

**CALENDAR ITEM**

**C79**

A 80

08/14/12

PRC 8668.2

S 40

J. Porter

**REVISION OF RENT**

**LESSEE:**

A-Z Farms, Inc.  
P.O. Box 1079  
Calipatria, CA 92233

**AREA, LAND TYPE, AND LOCATION:**

76.97 acres, more or less, of school lands located in Section 9, Township 11 South, Range 14 East, SBM, southwest of the unincorporated town of Niland, Imperial County.

**AUTHORIZED USE:**

Agricultural use.

**LEASE TERM:**

Ten years, beginning July 15, 2007.

**CONSIDERATION:**

This lease provides that Lessor may modify the rent periodically during the lease term. Pursuant to this provision, staff has conducted a review of the rent under this lease, and recommends that the rent be revised from \$5,250 per year, payable bi-annually (\$2,625 on July 15 and \$2,625 on January 15 of each year), to \$6,388 per year, payable bi-annually (\$3,194 on July 15 and \$3,194 on January 15 of each year), effective July 15, 2012.

**OTHER PERTINENT INFORMATION:**

1. On April 26, 2005, the Commission, acting as trustee of the School Land Bank Fund, approved a land exchange whereby the Commission acquired 76.97 acres, more or less, of agricultural land (Subject Property) located southwest of the unincorporated town of Niland in Imperial County. At the time of the acquisition, the property was subject to an existing agricultural lease. That lease expired on July 15, 2007.

## CALENDAR ITEM NO. **C79** (CONT'D)

2. At its meeting on March 25, 2008, the Commission approved Lease No. PRC 8668.2, a General Lease - Agricultural Use, to A-Z Farms, Inc., for the property for agricultural use. The lease had a beginning date of July 15, 2007.
3. The staff recommends that the Commission find that the subject revision of rent does not have a potential for resulting in either a direct or reasonably foreseeable indirect physical change in the environment, and is, therefore, not a project in accordance with the California Environmental Quality Act (CEQA).

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

### **EXHIBIT:**

- A. Site and Location Map

### **RECOMMENDED ACTION:**

It is recommended that the Commission:

#### **CEQA FINDING:**

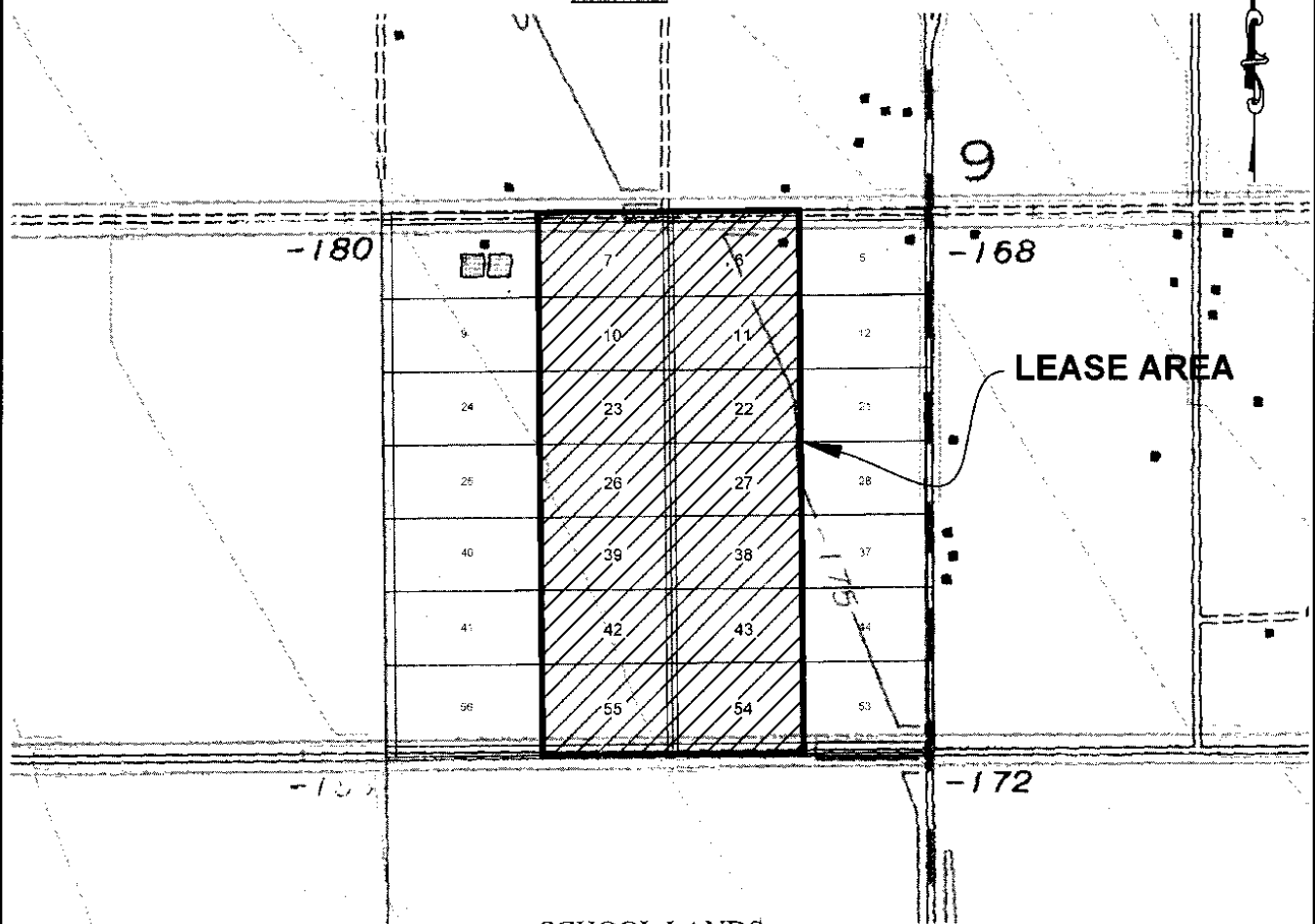
Find that the subject continuation of rent is not subject to the requirements of CEQA pursuant to California Code of Regulations, Title 14, section 15060, subdivision (c)(3), because the subject activity is not a project as defined by Public Resources Code section 21065 and California Code of Regulations, Title 14, section 15378.

#### **AUTHORIZATION:**

Approve the revision of rent for Lease No. PRC 8668.2 from \$5,250 per year, payable bi-annually (\$2,625 on July 15 and \$2,625 on January 15 of each year), to \$6,388 per year, payable bi-annually (\$3,194 on July 15 and \$3,194 on January 15 of each year), effective July 15, 2012.

NO SCALE

## SITE



SCHOOL LANDS  
LOTS 6, 7, 10, 11, 22, 23, 26, 27, 38, 39, 42, 43, 54, & 55  
ALEXANDRIA TRACT, NILAND

NO SCALE

## LOCATION



MAP SOURCE: USGS QUAD

## **Exhibit A**

PRC 8668.2  
A-Z FARMS INC.  
APN 021-240-02, 04, 021-260-02  
GENERAL LEASE -  
AGRICULTURAL USE  
IMPERIAL COUNTY



JAK 6/12

This Exhibit is solely for purposes of generally defining the sale parcel, is based on unverified information provided by 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.