

MINUTE ITEM

3/23/67

33. PROPOSED ACQUISITION OF VACANT FEDERAL LANDS THROUGH EXCHANGE PROCEDURE, SAN BERNARDINO COUNTY - EXCHANGE NO. 63, S.W.O. 6102.

After consideration of Calendar Item 17 attached, and upon motion duly made and carried, the following resolution was adopted:

THE COMMISSION:

- (1) FINDS THAT, IN ITS JUDGMENT, IT IS TO THE ADVANTAGE OF THE STATE TO EXCHANGE WITH THE UNITED STATES THE STATE LANDS HEREINAFTER DESCRIBED;
- (2) AUTHORIZES THE EXECUTIVE OFFICER TO EXECUTE, ON BEHALF OF THE STATE LANDS COMMISSION, THE CERTIFICATE PROVIDED FOR UNDER SECTION 6444 OF THE PUBLIC RESOURCES CODE, CERTIFYING TO THE GOVERNOR THAT IT IS TO THE ADVANTAGE OF THE STATE TO EXCHANGE WITH THE UNITED STATES THOSE LANDS OF APPROXIMATELY EQUAL VALUE IN SAN BERNARDINO COUNTY, DESCRIBED AS FOLLOWS:

OFFERED STATE LANDS

<u>Subdivision</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rge.</u>	<u>Mer.</u>	<u>Acres</u>
All	16	2 N.	7 E.	SB	640.
All	16	3 N.	6 E.	SB	640.
NE $\frac{1}{4}$, N $\frac{1}{2}$ of SE $\frac{1}{4}$	36	3 N.	10 E.	SB	240.
All	16	3 N.	11 N.	SB	640.
All	36	3 N.	11 E.	SB	640.
All	16	3 N.	12 E.	SB	640.
All	16	4 N.	6 E.	SB	640.
SW $\frac{1}{4}$	36	4 N.	6 E.	SB	160.
All	16	4 N.	7 E.	SB	640.
All	36	4 N.	7 E.	SB	640.
NW $\frac{1}{4}$	16	4 N.	8 E.	SB	160.
SE $\frac{1}{4}$ of SE $\frac{1}{4}$	16	4 N.	11 E.	SB	40.
All	36	4 N.	11 E.	SB	640.
All	16	5 N.	6 E.	SB	640.
All	16	5 N.	7 E.	SB	640.
All	36	5 N.	7 E.	SB	638.08
All	16	5 N.	8 E.	SB	640.
All	36	5 N.	8 E.	SB	640.
W $\frac{1}{2}$, NE $\frac{1}{4}$, NW $\frac{1}{4}$ of SE $\frac{1}{4}$	16	5 N.	9 E.	SB	520.
E $\frac{1}{2}$, E $\frac{1}{2}$ of NW $\frac{1}{4}$, SW $\frac{1}{4}$ of NW $\frac{1}{4}$, SW $\frac{1}{4}$	36	7 N.	6 E.	SB	600.
Total					10,678.08

FOR SELECTED FEDERAL LANDS DESCRIBED AS:

<u>Subdivision</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rge.</u>	<u>Mer.</u>	<u>Acres</u>
S $\frac{1}{2}$	14	5 N.	1 W.	SB	320.
SW $\frac{1}{4}$, Lots 3, 4, 5, 6, 11, 12 & 13	2	6 N.	1 W.	SB	386.31
All	3	6 N.	1 W.	SB	692.88
E $\frac{1}{2}$ of W $\frac{1}{2}$, SE $\frac{1}{4}$	7	6 N.	1 W.	SB	320.
NW $\frac{1}{4}$	10	6 N.	1 W.	SB	160.
All	31	7 N.	1 W.	SB	493.60
All	32	7 N.	1 W.	SB	640.
S $\frac{1}{2}$ of NW $\frac{1}{4}$, SW $\frac{1}{4}$, W $\frac{1}{2}$ of SE $\frac{1}{4}$	34	7 N.	1 W.	SB	320.
Total					3,332.79

- (3) UPON ACQUISITION FROM THE FEDERAL GOVERNMENT OF THE SELECTED LANDS ABOVE DESCRIBED, PROCEEDS WITH SALE OF SAID LANDS UNDER THE APPLICATION OF THE THREE PRIVATE INDIVIDUALS, PROVIDED THEIR APPLICATION IS IN GOOD STANDING AT TIME OF SALE, PURSUANT TO COMPETITIVE BIDDING IN ACCORDANCE WITH REGULATIONS OF THE COMMISSION GOVERNING THE SALE OF STATE SCHOOL LANDS IN EFFECT AS OF 1955 WHEN SUCH APPLICATION WAS FILED, WITH ALL BIDS TO BE REFERRED TO THE COMMISSION FOR FINAL CONSIDERATION AND ACTION.

Attachment
Calendar Item 17 (3 pages)

17.

PROPOSED ACQUISITION OF VACANT FEDERAL LANDS THROUGH EXCHANGE PROCEDURE, SAN BERNARDINO COUNTY - EXCHANGE NO. 63, S.W.O. 6102.

In May 1955, pursuant to a procedure whereby members of the public could apply to the State Lands Commission for the acquisition of vacant federal land through the medium of a State exchange with the United States, an application was received from three individuals. Upon receipt of said application, the State, pursuant to the provisions of Sections 6443 and 8552 of the Public Resources Code and Section 8 of the Taylor Grazing Act (Act of Congress approved June 28, 1934, as amended), shortly thereafter filed an exchange application with the United States Bureau of Land Management, on behalf of such applicants, in an attempt to acquire title to the federal lands designated in the application. The selected federal lands are situated in the vicinity of North Lucerne Valley, San Bernardino County, and the State school lands offered in exchange therefor are situated within the Twentynine Palms Marine Corps Base, San Bernardino County. Pursuant to the most recent amendment dated February 28, 1966, the State is now selecting 3,332.79 acres of federal land and offering in exchange therefor, on an equal value basis, 10678.08 acres in the Twentynine Palms Marine Corps Base.

The applicants submitted a minimum deposit of \$5 per acre pending appraisal at a future date, together with the required \$100 expense deposit and \$5 filing fee.

During the course of several attempts to negotiate an equal value exchange, representatives of the State and United States were unable to reach mutual agreement on values to be accorded the State-owned school lands, which resulted in a decision of the Federal Land Office rejecting the State's application. The State appealed the decision to both the Director of the United States Bureau of Land Management and the Secretary of the Interior. These appeals resulted in a final decision by the Secretary, which, in effect, upheld the valuation arguments set forth by the State's representatives by requiring full market value to be attributed to the State lands as of June 1958, the date of filing of an action in eminent domain by the military, in lieu of having the value discounted approximately 50 per cent by reason of the military use as insisted upon by representatives of the United States Bureau of Land Management during initial negotiations.

For the purpose of negotiating an equal-value exchange, the United States Bureau of Land Management has indicated that the values of both the offered and the selected lands are approximately equal. Similarly, the staff finds the valuations acceptable based upon detailed appraisals completed during the pendency of the transaction.

By formal Decision issued under date of November 9, 1966, the Bureau of Land Management advised that the selected lands are available for exchange and that the values of the selected and offered lands are approximately equal for the purpose of exchange; that there are no outstanding contests or protests of record; that the requirements pertaining to the application have been met, and that publication of the exchange is authorized.

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In accordance with instructions from the Bureau, notice of the exchange application describing both the Federal and State lands was published as required by regulations of the Department of the Interior.

It is now necessary for the State to relinquish to the United States, by an appropriate instrument of conveyance duly executed by the Governor, all right, title and interest of the State in and to the 10,678.08 acres of State land offered in exchange and to authorize execution of a certificate indicating to the Governor that the exchange, in the judgment of the Commission, is to the advantage of the State, as provided by Section 6444 of the Public Resources Code.

The exchange of the subject land is considered to be to the advantage of the State for the reason that the State school lands are embraced within the exterior boundary of an officially established military installation; namely, Twentynine Palms Marine Corps Base, which precludes the administration of such lands for the purpose for which they were originally conveyed under the School Land Grant (Act of Congress approved March 3, 1853, 10 Stat. 244, as amended). From the inception of the Marine Corps Base, the State has received rental pursuant to a leasehold interest acquired by eminent domain proceedings. However, in June of 1958 new proceedings in eminent domain were instituted for the purpose of acquiring fee title. Since that date no revenue has been accruing to the State, and the condemnation action has been held in abeyance pending completion of negotiations between the State and the United States Bureau of Land Management to effectuate the subject exchange on an approximately equal-value basis. By reason of the military occupancy and use of the State lands, they have been rendered unsalable to the public. The acquisition of the 3,332.79 acres of federal land will vest title in the State to lands for which a substantial demand exists and for which the State has prospective purchasers currently on file. Furthermore, sale of the selected land at current appraised values, subject to sealed competitive bidding, will provide a return to the State considerably in excess of any amount received through an award in condemnation for the State-offered lands, the value of which is required to be set as of June 1958.

IT IS RECOMMENDED THAT THE COMMISSION:

- (1) FIND THAT, IN ITS JUDGMENT, IT IS TO THE ADVANTAGE OF THE STATE TO EXCHANGE WITH THE UNITED STATES THE STATE LANDS HEREINAFTER DESCRIBED;
- (2) AUTHORIZE THE EXECUTIVE OFFICER TO EXECUTE, ON BEHALF OF THE STATE LANDS COMMISSION, THE CERTIFICATE PROVIDED FOR UNDER SECTION 6444 OF THE PUBLIC RESOURCES CODE, CERTIFYING TO THE GOVERNOR THAT IT IS TO THE ADVANTAGE OF THE STATE TO EXCHANGE WITH THE UNITED STATES THOSE LANDS OF APPROXIMATELY EQUAL VALUE IN SAN BERNARDINO COUNTY, DESCRIBED AS FOLLOWS:

CALENDAR ITEM 17. (CONTD.)

OFFERED STATE LANDS (See Exhibits A-1 to A-20)

<u>Subdivision</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rge.</u>	<u>Mer.</u>	<u>Acres</u>
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E $\frac{1}{2}$, E $\frac{1}{2}$ of NW $\frac{1}{4}$, SW $\frac{1}{4}$ of NW $\frac{1}{4}$, SW $\frac{1}{4}$	36	7 N.	6 E.	SB	600.
Total					10,678.08

FOR SELECTED FEDERAL LANDS DESCRIBED AS: (See Exhibit B)

<u>Subdivision</u>	<u>Sec.</u>	<u>Twp.</u>	<u>Rge.</u>	<u>Mer.</u>	<u>Acres</u>
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