

MINUTE ITEM
This Calendar Item No. C47 was approved as
Minute Item No. 47 by the California State Lands
Commission by a vote of 3 to 0 at its
2/8/00 meeting.

**CALENDAR ITEM
C47**

A 20

02/08/00

W 40814

S 10

E. Kruger

G. Pelka

**CONSIDER MODIFICATION OF SURFACE ENTRY RIGHTS
AFFECTING LAND LOCATED AT THE
50TH DISTRICT AGRICULTURAL ASSOCIATION'S
ANTELOPE VALLEY FAIR, LOS ANGELES COUNTY**

APPLICANT:

State of California
50th District Agricultural Association
Attn: Mr. Dan Jacobs, Chief Executive Officer
Antelope Valley Fair
155 East Avenue I
Lancaster, CA 93535

AREA, LAND TYPE, AND LOCATION:

Portions of the southwest quarter of Section 11, Township 7 North, Range 12 West, S.B.B.M., containing approximately 75 acres of State proprietary lands (APN Nos. 3176-5-900 and 3176-5-901) situated in the City of Lancaster.

BACKGROUND:

The 50th District Agricultural Association ("50th DAA") is a State Institution organized under the California Food and Agricultural Code, Section 3951, et. seq. The 50th DAA operates the Antelope Valley Fair. The 50th DAA has entered into an agreement under the terms of which it will convey a parcel of land, comprised of 75 acres, more or less, to the City of Lancaster ("City") in exchange for a parcel of land presently owned by the City. The 50th DAA's parcel is located in the City and is currently utilized as a fairground. The proposed exchange provides that the 50th DAA will retain its mineral interest in subject parcel, but would relinquish all right of entry over and upon the surface of the parcel, down to a depth of 500 feet. The City, through its Redevelopment Agency, intends to

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use the acquired parcel for housing and commercial development. Accordingly, the City must receive the parcel free of the risk of mineral development in the top 500 feet to achieve its intended purpose. In November, 1999 the 50th DAA requested the California State Lands Commission approve the disposition of the parcel in question, subject to its reservation of the minerals with no right of surface entry. The Commission's approval is necessary for the relinquishment of the right of surface entry for reserved minerals. Chapter 5 of Part 1 of Division 6 of the Public Resources Code (Section 6401, et. seq.) assigns administration of all state-owned mineral rights to the State Lands Commission. Pursuant to this Chapter, the Commission is required to review and approve the relinquishment of the right of surface entry for minerals as proposed in this transaction.

STATUTORY AND OTHER REFERENCES:

- A. Public Resources Code section 6403.
- B. Public Resources Code section 6404.

PERMIT STREAMLINING ACT DEADLINE:

N/A

OTHER PERTINENT INFORMATION:

1. After performing a mineral assessment report (Exhibit A) the Commission staff concludes that there are no known deposits of commercially valuable minerals from the surface to a depth of 500 feet at the existing Antelope Valley fair site. Considering the lack of valuable mineral resources, current zoning, and surrounding land use the likelihood of economic mineral resource development is remote.
2. The applicant has agreed to reimburse the Commission for staff time for the completed mineral assessment report and other Commission documentation.
3. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines (Title 14, California Code of Regulations, section 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.

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Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations, section 15378.

EXHIBIT:

- A. Mineral Assessment Report of the 50th District Agricultural Antelope Valley Fairgrounds and Location Map.

IT IS RECOMMENDED THAT THE COMMISSION:

1. FIND THAT THE ACTIVITY IS EXEMPT FROM THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15061 BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.
2. FIND THAT THERE ARE NO KNOWN DEPOSITS OF COMMERCIALY VALUABLE MINERALS IN AND ABOVE A PLANE LOCATED 500 FEET BELOW THE SURFACE OF THE SUBJECT PARCEL PROPOSED FOR EXCHANGE BY THE 50TH DISTRICT AGRICULTURAL ASSOCIATION,
3. FIND THAT THE EXCHANGE MAY BE MADE WITH THE RESERVATION OF MINERAL RIGHTS AND RELINQUISHMENT OF THE ACCOMPANYING RIGHTS OF SURFACE ENTRY IN AND ABOVE A PLANE LOCATED 500 FEET BELOW THE SURFACE OF THE PARCEL.
4. AUTHORIZE THE EXECUTIVE OFFICER OR HIS DESIGNEE TO EXECUTE ALL DOCUMENTS TO AFFECT THIS EXCHANGE.

MEMORANDUM**EXHIBIT A**

To: Marina Voskanian
Chief, Planning and Development

Date: January 26, 2000

File: W 40814

From: Greg Pelka
Senior Mineral Resources Engineer, Registered Geologist #4596
200 Oceangate 12th Floor, Long Beach, CA 90802-4331

Subject: **Mineral Assessment Report for Antelope Valley Fair Modification of Right of Surface Entry Application**

Background: The 50th District Agricultural Association (50th DAA) through the Antelope Valley Fair has entered into an exchange agreement with the City of Lancaster and the City of Lancaster Redevelopment Agency to exchange their existing 75 acre (approximately) fairground parcel for a new 135 acre parcel about 1.5 miles northwest of the existing location. The 50th DAA proposes to exchange their State proprietary 75 acre fee owned parcel with minerals reserved to the State for 135 acres of surface estate only with surface improvements for use as a new fairground site. The City of Lancaster Redevelopment Agency intends to redevelop the existing fair site into housing and commercial developments. Chapter 5 of Part 1 of Division 6 of the Public Resources Code (Section 6401, et. seq.) assigns administration of all state-owned mineral rights to the State Lands Commission. Pursuant to this Chapter, the Commission is required to review and approve the relinquishment of the right of surface entry for minerals as proposed in this transaction.

Commission staff has prepared a Mineral Assessment Report on the 75 acre parcel to be exchanged by the 50th DAA. This report finds that no commercially valuable minerals are known to exist in the subject lands and staff recommends that the State modify its right of surface entry so that this exchange may be concluded.

Introduction: This report has been prepared through the culmination of the review of available geologic literature together with a brief field exam of the parcel and the surrounding area.

Property Location: The Antelope Valley Fair property of the 50th DAA is comprised of approximately 75 acres of State owned proprietary lands (APN numbers 3176-005-900 and 3176-005-901) within the southwest quarter of Section 11, Township 7 North, Range 12 West, San Bernardino Base and Meridian, in the City of Lancaster, County of Los Angeles, California (see attached map). This property is located in northern Los Angeles County, approximately 60 miles north of the City of Los Angeles. The property is currently used as a fairground with 70 structures, a small Recreational Vehicle Park, a racetrack with grandstands, parking lots and extensive lighting, all designed to accommodate usage as a fairgrounds. The property is currently zoned for public use. There exists a High School and College on the south side of the fair parcel, residential housing to the east, and light industry to the north and west.

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Geologic Setting: The subject property is located in the extreme western portion of the Mojave Desert Geologic Province, which occupies about 25,000 square miles in southeastern California. The Mojave Desert Province is landlocked, bounded by the San Andreas Fault and Transverse Ranges to the southwest, the Garlock Fault on the north, and the State line to the east. The province contains rocks from the Proterozoic, Paleozoic, Mesozoic and Cenozoic Era's. The Mojave Desert Province is a Cenozoic feature, from movements related to the San Andreas and Garlock Faults. It is believed that late Tertiary movement on the San Andreas accompanied by Coastal Range uplift, resulted in interior drainage. This induced the formation of broad alluviated basins with aggrading surfaces receiving nonmarine continental deposits from the adjacent uplands. The thickness of the valley fill is believed the most extensive of the Mojave Desert Province in the Antelope Valley vicinity which includes the City of Lancaster. A series of northwest trending dry lake beds has formed across the province due to this interior drainage, the most westerly of which is Rosamond Dry Lake, approximately six miles north of the fairgrounds.

Topographically, the parcel slopes to the northwest, with elevation ranging from about 2355' near the southeast edge of the fairgrounds to about 2377' near the northwest corner. Surficial waters drain to the north and west and drain via Amargosa Creek and other drainages into Rosamond Dry Lake, a playa measuring nearly 25 square miles and within Edwards Air Force Base (see regional location map).

The parcel is mapped by the California Division of Mines and Geology 1:250,000 Los Angeles Map Sheet as being comprised totally of Quaternary alluvium as is much of the surrounding area. The nearest outcrop is that of Quartz Hill approximately 7 miles to the southwest (see regional location map) composed of Precambrian Pelona Schist, an outlier of similar rocks within the Transverse Ranges to the south. The only major structural feature in the area is the major right lateral San Andreas Fault located approximately 10 miles to the southwest, forming the northern boundary of the Transverse Ranges (see regional location map).

Energy and Mineral Resources:

Coal: The Antelope Valley Fair parcel has low potential for the occurrence of coal resources in the vicinity of the City of Lancaster. According to US Department of the Interior Bureau of Land Management 1981 1:500,000 scale map of "Lands Valuable for Coal", the nearest known coal occurrence is near the intersection of Interstate 5 and State Highway 14, approximately 35 miles to the southwest near Newhall.

Oil and Gas: The parcel has low potential for the occurrence of oil and gas resources. According to the 1997 Munger Map Book on Oil and Gas Fields in California, there were 3 oil and gas wells drilled within a 4 mile radius of the fairgrounds. The first is called the "Dennison 1" drilled in 1920 to a depth of 1000' and located in the Township 8 North, Range 12 West, SBM, section 24, about 3.5 miles to the north of the fairgrounds. It appears to have been a dry hole and was plugged and abandoned. There were also

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two oil and gas wells drilled in Township 7 North, Range 11 West, SBM, section 5, about 3 miles east of the fairgrounds. The "Cedric Brown 1" was drilled in 1956 to a depth of 3434'. The "Cedric Brown 2" was drilled in 1956 to a depth of 3040'. Both wells appeared to have been dry holes and were subsequently plugged and abandoned. The nearest producing field of any significance is the Wayside Canyon, Tapio and Castaic Hills fields located nearly thirty five miles to the southwest near Castaic. Based on the available information, the oil and gas potential of the Antelope Valley Fairgrounds is low.

Geothermal: According to the 1980 California Department of Conservation Geothermal Resources of California 1:750:000 scale map, the only geothermal resource in the vicinity is located in Township 6 North, Range 12 West, near the City of Palmdale (see regional location map). This well is reported to have a temperature of 27 degrees Celsius and is considered only warm since it is less than 50 degrees Celsius. It is spatially associated near the San Andreas Fault. Based on existing information, the Antelope Valley Fair parcel has low potential for geothermal resources.

Sodium and Potassium: According to the US Department of the Interior Bureau of Land Management 1985 1:500,000 scale map entitled "Lands Valuable for Sodium and Potassium", the area underlying the Antelope Valley Fair is part of a much broader area classified as prospectively valuable for sodium. The nearest occurrence of sodium and potassium minerals however is located approximately 14 miles to the northeast near Buckhorn Dry Lake (see regional location map). The nearest known production of sodium and potassium minerals is at Boron approximately 30 miles to the northeast where US Borax mines sodium and calcium borates in an area defined as "known valuable for sodium." Therefore, although the area underlying the fairgrounds is prospectively valuable for sodium and potassium there exists low potential for the occurrence of economically valuable sodium and potassium minerals.

Federal Mining Claims: There are few federal mining claims existing in the area surrounding the Antelope Valley Fair parcel according to the 1996 BLM mining claim microfiche. There are no federal mining claims within Township 7 North, Range 12 West, of which the fair parcel is located. All of the surrounding contiguous townships were reviewed for mining claims. Only two sets of mining claims were found. The nearest are five placer mining claims called Palmdale Gypsum #1 through #5 and are located in T6N, R12W, Section 34. These were filed in 1984 and have current assessment work through 1996. The second series of claims are located in Township 6 North, Range 13 West in sections 24 and 25. Five placer mining claims were located in 1995 and have current assessment work through 1997.

US Bureau of Mines Mineral Inventory Listing Service: There are only four listings in the vicinity of the Antelope Valley Fair that are relevant. The first is a sand and gravel pit located in Township 7 North, Range 11 West, Section 7, Southeast 1/4. This pit is located about 2.5 miles east of the fairground and is not believed to be currently in operation. This gravel pit is shown in that location on the United States Geological Survey 1:24,000 7.5' quadrangle. The next closest listing is in Township 6 North,

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Range 12 West, Section 6, about 6 miles southwest of the fair parcel. This is the Quartz Hill surface prospect for silicon. There is no current extraction of silicon known to exist today. The third is listed as the Rosamond Sand Pits located in Township 8 North, Range 11 West, Section 10. The last is the Riley Clay deposit located in Township 9 North, Range 11 West, Section 19 on Rosamond Lake within Edwards Air Force Base. There is a report that the military may be using this clay material for their own uses but it is unknown if there are outside sales. The occurrence of any economic clay resources would most likely be constrained to areas associated with the dry lake beds and therefore would not be relevant to the fairground parcel.

Metallic Minerals: The only metallic mineralization of significance in the area is located over 13 miles to the northwest in the Rosamond, Tropico Hill, Gem Hill, and Soledad Mountain area (see regional location map). In a highly faulted area, precious metal mineralization is associated with the intrusion of Miocene volcanics in Mesozoic granitics. This geologic setting does not occur in the vicinity of the Antelope Valley Fair parcel and therefore is deemed to have low potential for precious metals and other metallic minerals.

Aggregate: The California Division of Mines and Geology Mineral Land Classification of Portland Cement Concrete Aggregate in the Palmdale Production-Consumption region prepared by Russ Miller in 1994 was reviewed. This report identifies aggregate resources that are available for development in this region. Due to urbanization and zoning by many cities and counties, lands containing suitable aggregate material that may otherwise be of economic value, is utilized for housing and other urban development. The only major geologic setting of significance concerning aggregate in this region is the Little Rock Creek alluvial fan that empties northward from the San Gabriel Mountains near Littlerock. An area of about 12 square miles has been identified by CDMG as containing aggregate resources within the Little Rock Creek alluvial fan (see regional location map) of which about 1/3 of this is permitted for aggregate production. According to the California Division of Mines and Geology there were 7 active aggregate operations in 1995 within the Little Creek alluvial fan resource area. The Antelope Valley Fair is a minimum of 9 miles northwest of this identified aggregate area. Due to the difference in the geologic setting of the Antelope Valley Fair property versus that of the Little Rock Creek Fan, it is believed that the detrital material of the Antelope Valley Fair property is of sands and silts so as to make it unsuitable for Portland Cement Concrete Aggregate and would contain too much waste to constitute a commercial resource. The material would probably only be suitable for fill and would not warrant economic development given the proximal distance to the Little Rock Creek operations.

Recommendations: Based on the above analysis, I find that the Antelope Valley Fair property contains no commercially valuable mineral deposits and recommend that the State of California acting through the 50th DAA in the exchange of these lands, reserve all minerals with modification of its right of surface entry to these lands.

References:

Jenkins, O.P., 1969, Geologic Map of California, 1:250,000 Scale Map, California Division of Mines and Geology

Higgins, C.T., 1981, Reconnaissance of Geothermal Resources of Los Angeles County, California, California Division of Mines and Geology Open File Report 82-3 SAC

Miller, Russell, V, 1994, Update of Mineral Land Classification of Portland Cement Concrete in Ventura, Los Angeles, and Orange Counties, California, Part II, Los Angeles County. California Division of Mines and Geology Open File Report 94-14.

Norris, R. M., Webb, R. W., 1990, Geology of California, second edition,

United States Bureau of Mines, 1988, Mineral Inventory Listing Service

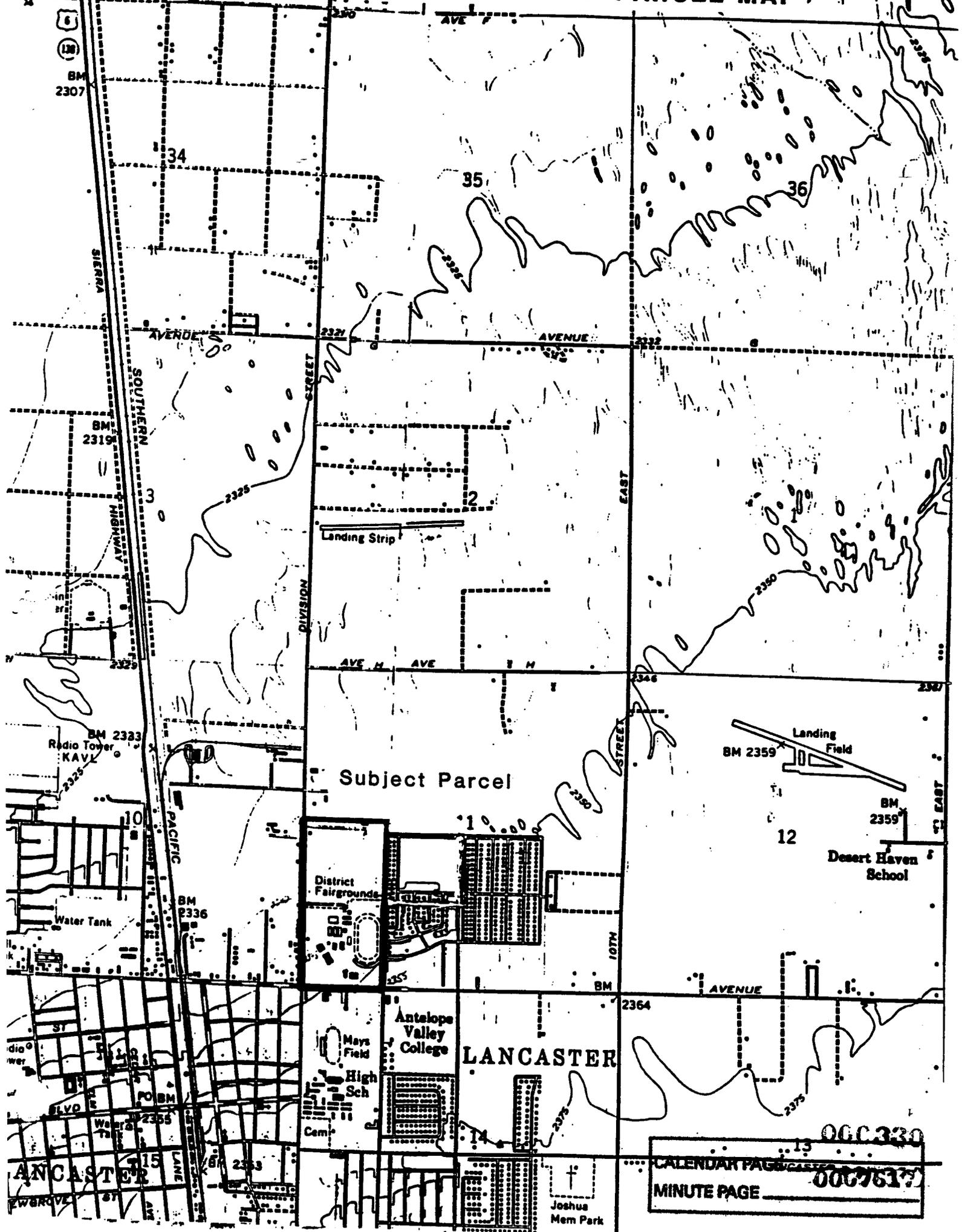
Wayland, R.G., Calzia, J.P., Docktor, R., 1985, Lands Valuable for Sodium and Potassium, 1: 500,000 Scale Map, US Department of the Interior, Bureau of Land Management

Wayland, R.G., Miller, J.C., Doctor, R. 1981, Lands Valuable for Coal, Southern California, US Department of the Interior, Bureau of Land Management.

Youngs, L.G., Antablin S. A., 1996, Mines and Mineral Producers Active in California (1994-1995), California Division of Mines and Geology Special Publication 103 (Revised 1996).

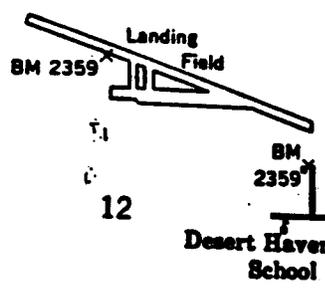
Attachments: Antelope Valley Fair Parcel Map
Regional Location Map

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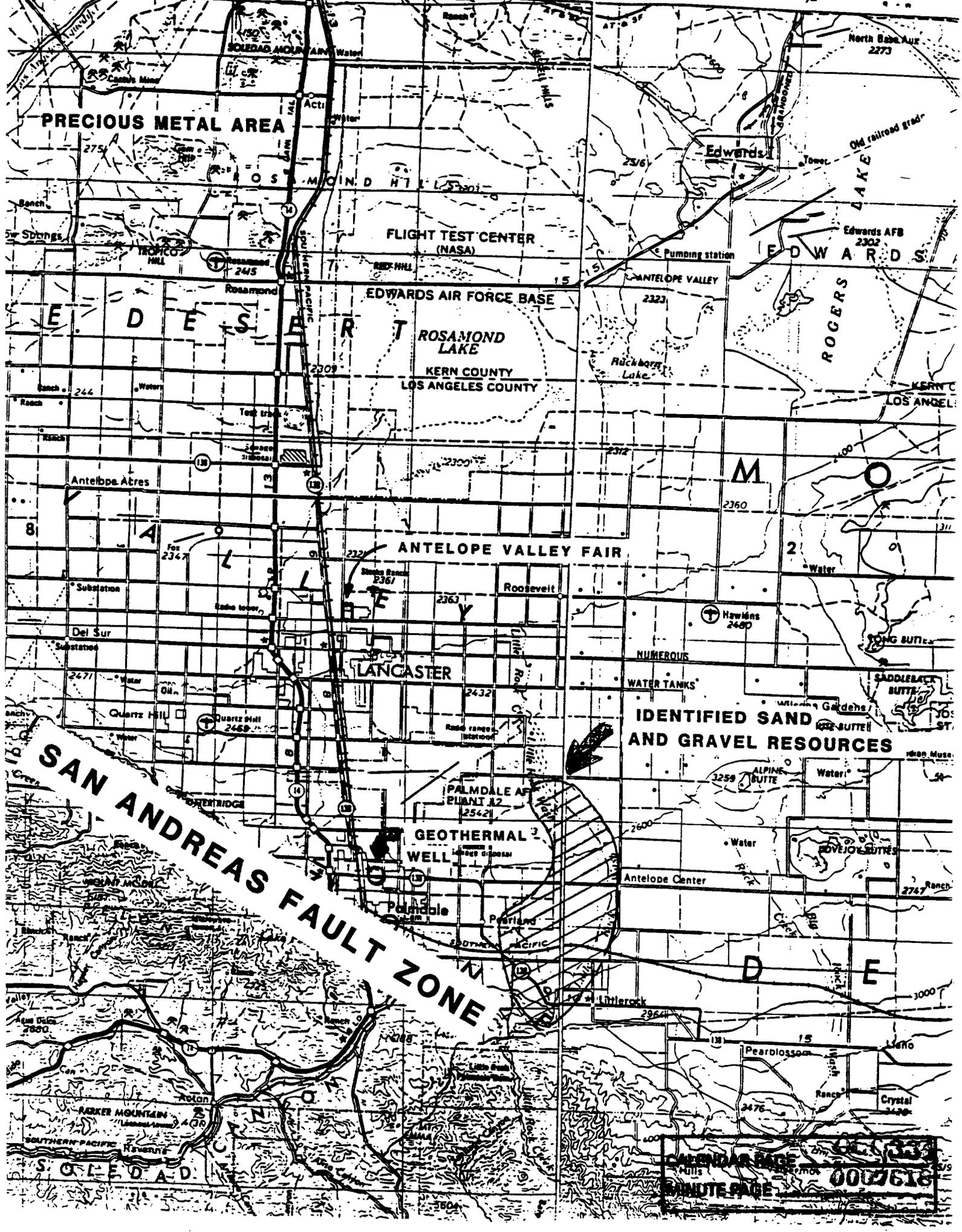


Subject Parcel

LANCASTER



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PRECIOUS METAL AREA

FLIGHT TEST CENTER (NASA)

EDWARDS AIR FORCE BASE

ROSAMOND LAKE

KERN COUNTY
LOS ANGELES COUNTY

ANTELOPE VALLEY FAIR

LANCASTER

GEOTHERMAL WELL

PALMDALE AIR PLANT A2

IDENTIFIED SAND AND GRAVEL RESOURCES

SAN ANDREAS FAULT ZONE

CALIFORNIA STATE GEOLOGICAL SURVEY
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