Meeting Date: 10/19/23 Lease Number: 8972 Staff: D. Simpkin

Staff Report 49

APPLICANT:

Sports Committee District 37 AMA, Inc.

PROPOSED ACTION:

Issuance of a General Lease – Right-of-Way Use.

AREA, LAND TYPE, AND LOCATION:

3.49 acres, more or less, of State school lands located in Section 36, Township 31 South, Range 44 East, MDM, northwest of Barstow, San Bernardino County (as shown in Figure 1).

Figure 1. Location



AUTHORIZED USE:

Use of an existing dirt road for a maximum of two days per calendar year (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:

10 years, beginning January 26, 2022.

CONSIDERATION:

\$503 per year, with an annual Consumer Price Index adjustment.

SPECIFIC LEASE PROVISIONS:

- Liability insurance in an amount no less than \$1,000,000 per occurrence.
- Lessee agrees to notify Lessor in writing of the date(s) of the offroad motorcycle event at least 30 days prior to the event.
- Lessee acknowledges that the Event is contingent upon Lessee receiving a Special Permit (Permit) for the Event from the U.S. Bureau of Land Management for use of various federal lands. Lessee agrees that the use of the Lease Premises for the Event is contingent upon Lessee delivering a copy of the executed Permit to Lessor at least 24 hours prior to the beginning of the Event.

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:

On January 26, 2012, the Commission authorized a General Lease – Right-of-Way Use to the AMA District 37 Dual Sport, for the use of an existing dirt road for a maximum of two days per calendar year (<u>Item, 70, January 26, 2012</u>). The lease expired on January 25, 2022.

The Sports Committee District 37 AMA, Inc. (Applicant) is now applying for a General Lease – Right-of-Way Use, for the use of an existing dirt road for a maximum of two days per calendar year.

The Applicant conducts an annual off-road motorcycle event that involves a twoday ride from Los Angeles to Las Vegas, known as LA-Barstow to Vegas. The event occurs in late November and involves up to 400 participants. The event is mostly conducted on federal land under the jurisdiction of the Bureau of Land Management (BLM), but also crosses one section of school lands under the jurisdiction of the Commission. The BLM annually issues a Special Permit to the Applicant for the event that includes certain rules and regulations that the participants must follow.

The proposed lease does not alienate the State's fee simple interest; and neither permanently impairs public rights. The lease is limited to a 10-year term and does not grant the lessee exclusive rights to the lease premises. The lease requires the Applicant to indemnify the State for any liability incurred as a result of the lessee's activities on the lease premises. The lease also requires the payment of annual rent, generating revenue for the California State Teachers' Retirement System, consistent with Public Resources Code section 6217.5.

CLIMATE CHANGE:

The combination of more frequent and longer duration weather patterns contributing to high winds, low humidity, extreme heat, and thunderstorm and lightning events in California's desert regions has contributed to an increasingly aggressive wildland fire season as a related product of climate change. As stated in the <u>Safeguarding California Plan: 2018 Update</u> (California Natural Resources Agency 2018), climate change is projected to increase the frequency and severity of natural disasters related to flooding, fire, drought, extreme heat, and storms. The lease area is open lands 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.

Pursuant to the proposed lease, the Applicant acknowledges that the lease premises are in an area that may be subject to effects of climate change and that their activities may have to be rescheduled due to weather events.

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 has no right to utilize School Lands for purposes of the offroad motorcycle event. The lessee has no right to a new lease or to renewal of any previous lease.
- 2. 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."

3. 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 1, Existing Facilities; California Code of Regulations, California Code of Regulations, title 14, section 15301.

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

APPROVAL REQUIRED:

U.S. Bureau of Land Management

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

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 14, section 15301.

STATE'S BEST INTERESTS:

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

AUTHORIZATION:

Authorize issuance of a General Lease – Right-of-Way Use to the Applicant beginning January 26, 2022, for a term of 10 years, for the use of an existing dirt road for a maximum of two days per calendar year; annual rent in the amount of \$503, with an annual Consumer Prive Index adjustment; and liability insurance in an amount no less than \$1,000,000 per occurrence.