

## STAFF REPORT

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Lease 4645.2  
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C. Hudson

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### RESCISSION OF APPROVAL AND ISSUANCE OF A GENERAL LEASE – RIGHT-OF-WAY

#### APPLICANT:

City of Los Angeles, Department of Water and Power

#### PROPOSED LEASE:

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

8.79 acres, more or less, of State-owned school land within a portion of Section 36, Township 2 South, Range 31 East, MDM, north of Bishop, Mono County.

##### *AUTHORIZED USE:*

Use and maintenance of an existing 500-kilovolt (kV) electrical transmission line, two towers, and conductors.

##### *LEASE TERM:*

25 years, beginning April 1, 2019.

##### *CONSIDERATION:*

\$887 per year, with an annual Consumer Price Index adjustment.

##### *SPECIFIC LEASE PROVISIONS:*

- Lessee will take all reasonable and necessary actions to prevent, suppress, and control fires on the Lease Premises.

#### 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 February 24, 1972, the Commission approved a 49-year General Lease – Right-of-Way Use to the City of Los Angeles, Department of Water and Power, for the continued use and maintenance of an existing 375-kV electrical transmission line consisting of two towers and

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conductors ([Item 7, February 24, 1972](#)). That lease commenced on April 1, 1970 and expired on March 31, 2019.

On August 23, 2019, the Commission authorized a new General Lease – Right-of-Way Use for an existing 375-kV electrical transmission line consisting of two towers and conductors ([Item 60, August 23, 2019](#)). After the Commission's approval, but before the lease was executed, the Applicant informed Commission staff that the electrical transmission line was upgraded to 500-kV. Staff now recommends that the previous authorization be rescinded, and issuance of a new lease be authorized to the Applicant.

The proposed lease is limited to a 25-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 Applicant to insure and indemnify the State for any liability incurred as a result of the lessee's activities on the lease premises and maintain the electrical transmission line, towers, and conductors at its sole expense. The lease also requires the payment of annual rent, which generates revenue for the California State Teachers' Retirement System, consistent with Public Resources Code section 6217.5.

### **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 is 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. However, these projected climate change effects are not expected to affect the uses of the leased lands for transmission line activities.

### **Conclusion:**

For the reasons stated above, staff believes issuance of this lease 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 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 electrical transmission line, two towers, and conductors and

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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.

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, reservation 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. Rescission of the previous lease authorization is not a project as defined by the California Environmental Quality Act (CEQA) because it is an administrative action that will not result in direct or indirect physical changes in the environment.

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

4. Staff recommends that the Commission find that issuance of the lease 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:**

Find that issuance of the lease 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).

**STATE'S BEST INTERESTS:**

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

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**AUTHORIZATION:**

1. Rescind the previous authorization of Lease 4645.2, a General Lease – Right-of-Way Use, approved August 23, 2019.
2. Authorize issuance of a General Lease – Right-of-Way Use to the Applicant beginning April 1, 2019, for a term of 25 years, for an existing 500-kV electrical transmission line, two towers, and conductors, as described in Exhibit A and shown on Exhibit B (for reference purposes only), attached and by this reference made a part hereof; and annual rent in the amount of \$887, with an annual Consumer Price Index adjustment.

**EXHIBIT A**

Lease 4645.2

**LAND DESCRIPTION**

A 200 foot wide Parcel of State owned School Lands situate in the east one half of the southwest one quarter of Section 36, T. 2 S., R. 31 E., M.D.M., according to the government township plat approved December 13, 1879, County of Mono, State of California, lying 100 feet on both sides of the following described centerline:

BEGINNING at a point on the south line of said Section 36, distant thereon West, 3911 feet from the southeast corner of said Section 36; thence from said point of beginning, N 1°19'37" W to a point on the north line of the southwest one-quarter of said Section 36.

The sidelines of said strip shall be prolonged or shortened so as to commence at the south line of said Section 36 and terminate at the north line of the southwest one-quarter of said Section 36.

EXCEPTING THEREFROM any portion lying outside of the east one half of the southwest one quarter of said Section 36.

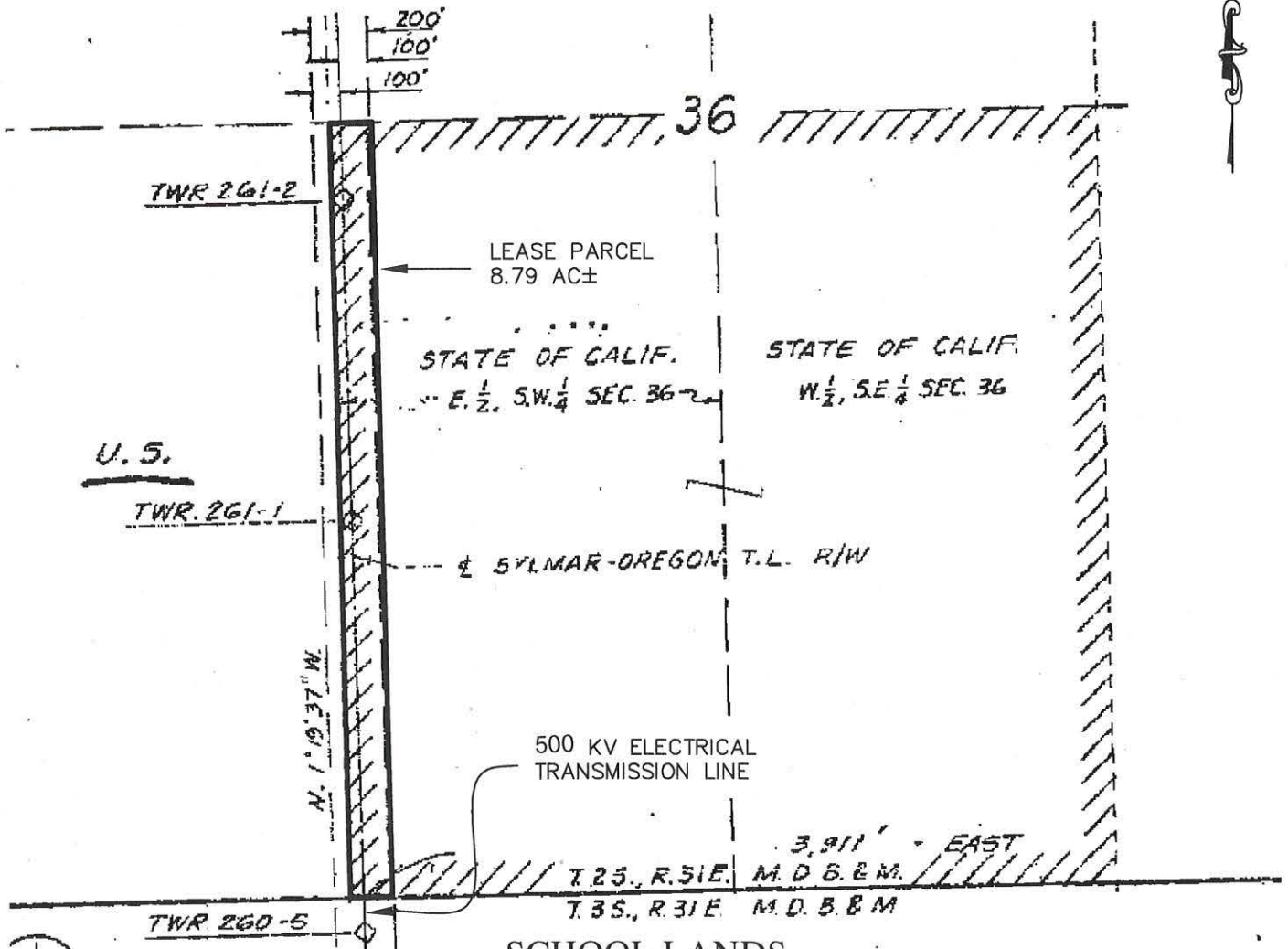
**END OF DESCRIPTION**

Revised by the California State Lands Commission Boundary Unit on 5/17/19. Original description prepared by Richard G. Morton on December 17, 1970 as found in Lease 4645.2 file.



NO SCALE

## SITE



SCHOOL LANDS  
PORTION OF SECTION 36, T2S, R31E, MDM

NO SCALE

## LOCATION



MAP SOURCE: USGS QUAD

## Exhibit B

Lease 4645.2  
CITY OF LOS ANGELES  
DEPARTMENT OF WATER  
AND POWER  
GENERAL LEASE -  
RIGHT - OF - WAY USE  
MONO 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.

DJF 5/17/19