

**STAFF REPORT
C76**

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04/19/18
PRC 7202.2
C. Hudson

REVISION OF RENT

LESSEE:

AT&T Corp., a wholly-owned subsidiary of SBC Communications, Inc.

AREA, LAND TYPE, AND LOCATION:

1.37 acres, more or less, of State-owned school land within a portion of Section 36, Township 18 North, Range 16 East, MDM, near Truckee, Nevada County.

AUTHORIZED USE:

Use and maintenance of an existing fiber optic communications cable.

LEASE TERM:

49 years, beginning May 9, 1988.

CONSIDERATION:

This lease provides that the Commission may modify the rent periodically during the lease term. Pursuant to this provision, staff conducted a review of the rent under this lease and recommends that rent be revised from \$740 per year to \$977 per year, effective May 9, 2018.

OTHER PERTINENT INFORMATION:

1. On May 9, 1988, the Commission authorized a 49-year General Lease – Right-of-Way Use to American Telephone and Telegraph Company for the installation of a fiber optic communications cable ([Item 16, May 9, 1988](#)). In 2006, the Commission authorized an assignment of the lease to AT&T Corp., a wholly-owned subsidiary of SBC Communications, Inc., ([Item 32, February 9, 2006](#)). That lease will expire on May 8, 2037.
2. This action is consistent with Strategy 2.2 of the Commission's Strategic Plan to ensure timely receipt of revenues and royalties from the use and development of State lands and minerals.
3. Approving the revision of rent is not a project as defined by the California Environmental Quality Act because it is an administrative action that will not result in direct or indirect physical changes in the environment.

STAFF REPORT NO. **C76** (CONT'D)

Authority: Public Resources Code section 21065 and California Code of Regulations, title 14, section 15378, subdivision (b)(5).

EXHIBIT:

- A. Site and Location Map

RECOMMENDED ACTION:

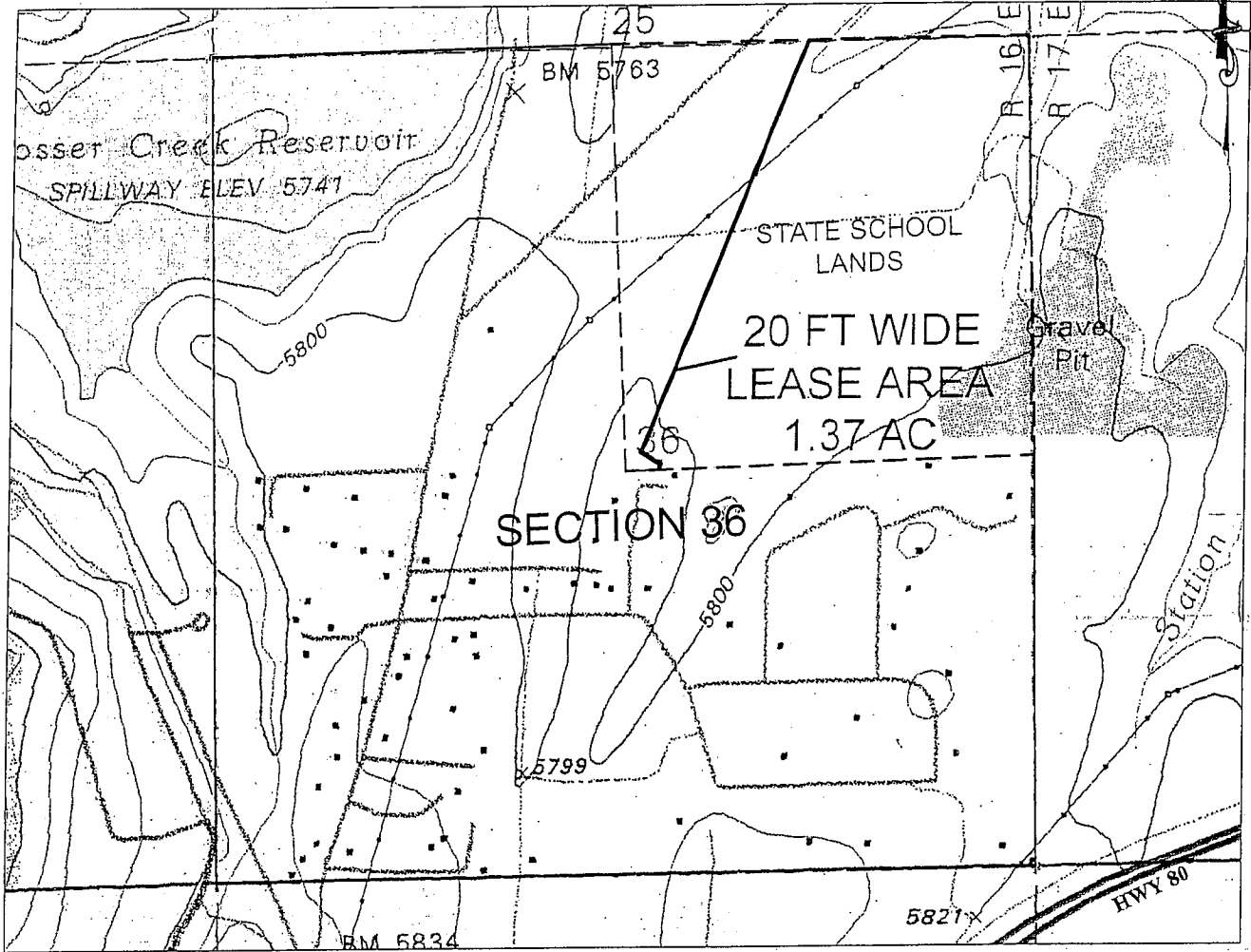
It is recommended that the Commission:

AUTHORIZATION:

Approve the revision of rent for Lease No. PRC 7202.2 from \$740 per year to \$977 per year, effective May 9, 2018.

NO SCALE

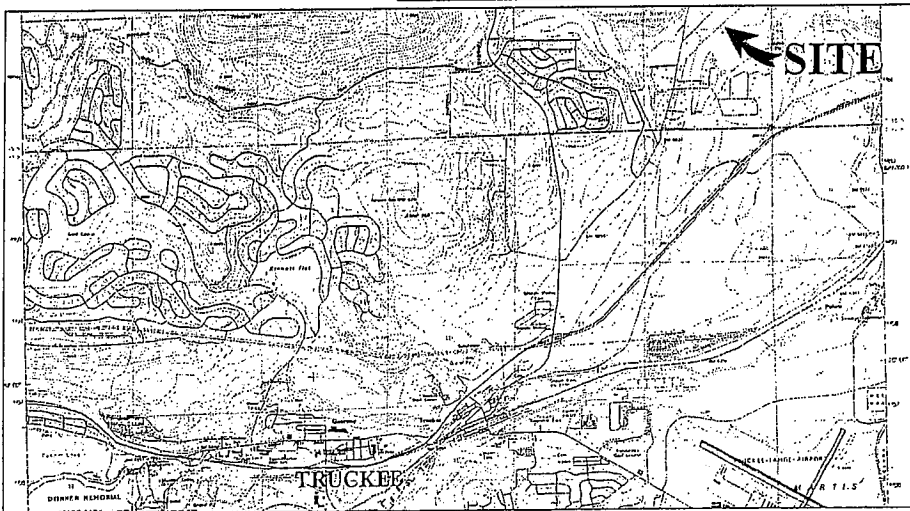
SITE



SCHOOL LANDS NE 1/4 OF SEC. 36, T18N, R16E, MDM

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

Exhibit A

PRC 7202.2
 AT&T CORP.
 GENERAL LEASE -
 RIGHT-OF-WAY USE
 NEVADA 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.