

**MINUTE ITEM**

This Calendar Item No. 23  
was approved as Minute Item  
No. 23 by the State Lands  
Commission by a vote of 3  
to 0 at its 1/23/87  
meeting.

**CALENDAR ITEM**  
**23**

01/22/87  
S 3375 PRC 7049  
Chatfield

A )  
 ) Statewide  
S )

**AUTHORIZATION FOR EXECUTION OF A MEMORANDUM OF UNDERSTANDING  
BETWEEN CALIFORNIA STATE LANDS COMMISSION AND  
UNITED STATES BUREAU OF LAND MANAGEMENT  
TO FACILITATE EXCHANGE OF LAND**

In order to facilitate land exchanges, the Western States Land Commissioners Association and United States Bureau of Land Management (BLM) entered into a national level Memorandum of Understanding (MOU) in 1979. In 1980, the Commission authorized entering into a State level MOU with BLM that provided more specific guidance and procedures for exchanges within California. Three exchanges have been completed pursuant to these MOU's involving over 70,000 acres of State land.

It is now proposed to update the previous guidelines and enter into a MOU with BLM that would also specify guidelines for a Long Range Action Plan involving exchange of up to 300,000 acres of State lands principally in the southern desert area. A key element of the MOU is a provision for a series of staged exchanges.

To facilitate rapid transfer of title when parcel values are unequal the following methods may be used:

1. In individual parcel exchanges when parcels to be exchanged are of unequal value, cash may be used to insure that equal value is exchanged. Such additional consideration will be paid at the time of the exchange of deeds.
2. For multiple parcel transactions an escrow may be used to equalize value. Multiple exchange transactions may be added to the escrow to the point where equal values are achieved by land values or additional cash

(ADDED 01/21/87)

CALENDAR PAGE	<u>102</u>
MINUTE PAGE	<u>134</u>

CALENDAR ITEM NO. 25 (CONT'D)

consideration. The terms of the escrow are as follows:

- a. Deeds and cash consideration shall be held in escrow until all conditions for delivery have been satisfied.
- b. Delivery of title or money shall not occur until values to be exchanged are equal.
- c. Escrows failing to close within two years shall end. Parcels and money held in escrow at this time shall be returned to the parties who deposited them.

AB 884: N/A.

OTHER PERTINENT INFORMATION:

1. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (14 Cal. Adm. Code 15061), the staff has determined that this activity is exempt from the requirements of the CEQA because the activity is not a "project" as defined by CEQA and the State CEQA Guidelines.

Authority: P.R.C. 21065 and 14 Cal. Adm. Code 15378.

EXHIBIT: A. Memorandum of Understanding.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO 14 CAL. ADM. CODE 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY P.R.C. 21065 AND 14 CAL. ADM. CODE 15378.
2. AUTHORIZE EXECUTION OF A MEMORANDUM OF UNDERSTANDING BETWEEN CALIFORNIA STATE LANDS COMMISSION AND UNITED STATES BUREAU OF LAND MANAGEMENT TO FACILITATE LAND EXCHANGES, IN SUBSTANTIALLY THE FORM ON FILE WITH THE OFFICE OF THE COMMISSION.

(ADDED 01/21/87)

-2-

CALENDAR PAGE	1021
MINUTE PAGE	135

MEMORANDUM OF UNDERSTANDING

BETWEEN

THE CALIFORNIA STATE OFFICE  
BUREAU OF LAND MANAGEMENT  
DEPARTMENT OF THE INTERIOR

AND

THE EXECUTIVE OFFICER  
CALIFORNIA STATE LANDS COMMISSION  
STATE OF CALIFORNIA

The Memorandum of Understanding (MOU) between the Bureau of Land Management (hereinafter called "BLM"), represented by the State Director; and the California State Lands Commission (hereinafter called "STATE"), represented by the Executive Officer, is entered into and effective this first day of August 1986.

Purpose

The purpose of this memorandum is to set forth the procedures to establish a comprehensive, long-term Statewide Land Exchange Program between BLM and State.

CALENDAR PAGE	102.2
MINUTE PAGE	136

Authority

The Federal Land Policy and Management Act of 1976 (FLPMA), Section 206.

(SLC authority - to be added.)

Sections 6443 and 6444, Part 1, Div. 6, CA Public Resources Code.

WHEREAS, it is the objective of both BLM and the State to:

- Implement land tenure adjustment objectives outlined in land use plans,
- Enhance the land management potential of both State and Federal lands;
- Eliminate or reduce unnecessary Federal and State conflicts generated by existing ownership patterns;
- Facilitate the management of State/BLM lands by substantially modifying the scattered State/BLM ownership and creating blocked or consolidated land ownership;
- Agree on a long-range course of action to guide annual exchange efforts by preparing a long-range exchange action plan identifying suitable lands for exchange by both parties;

CALENDAR PAGE	102.3
MINUTE PAGE	137

- Develop procedures that are most expeditious and cost-effective in achieving the above.

THEREFORE, BLM and the State agree to the following procedures to implement an exchange program:

1. Coordination

- a. A land exchange working group shall be established composed of BLM and State staff as appointed by the State Director and the Executive Officer. This group shall conduct its first meeting no later than 30 days after the mutual signing of this MOU.
- b. Working group meetings will be held as frequently as required but at least quarterly.
- c. The working group will be primarily responsible for identifying areas of preferred consolidation of ownership, developing and applying criteria for exchange proposals, and developing and maintaining a State/BLM Exchange Action Plan. The initial action plan will be completed and approved by BLM and State within six (6) months of approval of this agreement.

2. Development of Exchange Actions

- a. Specific exchange actions will be developed from the following

CALENDAR PAGE	102.4
MINUTE PAGE	138

sources:

- (1) Legislative and policy mandated exchanges.
- (2) BLM- and State-approved land-use plans.
- (3) Other actions mutually agreed to by the State Director and the Executive Officer.

b. All exchange actions will conform with land-use planning decisions, within the framework of existing planning documents or as amendments to existing plans or as planning analysis where no planning exists. "Conformance" determinations, as per 43 CFR Part 1600, will be used to determine if proposed exchange actions require further planning action. All ongoing and future BLM planning efforts will be structured to identify areas where each agency is desirous of acquiring or disposing of land. State will actively provide input to those planning efforts.

3. Implementation of Exchange Procedures

- a. Inventories of resource values, documentation, and decision processes will be completed in accordance with the legal and policy requirements of both agencies.
- b. Appraisal procedures will be decided on a case-by-case basis.

All appraisals will be subject to the review and approval of both agencies, whether completed by one of the agencies' appraisers or a third party.

- c. 1) In individual parcel exchanges when parcels to be exchanged are of unequal value, cash may be used to insure that equal value is exchanged. Such additional consideration will be paid at the time of the exchange of deeds.
- 2) For multiple parcel transactions, an escrow may be used to equalize value. Multiple exchange transactions may be added to the escrow to the point where equal values are achieved by land values or additional cash consideration. The terms of the escrow are as follows:
- (a) Deeds and cash consideration shall be held in escrow until all conditions for delivery have been satisfied.
- (b) Delivery of title or money shall not occur until values to be exchanged are equal.
- (c) Escrows failing to close within two years shall end. Parcels and money held in escrow at this time shall be returned to the parties who deposited them.
- d. Existing procedures will be used for individual exchanges. More

CALENDAR PAGE	102.6
MINUTE PAGE	140

specific procedural guides for implementing the exchange action plan may be developed by the working group, as needed, without the need for a formal amendment.

- e. Funding for individual exchanges will be consistent with BLM and State annual funding and priorities. Each agency will share equally in the costs of exchange processing as determined by agreement prior to initiation of action on a proposal.

4. Term of Agreement

- a. The parties to this MOU may negotiate revisions or amendments upon a 30-day written notice by either party. This agreement shall continue in effect, unless and until it is terminated by mutual agreement of the parties hereto or is terminated by either party upon 30 days' written notice to the other party.

IN WITNESS, the parties hereto have executed this MOU on the dates indicated.

CALIFORNIA STATE OFFICE, DOI

EXECUTIVE OFFICER

BUREAU OF LAND MANAGEMENT

STATE LANDS COMMISSION  
CALENDAR PAGE 102.7  
MINUTE PAGE 141

STATE OF CALIFORNIA

By \_\_\_\_\_  
State Director

By \_\_\_\_\_  
Executive Officer

Date: \_\_\_\_\_

Date: \_\_\_\_\_

CALENDAR PAGE	102.8
MINUTE PAGE	142