The Applicant is required to use good grazing practices to avoid overgrazing of the lease premises. Commission staff may at any time during the Lease term make an analysis of forage conditions utilizing accepted range management practices.
3. Staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a categorically exempt project. The project is exempt under Class 4, Minor Alteration to Land; California Code of Regulations, title 2, section 2905, subdivision (d)(1).

Authority: Public Resources Code section 21084 and California Code of Regulations, title 14, section 15300 and California Code of Regulations, title 2, section 2905.

4. This activity involves lands identified as possessing significant environmental values pursuant to Public Resources Code section 6370 et

STAFF REPORT NO. **C60** (CONT'D)

seq., but such activity will not affect those significant lands. Based upon staff's consultation with the persons nominating such lands and through the CEQA review process, it is staff's opinion that the project, as proposed, is consistent with its use classification.

EXHIBITS:

- A. Land Description
- B. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, title 14, section 15061 as a categorically exempt project, Class 4, Minor Alteration to Land; California Code of Regulations, title 2, section 2905, subdivision (d)(1).

STATE'S BEST INTERESTS FINDING:

Find that the proposed lease is in the best interests of the State.

SIGNIFICANT LANDS INVENTORY FINDING:

Find that this activity is consistent with the use classification designated by the Commission for the land pursuant to Public Resources Code section 6370 et seq.

AUTHORIZATION:

Authorize issuance of a General Lease – Grazing Use to John Matley & Son beginning March 20, 2018, for a term of 10 years, for livestock grazing on State-owned school land as described in Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; annual rent in the amount of \$600, with an annual Consumer Price Index adjustment; and liability insurance in an amount no less than \$1,000,000 per occurrence.

EXHIBIT A

PRC 5531.2

LAND DESCRIPTION

Two parcels of State School Land in Plumas County, State of California, more particularly described as follows:

PARCEL 1

Section 16, Township 25 North, Range 15 East, Mount Diablo Meridian, as shown on that Official U.S. Government Township Plat approved November 27, 1874.

PARCEL 2

The W 1/2, SW 1/4 of NE 1/4, and W 1/2 of SE 1/4 of Section 36, Township 26 North, Range 15 East, Mount Diablo Meridian, as shown on that Official U.S. Government Township Plat approved December 8, 1879.

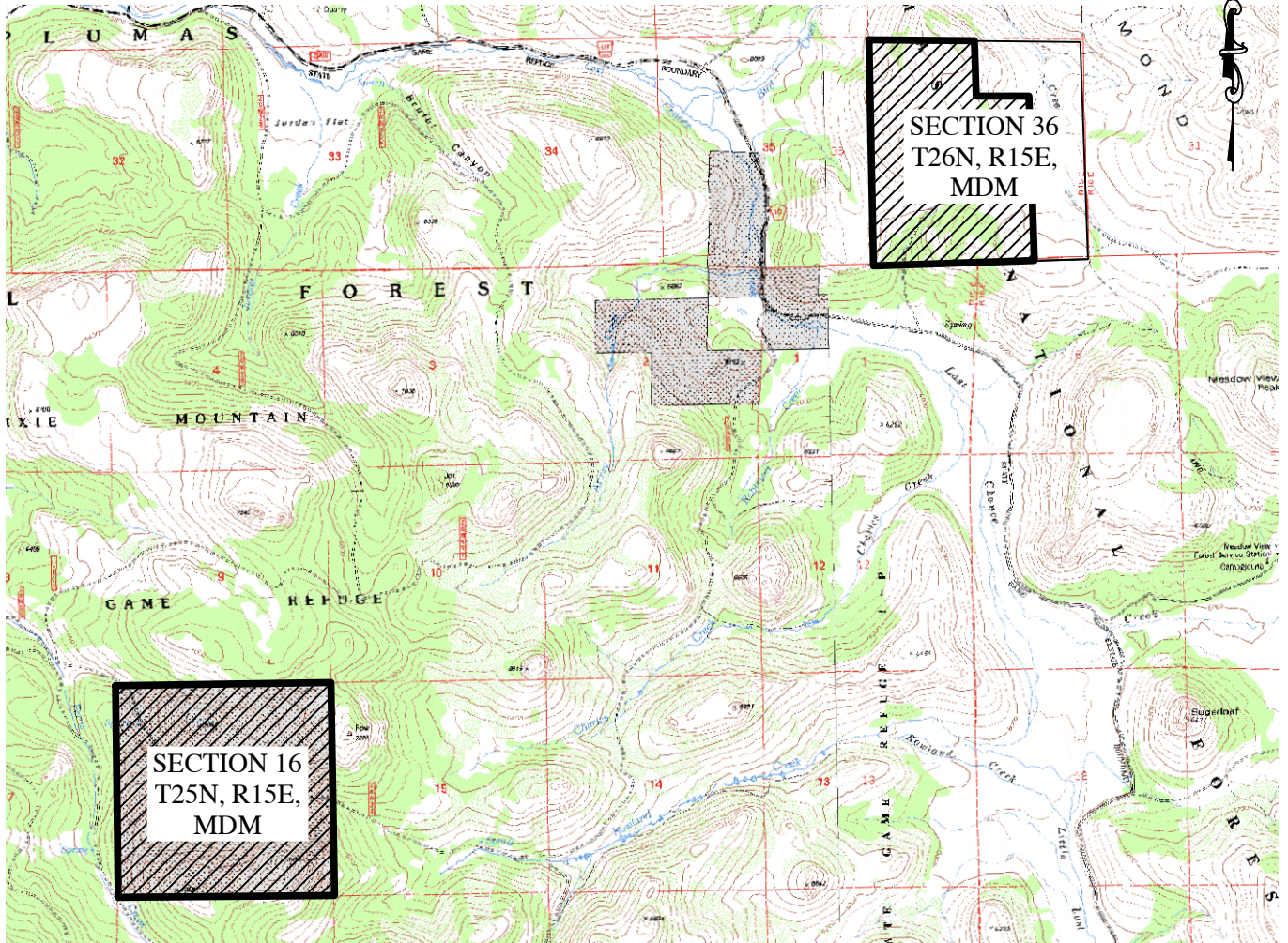
END OF DESCRIPTION

Prepared 07/19/2017 by the California State Lands Commission Boundary Unit.



NO SCALE

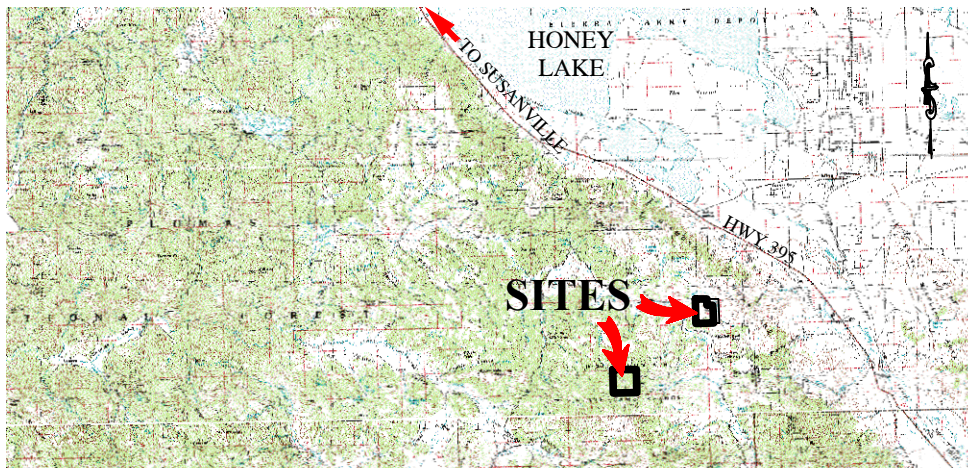
SITE



SECTION 16, T25N, R15E AND $W\frac{1}{2}$, $SW\frac{1}{4}$ OF $NE\frac{1}{4}$ & $W\frac{1}{2}$ OF $SE\frac{1}{4}$ OF SECTION 36, T26N, R15E, MDM

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit B

PRC 5531.2
MATLEY & SON
SCHOOL LANDS
GENERAL LEASE -
GRAZING USE
PLUMAS COUNTY



This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or 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.

TS 07/19/17