

# Staff Report 46

## **PARTIES:**

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California State Lands Commission  
LandGate Corp.

## **PROPOSED ACTION:**

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1. Authorize the Executive Officer or designee to enter into non-exclusive agreements with LandGate Corp. to list School Lands properties or resources on online platforms when such services are offered at no cost to the State.
2. Authorize Commission Land Management Division staff to advertise School Lands parcels with LandGate Corp., at Commission staff's discretion.

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

Statewide School Lands (see the [Commission's website for general mapping of School Lands](#)).

## **TERM:**

Any agreement authorized subject to this delegation shall be limited in term to no longer than three (3) years.

## **CONSIDERATION:**

Any agreement authorized subject to this delegation shall be at no cost to the State. Consideration will be the mutual benefits that accrue to the parties through the provisions of the agreement.

**SPECIFIC PROVISIONS:**

- Any agreement negotiated subject to this delegation must include a provision noting that the listing of any School Lands is not exclusive. The Commission shall retain the right to list School Lands parcels with multiple platforms, brokers, or vendors.

**BACKGROUND:**

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California's property holdings include about a half-million acres of parcels, held in fee ownership, known as [School Lands](#), which are scattered throughout the state. The Commission acts as trustee of these School Lands, tasked with the duty of managing these lands to the benefit of the State Teachers Retirement System. Many of the state's remaining School Lands are in remote areas where inaccessibility and harsh conditions have prevented any development into an economic resource to date and will continue to do so for the foreseeable future. As a result, these School Lands have remained vacant, undeveloped, and have resulted in no revenue generation through leasing.

Today, some School Lands in the Southern California deserts may be ideal sites for solar and wind energy generation. Additionally, timber harvesting in remote forested School Lands parcels could be an important tool for forest health and management and wildfire prevention on state-owned lands.

The Commission does not have the resources to proactively locate developers, brokers, or investors with the ability to invest in beneficial projects on School Lands. LandGate Corp. is an online marketplace for landowners to non-exclusively list real property. Its marketing platform will give Commission staff the ability to reach a large and targeted audience of potential lessees or buyers.

However, to access LandGate Corp.'s online platform, users must agree to certain provisions in the listing website's user agreements. The proposed authorization by the Commission will give staff the ability to negotiate mutually beneficial and reasonable terms and conditions in the form of a non-exclusive listing agreement with LandGate Corp.

The Commission's authorization is limited in scope and requires that any agreement with LandGate Corp. be: (1) at no cost to the State; (2) three years or less in term; and (3) non-exclusive.

These provisions will ensure that the Commission has the flexibility to list properties with multiple vendors, without risk of incurring a cost.

In the event there is interest that results in a lease or purchase application through LandGate Corp.'s listing services contemplated by the proposed action, the lease or purchase application will be brought to the Commission for consideration with a comprehensive analysis and recommended action.

## **STAFF ANALYSIS AND RECOMMENDATION:**

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### **AUTHORITY:**

California Public Resources Code 6005, 6106, 6216, 7301, and 8705.

### **STATE'S BEST INTERESTS:**

Although California's population continues to grow, its land mass remains the same as it was in 1850. And today the State faces unprecedented challenges from the impacts of climate change. Active and intentional management of state-owned lands is more important than ever before. Additionally, the Commission manages School Lands in trust on behalf of the School Land Bank Fund, an account created to generate revenue for the California State Teachers' Retirement Fund. The legislature enacted the School Land Bank Act in 1984, which created the fund, and requires the Commission manage School Lands as a permanent and productive resource base.

The proposed authorization will empower staff to use LandGate Corp.'s online platform to seek out land management partners with shared goals of responsibly developing renewable energy sources and abating wildfire fuel in targeted areas. Without the ability to list on this widely used site, Commission staff are limited to waiting for applicants to approach the state with proposals that may or may not match up with the state's own priorities. This modern approach to marketing School Lands will help staff fulfill its statutory trustee obligations to manage School Lands with the objective of generating revenue for the California State Teachers' Retirement Fund.

The proposed authorization allows staff to be more proactive and leverage technology to ensure the Commission's practices are not falling behind the current industry standards for real property management.

Because these contemplated agreements will be non-exclusive and at no cost to the state, the Commission can advertise through multiple platforms without surrendering any of the Commission's discretion to make final decisions about potential development proposals on School Lands.

**CONCLUSION:**

For the reasons above, staff believes that the proposed authorization is in the best interests of the State.

**OTHER PERTINENT INFORMATION:**

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1. 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."
2. This action also advances the Strategic Plan's goal to leverage technology by expanding the use of virtual environments to extend communications and provide venues to inform and listen.
3. The authorizations are not a project as defined by the California Environmental Quality Act because they are administrative activities 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:**

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It is recommended that the Commission:

1. Authorize the Executive Officer or designee to enter into non-exclusive agreements with LandGate Corp. to list School Lands properties or resources on online platforms when such services are offered at no cost to the State.
2. Authorize Commission staff to advertise School Lands parcels with LandGate Corp., at Commission staff's discretion.