

Staff Report 58

APPLICANT:

John Hunter

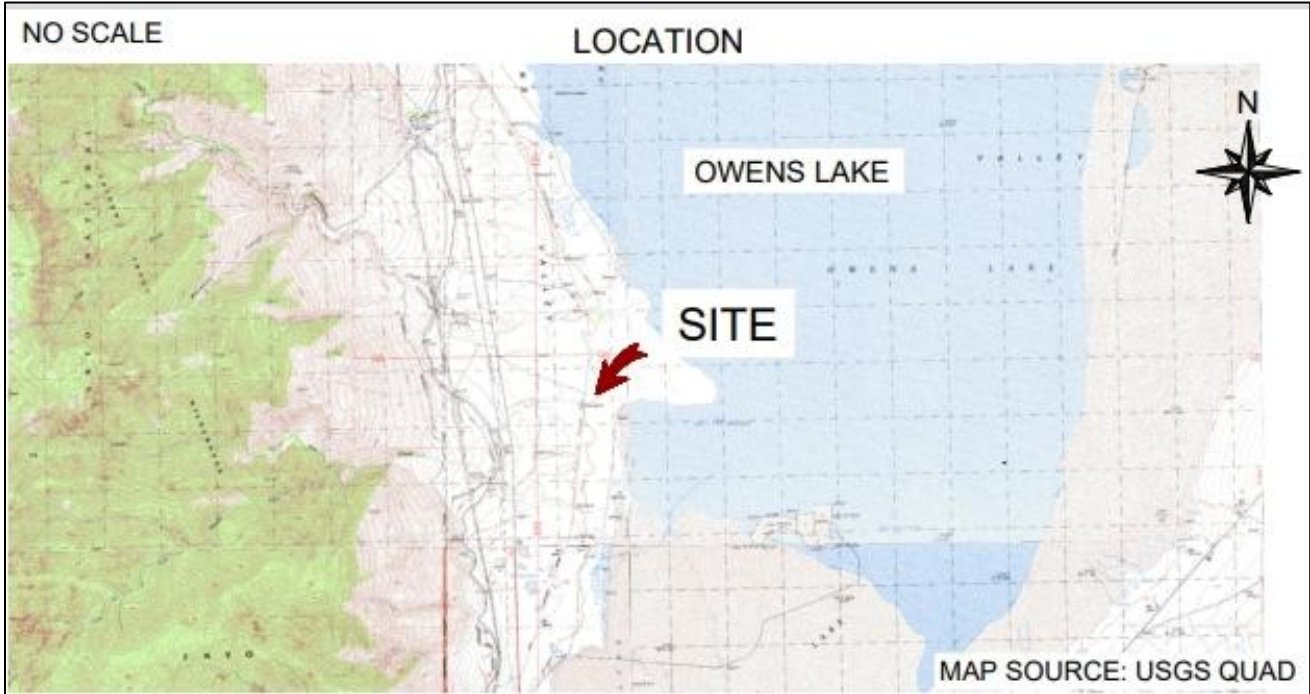
PROPOSED ACTION:

Issuance of a General Lease – Grazing Use.

AREA, LAND TYPE, AND LOCATION:

260.15 acres of State-owned school land, located in portions of Sections 19 and 30, Township 17 South, Range 37 East, and Sections 6 and 7, Township 18 South, Range 37 East, Mount Diablo Meridian, near Owens Lake, Inyo County (as shown in Figure 1).

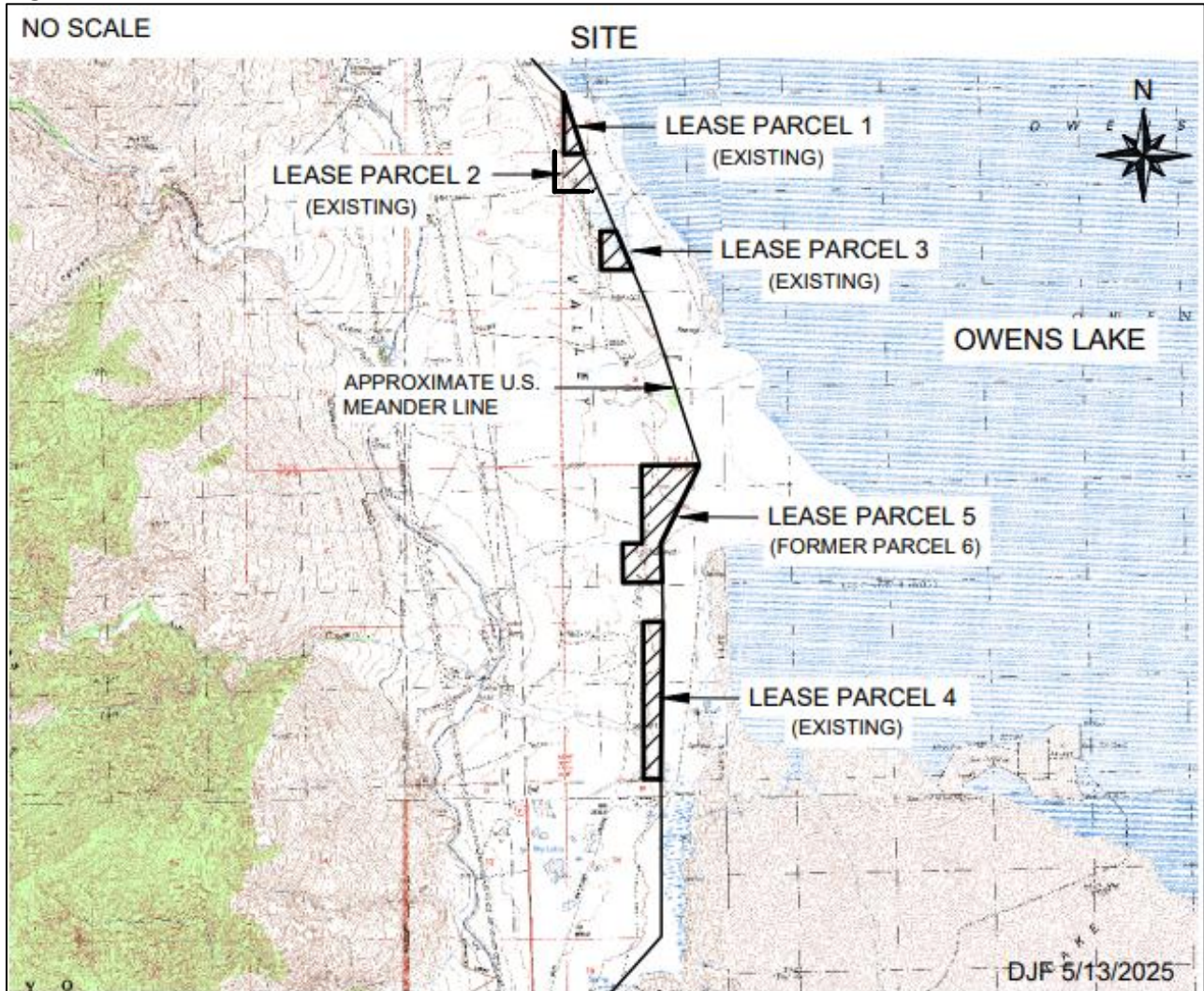
Figure 1. Location



AUTHORIZED USE:

Livestock grazing (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 April 7, 2026.

CONSIDERATION:

\$799 per year, with an annual Consumer Price Index adjustment.

SPECIFIC LEASE PROVISIONS:

- General liability insurance in an amount no less than \$1,000,000 per occurrence.
- The number of animals permitted on the lease premises is restricted to those that can be supported by available vegetation, taking into consideration vegetation reserved for necessary wildlife use.
- The lease contains various terms regarding good grazing practices and the avoidance of overgrazing by livestock.
- Lessee shall work cooperatively with Los Angeles Department of Water and Power to resolve any adverse impacts to managed vegetation or dust control activities.
- Lease Maintenance Fee: Lessee shall pay an annual lease maintenance fee up to \$500 total for Leases 4565 and 9213. The Lessee is required to pay an initial \$500 lease maintenance fee within 45 days of the beginning date of the lease .
- The provisions of Section 3, Paragraph 11 (Indemnity) shall also extend to the period of Lessee's unauthorized occupation of State-owned lands from April 23, 2025, to April 7, 2026.

STAFF ANALYSIS AND RECOMMENDATION:

AUTHORITY:

Public Resources Code sections 6005, 6216, 6501.1, 6503, and 8705; California Code of Regulations, title 2, sections 2000 and 2003.

STATE'S BEST INTERESTS:

On April 23, 2015, the Commission authorized a General Lease – Grazing Use to the Applicant for livestock grazing ([Item 97](#)). The lease expired on April 22, 2025.

The Applicant is now applying for a General Lease – Grazing Use for livestock grazing on State-owned school land. The estimated carrying capacity is 250 animal unit months (AUM) from June 15 through July 15 and 750 AUM from October 1 through February 1.

The proposed lease will also require the Applicant to indemnify the State for the entire period of unauthorized occupation from April 23, 2025, to April 7, 2026, ensuring the State is protected.

The proposed lease does not alienate the State's fee simple interest or permanently impair the school land. The lease is limited to a 10-year term, does not grant the lessee exclusive rights to the lease premises. The lease includes land stewardship provisions such as requiring good grazing practices to avoid overgrazing and the use of certified weed-free feed for any supplemental feeding.

The proposed lease requires the lessee to ensure the lease premises and indemnify the State for any liability incurred as a result of the lessee's activities thereon. The lease also requires the payment of annual rent to compensate the people of the State for the occupation of the public land involved.

CLIMATE CHANGE:

INTRODUCTION:

Climate change is significantly altering California's deserts, the hottest and driest regions in the state. As the atmosphere warms, there will be more extremely hot days and unpredictable rainfall. Longer droughts are expected, and precipitation patterns will change in timing and intensity, affecting plant growth and distribution. The desert is likely to see a corresponding increase in wildfires and flash flooding. These impacts may affect the existing livestock grazing area subject to the proposed lease, located along the west side of Owens Lake, south of Lone Pine, Inyo County.

DATA AND PROJECTIONS:

In the desert areas of California, daily average high temperatures are projected to increase significantly by the end of the century ([Inland Deserts Summary Report](#), California's Fourth Climate Change Assessment, 2018). As the atmosphere heats, it can hold more water and may release it in sudden, intense events that can cause flash flooding during the winter months. In the summer months, the monsoon rain patterns that have historically contributed to 30 percent of the desert's annual rainfall are expected to dry up and disappear from the region. Models project there will be more "dry years" (with less than average rainfall) than "wet years" (with more than average rainfall). Finally, many areas in the desert are prone to high winds, and wind speed is projected to increase by 10 percent by 2100.

Table 1. Projected Temperature Increases (in degrees Fahrenheit) in CA Desert

Year	Lower GHG Emissions	Higher GHG Emissions
Present – 2039	+5	+6
2040 – 2069	+6	+10
2070 – 2100	+8	+14

Source: Table adapted from Figure 5, p. 14, Inland Desert Summary Report, California’s Fourth Climate Change Assessment. GHG = greenhouse gas.

Table 2. Extreme Heat and Rainfall Projections for CA Desert by 2100

Climate Event	Present Day	2100	Percent Change
Extreme Heat Days/year (>95 degrees Fahrenheit)	90 (Mojave)	141 (Mojave)	+57
Extreme Heat Days/year (>95 degrees Fahrenheit)	130 (Palm Springs)	179 (Palm Springs)	+38
Average Annual Rainfall	5 inches	2.5 inches (dry years)	-50
Average Annual Rainfall	5 inches	7-8 inches (wet years)	+40-60

Source: Table adapted from “21st Century Climate Projections” section, pp. 14-21, Inland Desert Summary Report, California’s Fourth Climate Change Assessment.

ANALYSIS:

More intense rainfall events, drier soils, and stressed and sparse vegetation in this arid region will increase the probability of flash floods near Owens Lake. Dry soils are poor absorbers of rainfall, resulting in high runoff rates. Infrastructure built in dry climates is generally not designed to handle the large flows of water that may be generated in a flash flood event. Flash flooding can also leave behind large deposits of mud and debris which may damage roads and other infrastructure ([California OES, 2024](#)).

The lease premises and improvements will likely experience increased exposure to prolonged and extreme heat, unpredictable precipitation patterns, increased frequency of flash floods, and higher wind speeds for the duration of the lease

term. These conditions may increase the risk of wildfire exposure and flooding to the lease premises.

Wildfire risk is also likely to increase in the desert, in connection with the increase in extreme weather. Wildfire risk in the desert is tied to fuel (vegetation) availability, which will fluctuate in relationship to precipitation, atmospheric conditions, and grazing intensity. High winds can damage infrastructure outside the grazing area, providing an ignition source for fire, and can also propel fires over more terrain.

Pursuant to the proposed lease, the Applicant acknowledges that the lease premises are located in an area that may be subject to the effects of climate change.

CONCLUSION:

For all the reasons above, including that the lease requires avoidance of overgrazing, compensation to the State for use of school land, and use for a limited term, staff believes approval of this lease, at this time, and for the term of the lease is in the best interests of the State.

OTHER PERTINENT INFORMATION:

1. Approval or denial of the General Lease – Grazing Use is a discretionary action by the Commission. Each time the Commission approves or rejects 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 would not be allowed to graze livestock on the lease premises. The lessee has no right to a new lease or renewal of any previous lease.
2. The issuance of a separate lease for grazing use (Lease 9213) on State sovereign land is being considered for the Applicant under a separate agenda item.
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. Staff recommend 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 4, Minor Alteration to Land; California Code of Regulations, title 2, section 2905, subdivision (d)(1).

Authority: Public Resources Code section 21084 and California Code of Regulations, title 14, section 15061 and California Code of Regulations, title 2, section 2905.

RECOMMENDED ACTION:

It is recommended that the Commission:

CEQA FINDING:

Find that the activity is exempt from the requirements of CEQA pursuant to the California Code of Regulations, title 14, section 15061 as a categorically exempt project, Class 4, Minor Alteration to Land; California Code of Regulations, title 2, section 2905, subdivision (d)(1).

STATE'S BEST INTERESTS:

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

AUTHORIZATION:

Authorize issuance of a General Lease – Grazing Use to the Applicant beginning April 7, 2026, for a term of 10 years, for livestock grazing; annual rent in the amount of \$799, with an annual Consumer Price Index adjustment; and liability insurance in an amount no less than \$1,000,000.