

# Staff Report 48

**LESSEE:**

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Citizens Telecommunications Company of California Inc.

**PROPOSED ACTION:**

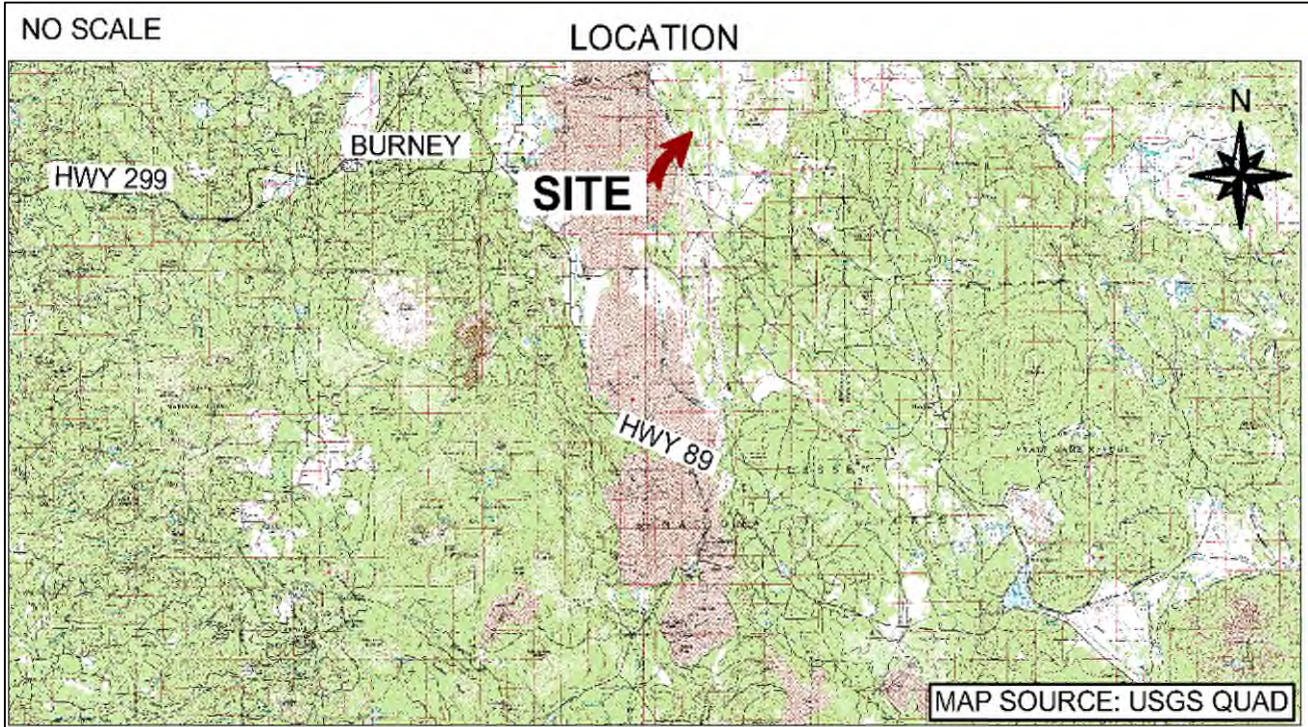
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Revision of Rent and Bond.

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

1.36 acres, more or less, of school land located in a portion of Section 16, Township 35 North, Range 5 East, MDM, near the unincorporated town of Burney, Shasta County (as shown in Figure 1).

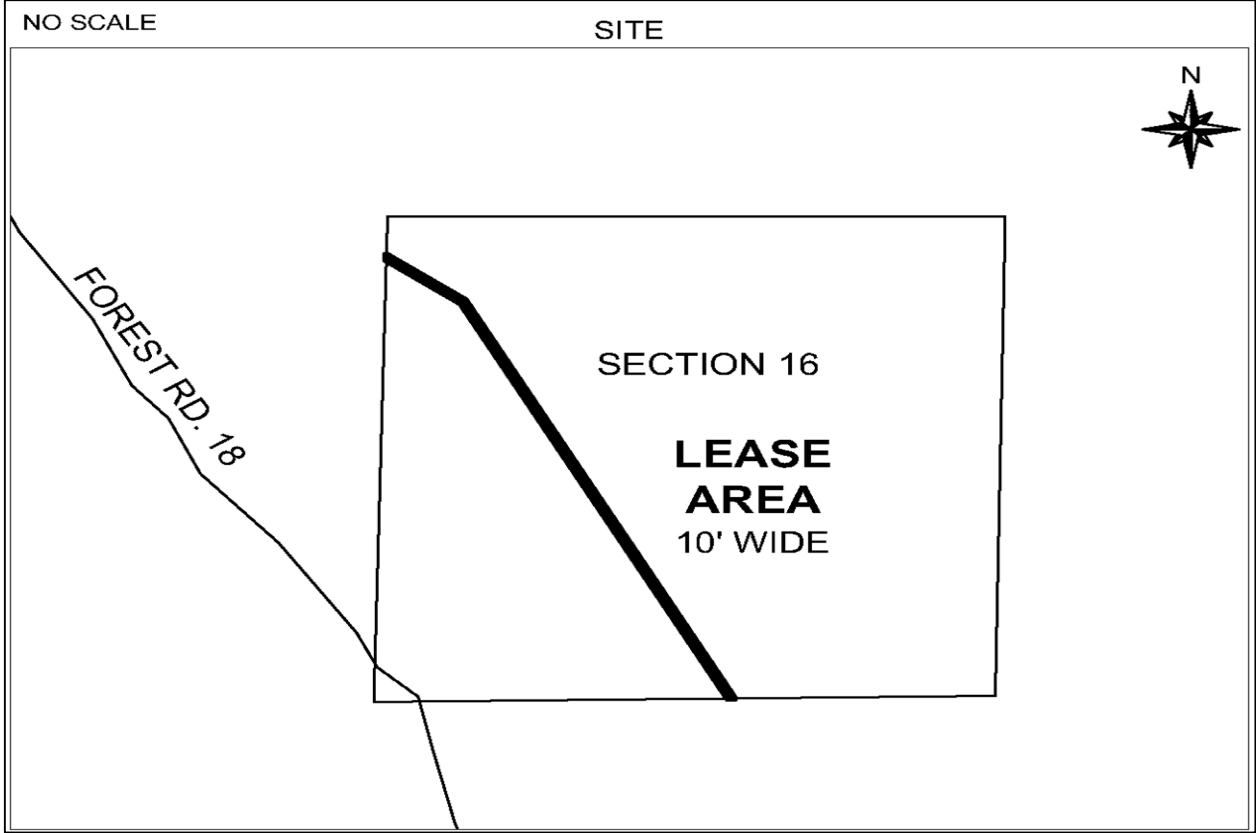
**Figure 1. Location**



**AUTHORIZED USE:**

Continued use and maintenance of an existing aerial fiber optic cable encased in a high-density polyethylene outer sheath and approximately 20 wood poles (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:**

20 years, beginning February 8, 2010.

**CONSIDERATION:**

The lease provides that Lessor may modify the rent and bond periodically during the lease term. Pursuant to this provision, the staff has conducted a review of the rent and bond under this lease and recommends rent be revised from \$503 per year to \$599 per year, and an increase in the bond from \$20,000 to \$30,000, effective February 8, 2025.

## **OTHER PERTINENT INFORMATION:**

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1. Approval or denial of the revision of rent and bond is a discretionary action by the Commission. Each time the Commission approves or rejects a revision of rent and bonds, 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 January 26, 2012, the Commission authorized a 20-year General Lease – Right of Way Use ([Item 66, January 26, 2012](#)) to Citizens Telecommunications Company of California Inc. On October 14, 2014, the Commission authorized a revision of rent ([Item 88, October 14, 2014](#)) from \$153 to \$450 per year, effective February 8, 2015. On December 6, 2019, the Commission authorized a revision of rent ([Item 35, December 6, 2019](#)) from \$450 to \$503 per year, effective February 8, 2020.
3. The Commission requires a bond or security instrument to protect the interest of the state as it relates to rent payments and lease provision compliance, especially the requirement to restore the leased premises. The lease currently requires a bond or security instrument per Section 1 in the amount of \$20,000. The bond has been reassessed during this rent review, and it is recommended that the bond be increased from \$20,000 to \$30,000 to be consistent with other similar leases.
4. 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.”
5. Approving the revision of rent and bond 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, sections 15060, subdivision (c)(3), and 15378, subdivision (b)(5).

## **RECOMMENDED ACTION:**

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It is recommended that the Commission:

### **AUTHORIZATION:**

Approve the revision of rent for Lease PRC 8145 from \$503 per year to \$599 per year, and an increase in the bond from \$20,000 to \$30,000, effective February 8, 2025.