

**CALENDAR ITEM
C15**

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S 1

05/05/08
PRC 6962.2
C. Hudson

ASSIGNMENT OF LEASE

LESSEES/ASSIGNORS:

Sandra Braden, Paula Rosser and Bruce Jacobson, Successor Co-Trustees of the Henry and Dorothy Schechert Trust, dated March 24, 1982

ASSIGNEE:

Karlo Ranch, LLC
984 Bucks Lake Road
Quincy, CA 95971

AREA, LAND TYPE, AND LOCATION:

2,057 acres, more or less, of State school and lieu lands located ten miles north of Honey Lake, Lassen County.

AUTHORIZED USE:

Cattle grazing.

LEASE TERM:

Ten years, beginning April 1, 2007.

CONSIDERATION:

\$500 per year; with the State reserving the right to fix a different rental on each fifth anniversary of the lease.

SPECIFIC LEASE PROVISIONS:

Combined single limit coverage of no less than \$1,000,000.

OTHER PERTINENT INFORMATION:

1. On June 28, 2007, the Commission authorized a General Lease - Grazing Use with Sandra Braden, Paula Rosser and Bruce Jacobson, Successor Co-Trustees of the Henry and Dorothy Schechert Trust, dated March 24, 1982. That lease will expire on March 31, 2017. On September 17, 2007, the Lessees, sold the adjoining lands to Karlo Ranch, LLC. The Parties have since submitted an application to assign the lease.

CALENDAR ITEM NO. **C15** (CONT'D)

2. Pursuant to the Commission's delegation of authority and the State CEQA Guidelines [Title 14, California Code of Regulations, section 15060(c)(3)], the staff has determined that this activity is not subject to the provisions of the CEQA because it is not a "project" as defined by the CEQA and the State CEQA Guidelines.

Authority: Public Resources Code section 21065 and Title 14, California Code of Regulations, sections 15060 (c)(3) and 15378.

EXHIBITS:

- A. Location Map
- B. Land Description

RECOMMENDED ACTION:

IT IS RECOMMENDED THAT THE COMMISSION:

CEQA FINDING:

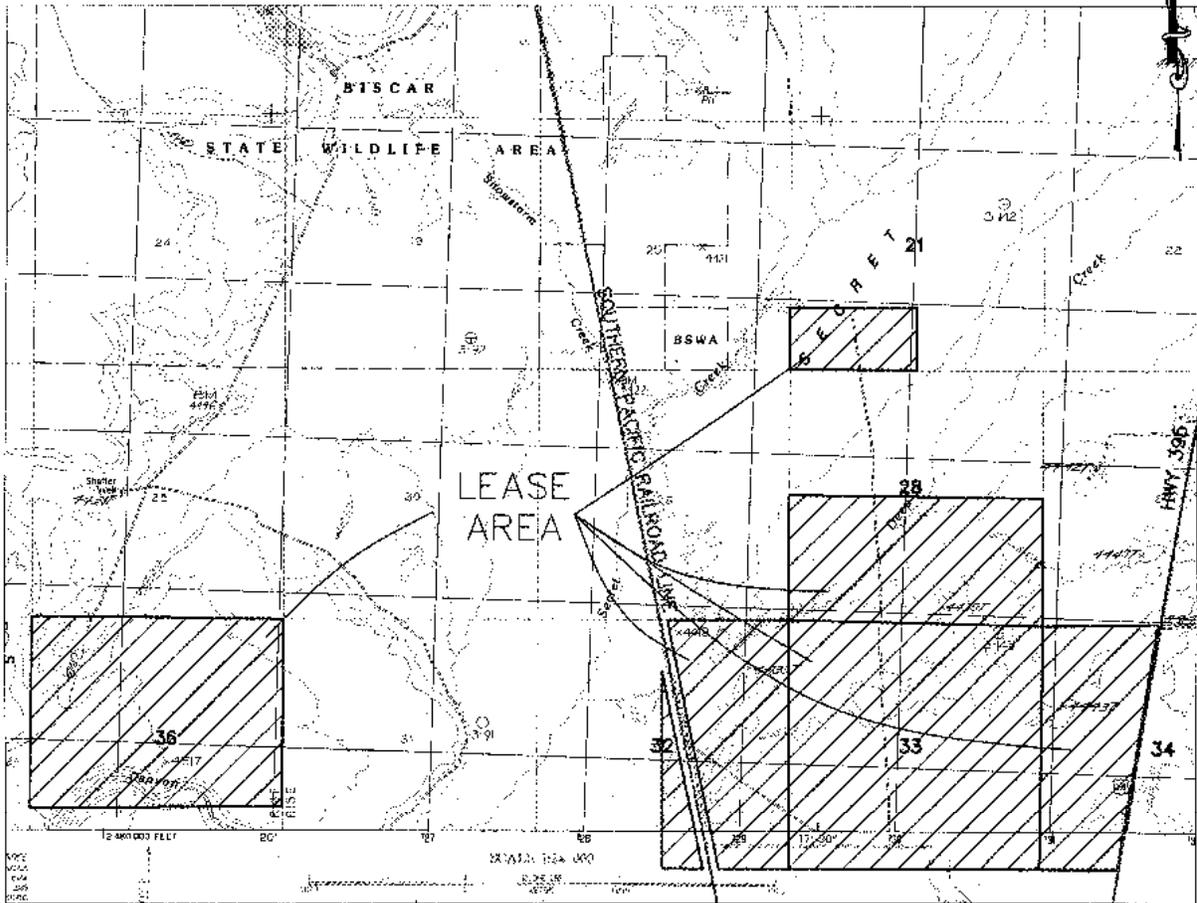
FIND THAT THE ACTIVITY IS NOT SUBJECT TO THE REQUIREMENTS OF THE CEQA PURSUANT TO TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15060(c)(3) BECAUSE THE ACTIVITY IS NOT A PROJECT AS DEFINED BY PUBLIC RESOURCES CODE SECTION 21065 AND TITLE 14, CALIFORNIA CODE OF REGULATIONS, SECTION 15378.

AUTHORIZATION:

AUTHORIZE THE ASSIGNMENT OF LEASE NO. PRC 6962.2, A GENERAL LEASE - GRAZING USE, OF STATE SCHOOL AND LIEU LANDS SHOWN ON EXHIBIT A ATTACHED AND BY THIS REFERENCE MADE A PART HEREOF, FROM SANDRA BRADEN, PAULA ROSSER AND BRUCE JACOBSON, SUCCESSOR CO-TRUSTEES OF THE HENRY AND DOROTHY SCHECHERT TRUST, DATED MARCH 24, 1982, TO KARLO RANCH, LLC.; EFFECTIVE MAY 5, 2008.

NO SCALE

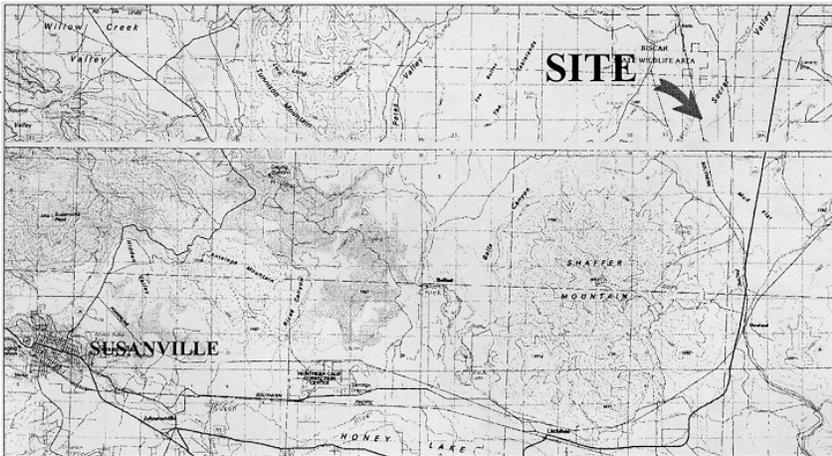
SITE



20 MI NE OF SUSANVILLE, PORTIONS OF SECTIONS 21,28,32,33,34 OF T31N, R15E AND 36 OF T31N, R14E MDM

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit A

WP 6962
 GRAZING LEASE
 APN 93-130-20;
 APN 93-120-05, 09, 10, &11;
 APN 93-110-06; APN 93-080-17
 LASSEN COUNTY



This Exhibit is solely for purposes of generally defining the lease premises, is based on unverified information provided by the Lessee or other parties and is not intended to be, nor shall it be construed as, a waiver or limitation of any State interest in the subject or any other property.