STAFF REPORT **25**

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08/23/19 PRC 9163.1 N. Lavoie

REVISION OF RENT

LESSEE:

Comcast of California XII, LLC

AREA, LAND TYPE, AND LOCATION:

Sovereign land located in the Tuolumne River, at the Carpenter Road Bridge, adjacent to Assessor's Parcel Numbers 017-021-001, 017-026-023, 037-037-001, and 056-026-032, Modesto, Stanislaus County.

AUTHORIZED USE:

Continued use and maintenance of an existing fiber optic communication cable contained in a 3-inch-diameter conduit.

LEASE TERM:

21 years, 1 month, and 25 days, beginning October 14, 2014.

CONSIDERATION:

This lease provides that the Commission may modify the rent periodically during the lease term. Pursuant to this provision, staff reviewed the rent under this lease and recommends that rent be revised from \$450 per year to \$1,390 per year, effective October 14, 2019.

OTHER PERTINENT INFORMATION:

- Approval or denial of the revision of rent is a discretionary action by the Commission. Each time the Commission approves or rejects a revision of rent, it exercises legislatively delegated authority and responsibility as trustee of the State's Public Trust lands as authorized by law. Upon expiration or prior termination of the lease, the Lessee has no right to a new lease or to renewal of any previous lease.
- On October 14, 2014, the Commission authorized a General Lease Right-of-Way Use to Comcast of California XII, LLC, for a term of 21 years, 1 month, and 25 days, beginning on October 14, 2014 (<u>Item C63,</u> <u>October 14, 2014</u>). The lease will expire on December 9, 2035.

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- 3. This action is consistent with Strategy 2.2 of the Commission's Strategic Plan to ensure timely receipt of revenues and royalties from the use and development of State lands and minerals.
- 4. Approving the revision of rent is not a project as defined by the California Environmental Quality Act because it is an administrative action that will not result in direct or indirect physical changes in the environment.

Authority: Public Resources Code section 21065 and California Code of Regulations, title 14, section 15378, subdivision (b)(5).

EXHIBIT:

A. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

AUTHORIZATION:

Approve the revision of rent for Lease No. PRC 9163.1 from \$450 per year to \$1,390 per year, effective October 14, 2019.

