

STAFF REPORT

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06/28/19
PRC 8089.2
C. Hudson

GENERAL LEASE – GRAZING USE

APPLICANT:

Allan L. Faughn

PROPOSED LEASE:

AREA, LAND TYPE, AND LOCATION:

Approximately 320 acres, more or less, of State indemnity school land located in the North ½ of Section 18, Township 27 South, Range 28 East, MDM, near Bakersfield, Kern County.

AUTHORIZED USE:

Livestock grazing and the use and maintenance of existing fencing.

LEASE TERM:

10 years, beginning July 1, 2019.

CONSIDERATION:

\$1,600 per year, with an annual Consumer Price Index adjustment.

SPECIFIC LEASE PROVISIONS:

1. Liability insurance in an amount no less than \$1,000,000 per occurrence.
2. The number of animals permitted on the lease premises is restricted to those that can be supported by vegetation.
3. Applicant must exercise good grazing practices to avoid overgrazing by livestock.

STAFF ANALYSIS AND RECOMMENDATION:

Authority:

Public Resources Code sections 6005, 6216, 6217.5, 6501.1, 6503, and 8701; California Code of Regulations, title 2, sections 2000 and 2003.

State's Best Interests Analysis:

On October 27, 2011, the Commission authorized a 10-year General Lease – Grazing Use beginning July 1, 2009 to Allan F. Faughn and Jennifer Keel Faughn for livestock grazing and the continued use and

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maintenance of existing fencing ([Item C41, October 27, 2011](#)). The lease will expire on June 30, 2019. The Applicant applied for a new lease for grazing use of State-owned indemnity school land. The proposed lease is limited to a 10-year term, does not alienate the State's fee simple interest, and does not grant the lessee exclusive rights to the lease premises. The lease requires the lessee to insure and indemnify the State for any liability incurred as a result of the lessee's activities hereon. The Applicant is required to use good grazing practices to avoid overgrazing of the lease premises. Staff may at any time during the lease term make an analysis of forage conditions utilizing accepted range management practices. The number of animals permitted on the lease premises is restricted to those that can be supported by the forage available in this ephemeral range area taking into consideration forage reserved for necessary wildlife use. The lease requires the lessee to maintain the land at no expense to the State. The lease also requires the payment of annual rent, generating revenue for the California State Teachers' Retirement System.

Climate Change:

As stated in *Safeguarding California Plan: 2018 Update* (California Natural Resources Agency 2018), climate change is projected to increase the frequency and severity of natural disasters related to flooding, drought, and storms. The lease area consists of open land with moderate to low vegetation fuels and is vulnerable to the above events, including dust storms and flash flooding from thunderstorms, and, to a lesser extent, wildland fires. The leased lands and surrounding land may be vulnerable to these weather events; however, these projected climate change effects are not expected to affect the uses of the leased lands (cattle grazing and fencing).

Conclusion:

For the reason stated above, staff believes the issuance of Lease No. PRC 8089.2 is in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. Approval or denial of the application is a discretionary action by the Commission. Each time the Commission approves or rejects a use of State indemnity school land, it exercises legislatively delegated authority and responsibility as trustee of the State's school lands as authorized by law. If the Commission denies the application, the Applicant may be required to remove the fencing and restore the premises to their original condition. Upon expiration or prior termination of the lease, the lessee also has no right to a new lease or to renewal of any previous lease.

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2. This action is consistent with Strategy 1.1 of the Commission's Strategic Plan to deliver the highest levels of public health and safety in the protection, preservation and responsible economic use of the lands and resources under the Commission's jurisdiction and Strategy 2.1 to optimize returns for the responsible development and use of State lands and resources, both onshore and offshore.
3. **Livestock Grazing:** Staff recommends that the Commission find that this activity is exempt from the requirements of the California Environmental Quality Act (CEQA) as a categorically exempt project. The project is exempt under Class 4, Minor Alteration to Land; California Code of Regulations, title 2, section 2905, subdivision (d)(1).
4. **Existing Facilities (fencing):** Staff recommends that the Commission find that this activity is exempt from the requirements of CEQA as a categorically exempt project. The project is exempt under Class 1, Existing Facilities; California Code of Regulations, title 2, section 2905, subdivision (a)(2).

Authority: Public Resources Code section 21084 and California Code of Regulations, title 14, section 15300 and California Code of Regulations, title 2, section 2905.

EXHIBITS:

- A. Land Description
- B. Site and Location Map

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Livestock Grazing: Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, title 14, section 15061 as a categorically exempt project, Class 4, Minor Alteration to Land; California Code of Regulations, title 2, section 2905, subdivision (d)(1).

Existing Facilities (fencing): Find that the activity is exempt from the requirements of CEQA pursuant to California Code of Regulations, title 14, section 15061 as a categorically exempt project, Class 1, Existing Facilities; California Code of Regulations, title 2, section 2905, subdivision (a)(2).

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STATE'S BEST INTERESTS FINDING:

Find that the proposed lease is in the best interests of the State.

AUTHORIZATION:

Authorize issuance of a General Lease – Grazing Use to Allan L. Faughn beginning July 1, 2019, for a term of 10 years, for livestock grazing and the use and maintenance of existing fencing, as described in Exhibit A and shown on Exhibit B (for reference purposes only) attached and by this reference made a part hereof; annual rent in the amount of \$1,600, with an annual Consumer Price Index adjustment; and liability insurance in an amount no less than \$1,000,000 per occurrence.

EXHIBIT A

PRC 8089.2

May 21, 1999

LEGAL DESCRIPTION

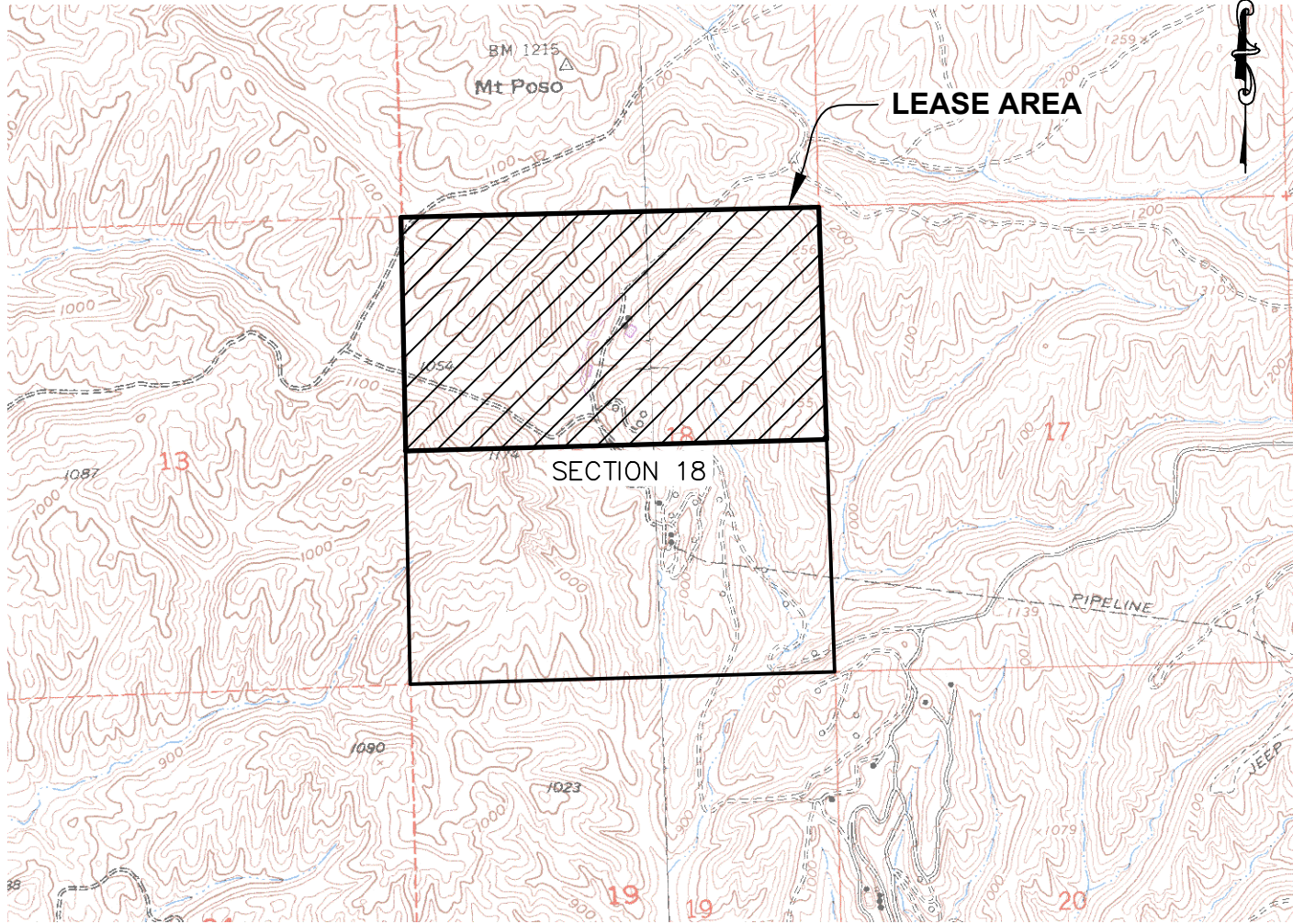
Those state-owned school lands northeast of Bakersfield , Kern County,
California, more particularly described as follows:

The North ½ of Section 18, Township 27 South, Range 28 East,
Mount Diablo Meridian.

END OF DESCRIPTION

NO SCALE

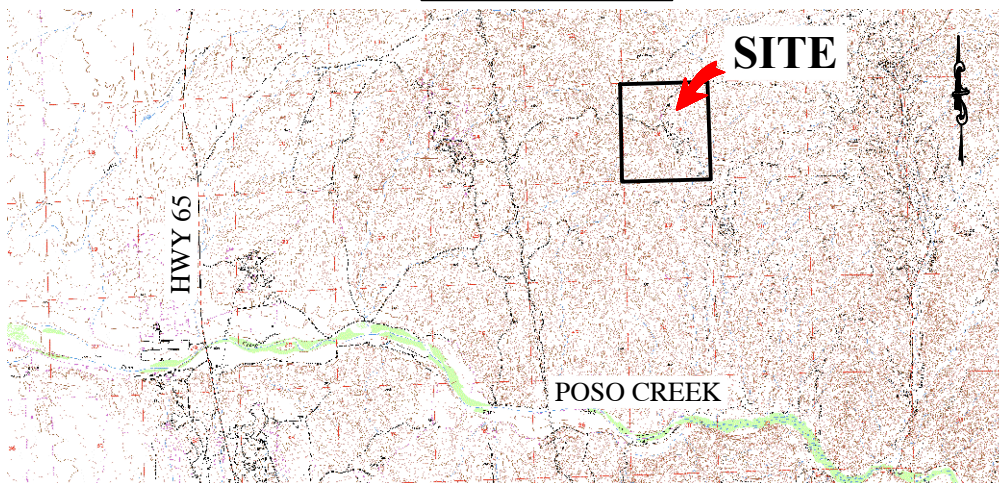
SITE



SCHOOL LANDS N. 1/2 OF SECTION 18 TOWNSHIP 27 SOUTH,
RANGE 28 EAST, M.D.B.&M.

NO SCALE

LOCATION



MAP SOURCE: USGS QUAD

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.

Exhibit B

PRC 8089.2
FAUGHN
SCHOOL LANDS
GENERAL LEASE -
GRAZING USE
KERN COUNTY



DJF 5/13/19