

MINUTE ITEM
This Calendar Item No. C7
was approved as Minute Item
No. 7 by the State Lands
Commission by a vote of 3
to 0 at its 2/17/87
meeting.

CALENDAR ITEM

A 28
S 17

C07

02/17/87
WP 5367
Reese

AGRICULTURAL LEASE

APPLICANT: Sunset Farms, Inc.
194 Archer Drive
Santa Cruz, California 95060

AREA, TYPE LAND AND LOCATION:
A 134+ acre parcel of State school land,
located three miles northwest of Santa Cruz,
Santa Cruz County.

LAND USE: Row Crop Farming.

TERMS OF PROPOSED LEASE:
Initial period: One year beginning January 1,
1987.

Surety bond: \$5,000.

Public liability insurance: Combined single
limit coverage of \$500,000.

CONSIDERATION: \$23,584 per annum.

BASIS FOR CONSIDERATION:
Pursuant to 2 Cal. Adm. Code 2003.

STATUTORY AND OTHER REFERENCES:
A. P.R.C.: Div. 6, Parts 1 and 2; Div. 13.
B. Cal. Adm. Code: Title 2, Div. 3; Title 14,
Div. 6.

AB 884: N/A.

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CALENDAR ITEM NO. C 07 (CONT'D)

OTHER PERTINENT INFORMATION:

1. Sunset Farms, Inc. desires to renew their existing lease which expired December 31, 1986 of a 134+-acre parcel of State school land for an ongoing agricultural use. The subject parcel is a portion of a 950+-acre parcel known as Scaroni Ranch which was acquired by SLC by grant deed in 1977.
2. A portion of this activity involves lands identified as possessing significant environmental values pursuant to P.R.C. 6370, et seq. but will not affect those significant lands.
3. 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 as a categorical exempt project. The project is exempt under Class 4, Minor Alterations to Land, 14 Cal. Adm. Code 15304.

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

EXHIBIT: A. Location Map.

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 AS A CATEGORICAL EXEMPT PROJECT, CLASS 4, MINOR ALTERATIONS TO LAND, 14 CAL. ADM. CODE 15304.
2. FIND THAT THIS ACTIVITY WILL INVOLVE LANDS IDENTIFIED AS POSSESSING SIGNIFICANT ENVIRONMENTAL VALUES PURSUANT TO P.R.C. 6370, ET SEQ., BUT THAT SUCH ACTIVITY WILL HAVE NO DIRECT OR INDIRECT EFFECT ON SUCH LANDS.
3. AUTHORIZE ISSUANCE TO SUNSET FARMS, INC. OF A ONE-YEAR AGRICULTURAL LEASE BEGINNING JANUARY 1, 1987; IN CONSIDERATION OF ANNUAL RENT IN THE AMOUNT OF \$23,584, PROVISION OF A \$5,000 SURETY BOND; PROVISION OF PUBLIC LIABILITY INSURANCE FOR COMBINED SINGLE LIMIT COVERAGE OF \$500,000; FOR ROW CROP FARMING ON THE LAND SHOWN ON EXHIBIT "A" ATTACHED AND BY REFERENCE MADE A PART HEREOF.

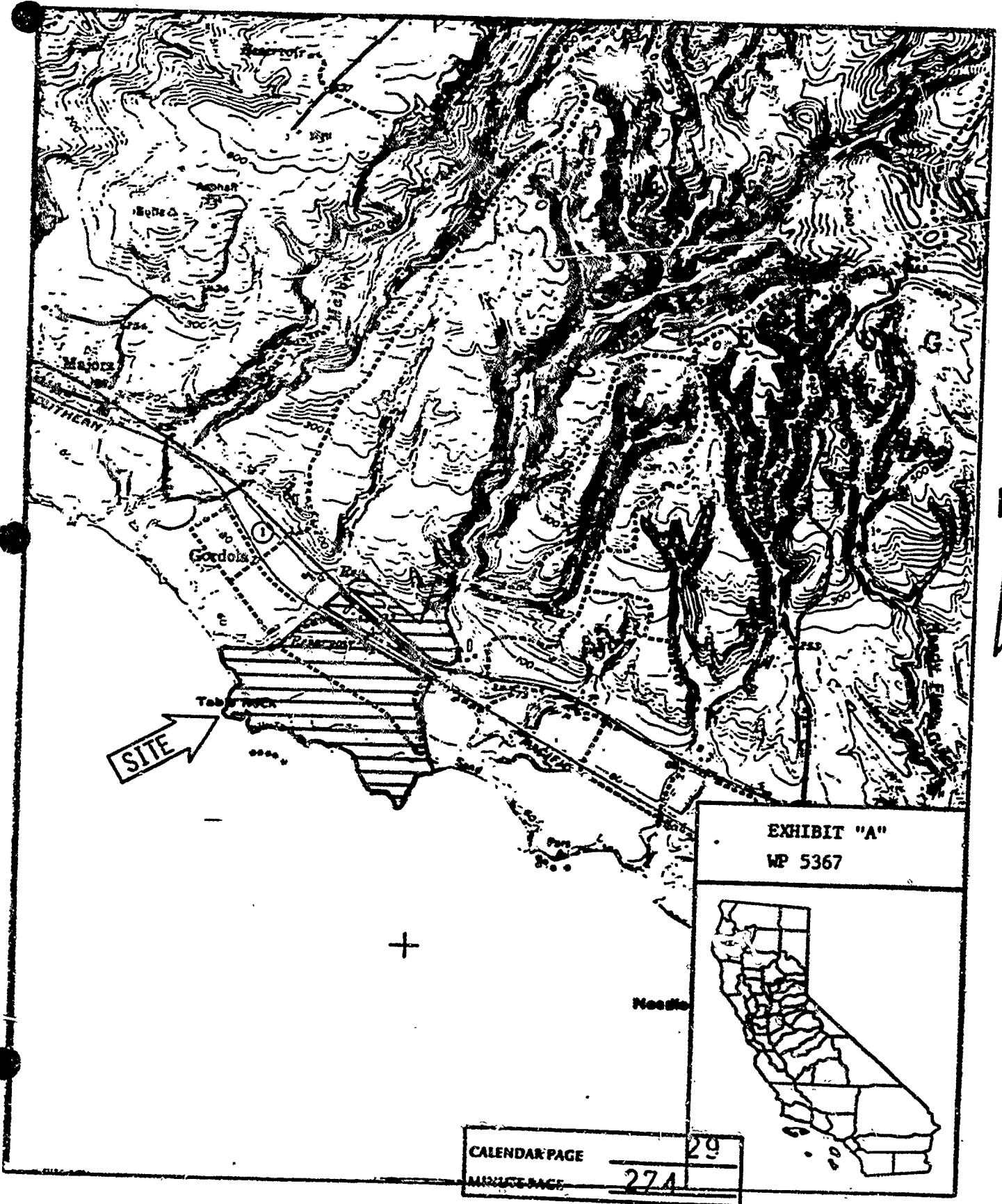


EXHIBIT "A"
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