

Staff Report 57

LESSEE:

AT&T Corp., A Wholly-Owned Subsidiary of SBC Communication, Inc.

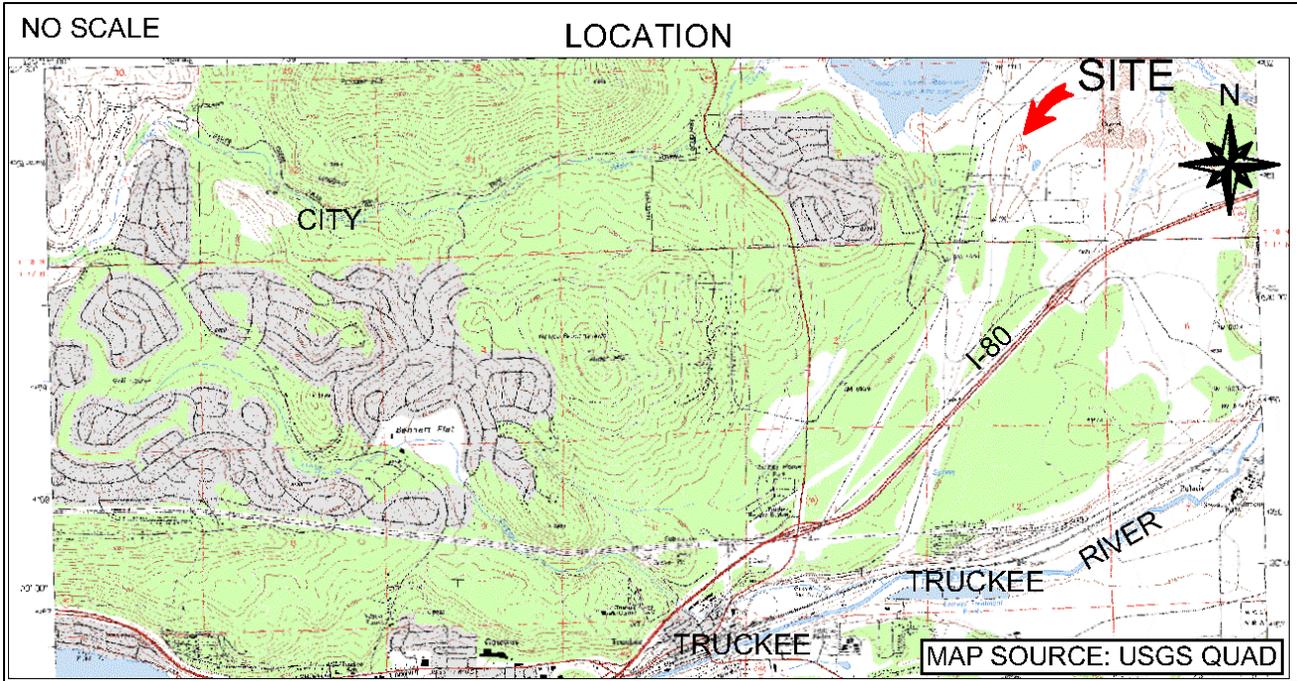
PROPOSED ACTION:

Revision of Rent

AREA, LAND TYPE, AND LOCATION:

1.37 acres, more or less of State school land located in a portion of Section 36, Township 18 North, Range 16 East, MBM, near Truckee, Nevada County (as shown in Figure 1).

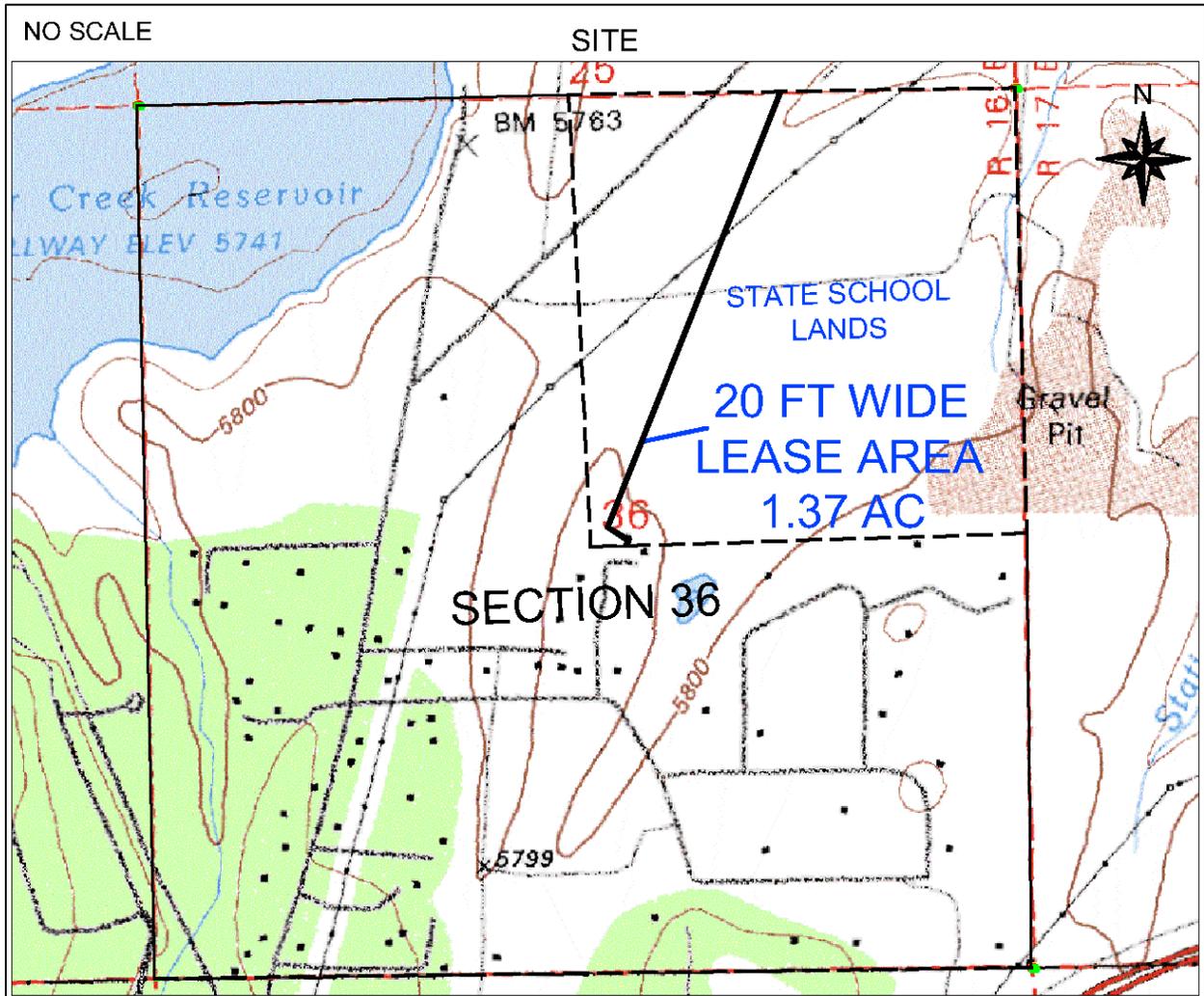
Figure 1. Location



AUTHORIZED USE:

Continued use and maintenance of a buried fiber optic communication cable (as shown in Figure 2).

Figure 2. Site Map



NOTE: This depiction of the lease premises is based on unverified information provided by the Applicant or other parties and is not a waiver or limitation of any State interest in the subject or any other property.

TERM:

49 years, beginning May 9, 1988.

CONSIDERATION:

The 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 \$977 per year to \$2,960 per year, effective May 9, 2023.

OTHER PERTINENT INFORMATION:

1. Approval or denial of the revision of rent is a discretionary action by the Commission. Each time the Commission approves or rejects a revision of rent, it exercises legislatively delegated authority and responsibility as trustee of the State's Public Lands as authorized by law. The Lessee has no right to a new lease or to renewal of any previous lease.
2. On May 9, 1988, the Commission authorized General Lease – Right-of-Way Use ([May 9, 1988, C16](#)) to American Telephone and Telegraph Company. On February 9, 2006, the Commission authorized assignment ([February 9, 2006, C32](#)) from the lessee to AT&T Corp., A Wholly Owned Subsidiary of SBC Communications, effective on November 18, 2005. On June 28, 2007, the Commission authorized an increase in rent ([June 28, 2007, C26](#)) from \$412 to \$689, effective May 9, 2008; on February 22, 2013 ([February 22, 2013, C88](#)), the Commission authorized an increase in rent from \$689 to \$740, effective May 9, 2013; and on April 19, 2018, the Commission authorized an increase in rent ([April 19, 2018, C76](#)) from \$740 to \$977, effective May 9, 2018. The lease will expire on May 8, 2037.
3. This action is consistent with addressing the challenges and opportunities described in the Commission's 2021-25 Strategic Plan to “Embrace and safeguard multi-benefit School Lands and resource management stewardship that equitably balances responsible local and regional economic development, supports living wages, environmental protection, and revenue generation.”
4. 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.

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

RECOMMENDED ACTION:

It is recommended that the Commission:

AUTHORIZATION:

Approve the revision of rent for Lease PRC 7202 from \$977 per year to \$2,960 per year, effective May 9, 2023.