

MINUTE ITEM

This Calendar Item No. C8
was approved as a Minute Item
No. 8 of the State Lands
Commission, a vote of 2
to 0 at its 3/29/85
meeting.

CALENDAR ITEM

A 1

C08

08/29/85
WP 514 PRC 514
Bjornsen
Shimer

S 1

CARRY-OVER LEASE

The United States Department of the Army, Corps of Engineers has leased 16,282.54 acres of State school land within the Sierra Army Depot in Lassen County since 1942. The two leases involved, PRC 514 and PRC 1230, terminated on June 30, 1985. Negotiations are in progress with the Sacramento District, Army Corps of Engineers leading to either (1) a new lease at the current appraised fair market rental of \$153,000 per annum or (2) purchase of the State land by the U.S. Army Corps of Engineers or exchange of the State lands for federal lands of equal value. The current fair market value is estimated to be \$1,700,000.

The combined rental rates of the two leases that terminated on June 30, 1985 was \$1,953.90 per annum or \$0.12 per acre per year. This rate was established in 1942 and was locked into the leases until their termination date. It is proposed that the Army continue to lease at the former rental of \$1,953.90 per annum in a carry-over status from July 1, 1985 until December 31, 1985 to provide additional time for staff to work out with the Corps of Engineers either a replacement lease at a more equitable rental for the State or an outright disposal of the State School land within Sierra Army Depot at fair market fee value. The negotiated settlement will be retroactive to July 1, 1985.

AB 884: N/A.

OTHER PERTINENT INFORMATION:

1. Pursuant to Commission's delegation of authority under the State CEQA Guidelines (14 Cal. Admin. Code 15061), the staff has determined that this activity is exempt from the requirements of the CEQA as a

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categorical exempt project. The project is exempt under Class 1, Existing Facilities, 2 Cal. Adm. Code 2905(a)(2).

Authority: P.R.C. 21084 and 14 Cal. Adm. Code 15300.

EXHIBIT: A. Site Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. AUTHORIZE ISSUANCE OF A CARRY-OVER LEASE AT A RENTAL OF \$976.95 TO THE UNITED STATES ARMY CORPS OF ENGINEERS, FOR THE 16,282.54 ACRES OF STATE SCHOOL LAND WITHIN SIERRA ARMY DEPOT BEGINNING JULY 1, 1985 AND ENDING DECEMBER 31, 1985, TO ALLOW ADDITIONAL TIME IN WHICH TO NEGOTIATE A SETTLEMENT WHICH WILL BE EFFECTIVE AS OF JULY 1, 1985.
2. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 AS A CATEGORICAL EXEMPT PROJECT, CLASS 1, EXISTING FACILITIES. (2 CAL. ADM. CODE 2905(a)(2)).

(REVISED 08/22/85)

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