



CALIFORNIA  
STATE LANDS  
COMMISSION



# ANNUAL REPORT

## Management of School Lands

Fiscal Year 2024-2025

**Note to the Reader**

**School Lands** were granted to the State of California in 1853 by an Act of Congress (Ch. 145, 10 Stat. 244) to support public schools. These lands consisted of the 16<sup>th</sup> and 36<sup>th</sup> sections of land in each township, save lands reserved for other public purposes, lands previously conveyed, e.g., rancho lands, sovereign lands, and swamp or overflowed lands, and lands known to be mineral in character. A supplementary act in 1927 expanded the grant to include minerals (Ch. 57, 44 Stat. 1026). No federal patents to the State were required under the grant. Title to the lands was vested in the State upon approval of U.S. Township Survey Plats.

**Indemnity School Lands (also known as Lieu Lands)** - When a Section 16 or Section 36 was not granted to California because of an exception, the State could select replacement lands from the United States (Ch. 81, 19 Stat. 267). Each transaction involved several steps. First, the State filed a list with the federal government describing the lands lost, known as base lands. Second, the State filed a list with the federal government describing other federal lands selected in place of the base lands. When the federal government approved replacement lands, it issued the State a clear list. California's rights to the base lands were relinquished back to the federal government and title to the selected lands (Indemnity or Lieu Lands) became vested in the State. The clear list was the document of conveyance; the federal government issued no patents.

For this Annual Report, the term “school lands” is used to describe lands obtained under the 1853 Act and indemnity school lands acquired through the clear list application process.

The Commission has jurisdiction over approximately 458,843 acres of fee-owned school lands. This estimate is based on the best available mapping software, survey records, and other information in the Commission's files. Many school land parcels, however, have not been surveyed on the ground, so this total is an estimate, and its accuracy is not guaranteed.

The **Annual Staff Report on the Management of State School Lands** is prepared pursuant to Public Resources Code section 6477, which requires

the State Lands Commission to report annually to the Legislature and the Governor on the management of school and indemnity lands. This report is for fiscal year July 1, 2024, through June 30, 2025.

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## Executive Summary

The State Lands Commission manages roughly 458,843 acres of school land held in fee ownership as well as the reserved mineral interests of roughly 790,000 acres of school lands where the surface estate has been sold. These are what remain of the 5.5 million acres granted by Congress in 1853. The State sold most of the original school lands during the first 130 years of statehood.

In 1984, the Legislature placed school lands into a statutory trust by enacting the School Land Bank Act and establishing the School Land Bank Fund. The Commission is the trustee of the Fund. School lands and attendant interests are to be proactively managed and enhanced to provide an economic base in support of public schools. The School Land Bank Act requires the Commission to take all action necessary to fully develop school lands, indemnity interests, and attendant mineral interests into a permanent and productive resource base.

- Public Resources Code section 8701 emphasizes developing school lands in this manner and underscores that all transactions, including exchanges, sales, and acquisitions, should be implemented for revenue-generating purposes.
- Public Resources Code section 6217.7 requires that the Commission deposit all net revenues, monies, and remittances from the sale of school lands into the State Treasury to the credit of the School Land Bank Fund.
- Public Resources Code section 6217.5 requires that all net revenues, monies, and remittances from school and indemnity lands (i.e., royalties, rents, and interest generated from promissory notes) are deposited into the State Treasury to the credit of the Teachers' Retirement Fund, which benefits the California State Teachers' Retirement System (CalSTRS).

The Commission's Strategic Plan cites the need 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."

The Commission's priorities in administering the School Lands Program are to maximize revenue to benefit CalSTRS and to protect the assets of the School

Land Bank Fund, including the natural and cultural resources that they support. Net revenue transferred to CalSTRS during fiscal year 2024-25 was \$6,365,726.19.

The Fund's year-end balance for fiscal year 2024-25, as described in this report, was \$65,747,931.67. For a summary of Fund activities, see the ["Financial Summary: Fiscal Year 2024-25" table](#).

In 2020, the Administration borrowed \$49 million from the School Land Bank Fund—bifurcated into two loans. One is a \$32 million loan to the General Fund, which was repaid in fiscal year 2024-25. The second loan is for \$17 million to the California Earthquake Safety Fund and is scheduled to be repaid in fiscal year 2026-27. Accrued interest will be paid out of the Pooled Money Investment Account when the funds transfer back to the School Land Bank Fund.

## School Land Bank Fund Revenues and Expenses

### Accrued Interest on the School Land Bank Fund

The Surplus Money Investment Account generated \$1,711,525.19 in interest for the School Land Bank Fund. The repayment of the \$32 million loan to the General Fund generated an additional \$879,386.30 in interest income. Interest on the outstanding \$17 million loan is accruing separately and will be included when the loan is repaid.

### Expenses Charged to the School Land Bank Fund

The Commission charged \$1,120,000 in expenses. Overhead and distributed charges, which are for staff time and activities associated with developing and managing school lands, totaled \$313,600.

### Renewable Energy (Subsurface)

The Commission strives to maximize royalty and rent revenues from its school lands while protecting the environment, advancing California's climate and renewable energy goals, and achieving the highest levels of public safety. California's clean energy and greenhouse gas emission reduction goals, including a target for renewable and zero-carbon resources to supply 100 percent of retail sales and electricity procured to serve all state agencies by 2045, are triggering growing interest in the development of domestic lithium sources. Lithium is an alkali metal used in ceramics and electronics, such as cell phones and laptops, to produce lithium-ion batteries used in hybrid and electric cars and energy storage technologies. While lithium itself is not a renewable resource, it is 100 percent recyclable and is used in the construction of energy storage facilities associated with most renewable energy projects. There is only one operational lithium mine in the United States, in Silverpeak, Nevada. The Commission is processing an application submitted by Hell's Kitchen Geothermal LLC for lithium development from geothermal operations in Imperial County. [SB 125](#) (Senate Budget Committee, Chapter 63, Statutes of 2022) created a tax on lithium extraction on a per metric ton basis and made other changes to enact Lithium related proposals. SB 125 appropriated funding to distribute grants to community-based organizations to conduct public engagement related to the development of the Specific Plan and a Programmatic Environmental Impact



Report. Staff participated in stakeholder meetings and provided feedback on the Lithium Valley Specific Plan and Programmatic Environmental Impact Report: Community Engagement – Lithium Valley ([lithiumvalley.imperialcounty.org/planning/](https://lithiumvalley.imperialcounty.org/planning/)).

The United States Geological Survey, geothermal operators at the Salton Sea, and academia are conducting extensive research and pilot programs to determine the feasibility of commercial lithium extraction from geothermal brines in Imperial County.

## Geothermal Leases

Geothermal leasing, including exploration and development for geothermal resources, helps achieve California's goal of increasing electrical generation from renewable sources. Most revenue generated from school lands is from geothermal production.



**Figure 1: Calpine's Geysers Sonoma Unit 3 power plant at The Geysers. Photo courtesy of the © 2025 Calpine Corporation. All Rights Reserved.**

The Commission manages 11 geothermal leases on school lands. Nine of these are within the Geysers geothermal field in Sonoma, Lake, and Mendocino counties. The other two leases, which only allow exploratory drilling, are located near the Salton Sea in the Truckhaven area of Imperial County. For fiscal year

2024-25, geothermal royalties totaled \$5,394,549, generated entirely from the Geysers leases held by the Calpine Corporation.

## Geothermal Leases at the Geysers

The Geysers, the largest energy-producing geothermal field in the world, has operated commercially for over a half-century. The State leases generate more than 630 megawatts of electricity annually from roughly 28 million pounds of steam, which is enough to supply electricity for more than 600,000 homes a year. The State's 31 percent share equates to approximately 198 megawatts of electricity annually.

Steam production has been stable since the mid-1990s because of consolidated field operations and increased water injection into the reservoir. Nearby reclamation plants in Lake County and the city of Santa Rosa provide supplemental injection water to the field.



**Figure 2: Calpine's Lakeview Unit 17 power plant at the Geysers. Photo courtesy of the © 2025 Calpine Corporation. All Rights Reserved.**

The Commission owns a 100 percent mineral interest in approximately 7,247 acres under lease at the Geysers and a 1/16<sup>th</sup> mineral interest in another approximately 895 acres. Most of these parcels were acquired from the U.S. Bureau of Land Management (BLM) through the indemnity selection process.

Geysers Power Company LLC and CPN Wild Horse Geothermal LLC, subsidiaries of Calpine Corporation, hold these leases (Leases 4596, 4597, 5206, 6422, 7845, 7179, 8556, 8844, and 8950). Geysers Power Company LLC owns and operates 17 of the 22 electrical-generating units at the Geysers.

In 2022, the California Energy Commission awarded GreenFire Energy Inc. a \$2.7 million grant to partner with Calpine Corporation and other geothermal companies to install steam dominated GreenLoop Technology. GreenLoop Technology is a sustainable geothermal heat extraction technology that produces electrical power without extracting water from the geothermal resource. Only heat is extracted using a downhole heat exchanger and no water is produced at the surface. If this technology proves successful, it may increase geothermal power production, which may result in increased revenue for CalSTRS. This project is expected to start next year.



**Figure 3: Santa Rosa Geysers Recharge Project, one of two large-scale recycled water injection projects at The Geysers, delivers and distributes approximately 11 million gallons of recycled water daily. Photo by John Grice courtesy of the © 2025 Calpine Corporation. All Rights Reserved.**



## Other Geothermal Leases and Permit Activity

- In 2021, Deep Rose Geothermal LLC applied for a 2-year geothermal prospecting permit to explore for geothermal resources in Inyo County. The applicant proposes drilling and testing up to four exploratory geothermal wells. The Department of Conservation's Geologic Energy Management Division is nearing completion of environmental review, and staff anticipates that the Commission may consider the permit application next year.
- In 2022, Hell's Kitchen Geothermal LLC applied for a geothermal and mineral extraction lease near the southeastern shore of the Salton Sea in Imperial County. The application is for the Commission's 100 percent and 1/16<sup>th</sup> mineral interest (school land), and California Department of Fish and Wildlife land. The Commission may authorize a non-surface occupancy lease on behalf of the California Department of Fish and Wildlife with their written consent. This application proposes drilling exploratory wells into the subsurface from neighboring privately held leases. The lease application remains incomplete and is pending submission of a separate application to the County, which is serving as the lead agency.
- In 2024, Fremantle Lake CA LLC applied for a 2-year geothermal prospecting permit to explore for hydrogen within geothermal reservoirs in Lake County. The applicant proposes drilling and testing one exploratory geothermal well to determine the feasibility of producing geologic hydrogen in economic quantities. The project is pending environmental review by the Department of Conservation's Geologic Energy Management Division.
- In August 2025, the Commission extended a [lease to ORNI 5 LLC](#) to drill four geothermal wells on state owned school lands in the Truckhaven area of Imperial County. The Commission extended the lease for an additional five years.

## Mineral Extraction Leases and Permits

The Commission manages five mineral extraction leases totaling 1,116 acres of school land. These include four solid mineral extraction leases for aggregate and one precious metal lease. These mineral leases generated \$1,026,644 in revenue.



**Figure 4: Vigilante Aggregate Quarry.**

Lease 7301, known as the Vigilante Quarry, is in San Diego County near the city of Lakeside. This lease, which is the Commission's most significant solid mineral revenue source, generated \$810,669 in revenue. The lessee estimates that the mine has approximately 10 years of remaining economic production. In 2022, the Commission issued a new 10-year lease for continued mining activities.



**Figure 5: Hi-Grade Aggregate Quarry.**

Lease 8831 is an aggregate quarry located near the City of Hesperia in San Bernardino County. This lease generated \$126,432 in revenue. The lessee, Hi-Grade, plans to mine aggregate for the next three decades. The above photo is looking southwest at the southern edge of quarry, with the San Bernardino Mountains in the background. In 2023, the Commission issued a new 7-year lease for continued mining activities.



**Figure 6: Vulcan Aggregate Quarry and Storage Site.**

Lease 8253, known as the Vulcan lease, suspended mining operations in 2016 but the lease remains in effect. The Commission issued Vulcan Lands a new 10-year lease in 2018. Vulcan Lands, the lessee, has stockpiled various sized aggregate that sells periodically as opportunities arise. The quarry serves the greater Victorville/Barstow area in San Bernardino County. The sales did not exceed the lessee's minimum annual royalty of \$82,000.





**Figure 7: San Bernardino Aggregate Quarry.**

Lease 9451, issued in 2018 after San Bernardino County bought the surface land from Granite Construction, authorizes the County to extract minerals from an idle aggregate quarry located near the City of Ludlow. The County periodically extracts aggregate for public use, such as road maintenance on the historic Route 66, and sells aggregate to the California Department of Transportation to widen or maintain Interstate 40. The lease generated \$1,778 in royalty.





**Figure 8: Western Mesquite Gold mine pit and excavator.**

Lease 8039, known as the Western Mesquite Mine lease, is composed of the northern portion of the Mesquite property and within a larger gold mine in the City of El Centro near Imperial County. There has not been any gold mining on the 658-acre parcel since 2014, but the Commission received a \$5,764 annual royalty from previously mined monthly gold sales, which includes a \$5,000 minimum annual royalty due from the previous lease year. For each lease year, defined as the period from October 1 through September 30 (not aligned with the fiscal year or quarterly production payments), the lessee is obligated to pay a royalty adjustment of \$5,000 to cover any shortfall. The lessee paid \$916.84 in royalty between October 1, 2024 and September 30, 2025, which did not exceed the minimum annual royalty of \$5,000. The lessee was required to pay the \$4,083.16 difference this past October. During mining, the ore is compiled on a large heap where it is irrigated with a chemical solution to extract the gold. The amount of residual gold in the heap section subject to a royalty is diminishing because the area is not being mined and no ore is being added to the pile. The Commission's royalty percentage declines each year. In October 2022, the Commission issued a new 10-year lease.

## Other Permit Activity, Assessment, and Agreements

In November 2023, MarleyCo, LLC submitted a mineral prospecting permit application for exploratory drilling near the town of Darwin in Inyo County. Staff are processing the application.

In 2022, the Commission authorized a temporary 3-year moratorium on accepting and considering mineral prospecting permits and lease applications for a reserved mineral interest parcel in the Bodie Hills area of Mono County. The Commission directed staff assess the parcel's needs and adopted a resolution supporting a proposed map amendment to add the Bodie Hills reserved mineral interest parcel to the 2002 Dry Lakes Plateau Archaeological District. At its [December 17, 2024](#) meeting, the Commission approved a 1-year extension to the 3-year moratorium to provide additional time to complete the needs assessment.

The Commission issued and manages several agreements (listed below) to modify the state's right to enter the surface of 100 percent reserved mineral interest land, which precludes mineral development that would affect the surface.

- 9580 IP Athos, LLC-Riverside County
- 9600 IP Athos III, LLC-Riverside County
- 9363 Ocotillo Solar LLC-San Diego County
- 9636 Desert Quartzite, LLC-Riverside County
- 9763 EDF Renewables Development-Riverside County
- 9793 Wonderful Nut Orchards LLC-Kern County
- 9803 CDH Vidal LLC-San Bernardino County

Under Public Resources Code section 6401 subdivision (b), the Commission may modify and surrender its right to enter the state's reserved mineral interest to a depth of 500 feet below the surface to allow the orderly use and development of land. An example would be for use of a solar generation facility. The Commission may issue these agreements where the state retains the mineral interest if it finds that there are no known deposits of commercially valuable minerals in and above a plane located 500 feet below the land surface and the



modifications are not inconsistent with federal laws pertaining to the grant of school lands (i.e., the reserved mineral interest is not sold or otherwise disposed of). The Commission requires annual consideration with a Consumer Price Index adjustment. The agreements generated about \$12,392.

## Abandoned Mines



**Figure 9: Cupola installed on an abandoned mine shaft.**

The Commission inventories and remediates abandoned mine features on school lands that may threaten public health and safety, pose dangers to wildlife, or present liability risk to the state. The Commission collaborates with other governmental entities, contractors, environmental organizations, and the public, and provides information about the physical and chemical hazards and latest remediation techniques used to safeguard abandoned mines. The Commission also coordinates with others to remediate abandoned mine features on school lands. An ArcGIS study performed by Commission staff found that there are 100 school land parcels possessing one or more abandoned mine

features that may pose a hazard. The Commission uses various remediation techniques depending on the attributes of the individual mine features, including posting warning signs and installing fences, bat gates, cupolas, and foam plugs. The Commission's remediation work is conducted in collaboration with the Department of Conservation's Division of Mine Reclamation.

To date, the Commission has remediated 71 parcels, partially remediated six parcels, and identified six parcels located in remote areas with known heavy metal content. Seventeen other parcels have not yet been inspected.

Those remaining to be inspected either pose a lower risk or are in remote locations that are difficult to access. Staff revisited and inspected 11 school land parcels with abandoned mine features. During these inspections, staff discovered that two previously remediated features had been breached by the public. Repairs to the breached gates will occur in late 2026 in coordination with the Division of Mine Reclamation and funded by their budget.

As the need for remediations decrease, staff will continue planning to transition into an inspection program to mitigate vandalism. Examples of previously observed vandalism include a breach of steel structures limiting access to the mines and theft, or destruction, of warning signs.

## Oil & Gas

Royalty revenue from oil and gas production on school lands totaled \$365,865, most of which is from the Round Mountain Parcel, a 160-acre parcel northeast of Bakersfield in Kern County in which the state retains a 1/16<sup>th</sup> mineral interest. Macpherson Oil Company operates this unit agreement, which produced \$365,296 in revenue. The State is paid for its 1/16<sup>th</sup> mineral reserves, which amounts to roughly 0.6 percent of the unit royalty. The remaining \$569 in revenue is from the 7-acre Sulfur Crest parcel in the Ojai Oil Field in Ventura County operated by Termo Oil Company. The Sulfur Crest parcel is also a 1/16<sup>th</sup> mineral reservation.

## Surface Land Management

The Commission manages surface activities on school lands, including land exchanges, the sale of school land parcels, land acquisitions to enhance the resource base, and administering leases for renewable energy production, agriculture, grazing, and rights-of-way for roads, pipelines, and electrical transmission lines. The Commission's objectives are to generate revenue to benefit the Teachers' Retirement Fund, assure the ongoing viability of state resources, protect the assets of the school land trust, enhance local economic development, and protect the environment.

Excluding the mineral extraction leases described above, staff manages 132 school land leases, including 95 right-of-way leases, 14 agricultural and grazing leases, two industrial leases, and 21 public agency/other leases. The Commission acted on 14 school lands lease applications and other school land management activities this fiscal year.

The Commission's surface lease program involves processing lease applications, processing lease assignments and amendments, conducting rent reviews, terminating old leases, and other surface management activities. Many school lands are isolated landlocked parcels, many of which are non-revenue generating desert lands and lands inside national forests and parks or federal wilderness areas.

## State Teachers' Retirement Fund Revenues

### Surface Rental Revenues

The Commission has over 100 revenue-generating surface leases on school lands. Revenues deposited into the Teachers' Retirement Fund from these leases totaled \$468,772.27.

## Other School Land Bank Fund Activities

### Renewable Energy for surface leasing

Staff expects more interest in the long-term leasing of school lands for renewable energy projects in the coming years. Projects may involve using wind as an energy source and may require the installation and operation of wind turbines to generate electricity. Other renewable energy projects proposed on

school lands involve solar technology, such as photovoltaic cells, and battery energy storage systems to store electricity.

## Wind and Solar Energy

- In April 2023, Johnson Valley Wind, LLC applied for a 150-megawatt renewable wind energy project located on 2,658 acres of school land and BLM owned land in San Bernardino County. In July 2025, they amended their application to include a photovoltaic (PV) solar and a battery energy storage system alongside wind energy production. Staff is processing the application and cannot proceed until the lead agency has been determined.
- In February 2023, the Commission authorized a solar project on school lands to Windhub Solar B, LLC. Construction began in September 2025. The project is expected to produce up to 20 megawatts of renewable electrical energy and up to 160 megawatt-hours of battery energy storage on 160 acres in Kern County. The annual base rent for this lease is \$69,000. When fully built out, the rent from electricity generation is estimated to be roughly \$110,000 annually.





**Figure 10. Beacon Point Solar Panel Array in Barstow, California. Photo courtesy of Los Angeles Department of Water and Power/photographer Chris Corsmeier.**

- In early 2024, Argos Renewables, LLC applied for an approximately 2,400-acre solar project in San Bernardino County that could produce up to 350 megawatts of electricity.
- In 2024, Naturgy Candela, LLC applied for an approximately 10,257-acre solar project in San Bernardino County that could produce up to 1,745 megawatts of electricity.

These projects are pending environmental review and will be considered by the Commission when they have been fully analyzed under the California Environmental Quality Act.

## Potential School Land Bank Fund Revenues and Activities in the year ahead

### *Forested Lands Inventory and Management*

The Commission continues to assess the condition of school lands covered by forest vegetation and is working to identify and treat parcels requiring fuel reduction. In Spring 2025, fuel reduction work began on the Shasta Springs Fuel Reduction Project (parcel 125-004) in collaboration with the Trinity County Resource Conservation District to reduce overgrown vegetation, improve fire resiliency, enhance fire safety for the adjacent community of Weaverville, and restore habitat. Operations are active, with about 31 of the 277-acre project having been treated.

In the aftermath of the 2024 Park Fire in Chico, staff removed logs from school lands (parcel 072-001) that remained following California Department of Forestry and Fire Protection (CAL FIRE) firefighting operations. These logs were sold to a sawmill under contract with Sierra Pacific Industries. On this same parcel, staff are working with forestry consultant firm W.M Beaty & Associates to implement fuels management that increases resiliency to forest fire, insects, and pathogens. Initial field work is complete, and operations are expected to occur in 2026.

Staff have solicited bids for a timber operator to provide fuel reduction services on 109 acres of forest (parcel 062-002) adjacent to the town of Truckee to reduce fire threat and improve forest health. This project, known as the Prosser Dam Road Fuel Reduction Project, is funded by the School Land Bank Fund and the Truckee Fire Protection District, which prioritized fuel reduction on this parcel due to a potential fire risk to the Truckee community.

To assist the Commission in assessing the acreage and condition of forests on school lands, staff are working with Environmental Systems Research Institute, Inc., a geographic information system software firm, to develop a forest inventory data collection and storage application. The application has been tested in the field and is in the final stages of development. Once finalized, staff will work with its forestry consultant to begin collecting forestry data on priority parcels to facilitate sustainable management on those lands.

Finally, and in ongoing support of California's Wildfire and Forest Resilience Task Force, staff continued to participate in the Task Force's State Lands Work Group.



This will facilitate the Commission doing its part to help the state lead the effort to organize and prioritize wildfire resilience projects on state-owned and managed lands. More information is available in [Staff Report 58](#) from the Commission's February 2025 meeting.

### *Proposed Sale of Land to Barstow Spanish Trail, LLC*

In 2013, staff learned that BLM intended to declare certain federal lands in the city of Barstow as surplus and available for disposition. The lands, totaling roughly 43.75 acres, are included in the [Spanish Trail Specific Plan](#), a joint commercial development between the City of Barstow and Barstow Spanish Trail, LLC, a commercial real estate developer.

Under the federal [California Desert Protection Act](#), the state, acting by and through the Commission, has the right of first refusal on lands declared surplus within the covered area and has the right to file an indemnity lands application with BLM to acquire the surplus lands if it chooses. Because of the high potential for commercial use of these lands, staff filed an indemnity application with BLM in 2015. The Commission approved the acquisition later that year with Barstow Spanish Trail, LLC. In exchange for the BLM lands, the applicant submitted the rights to 320 acres of base lands<sup>1</sup> in Imperial County.

In 2017, Barstow Spanish Trail, LLC applied to purchase those 320 acres in Imperial County, together with two other nearby school land parcels. The application included lands totaling 63.3 gross acres. In 2017, the Commission approved the sale for \$4,538,200. Since then, the Commission has issued annual extensions of the sales contract with non-refundable deposits. In total, \$341,138

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<sup>1</sup> The term "base lands" refers to the debt in real property still owed to the state under the 1853 Act and subsequent legislation. (For more information on the indemnity selection process, please see "**Note to the Reader**" before the Table of Contents at the beginning of this report.) In the case of this indemnity selection, the base lands used accrued to the state due to a loss from a fractional township. In effect, the only thing given up by the Commission was a property right, not physical real estate.

has been deposited into the School Land Bank Fund. The current extension expires in June 2026. The extensions are needed to allow time to perfect title through an exchange with the California Department of Transportation on the proposed development site, which will allow the developer to proceed. Staff anticipates completing the exchange and purchase in 2026.

## Other Proposed Surface Sales

The Commission is processing two surface land sale applications. The first, submitted in January 2025, is to purchase 326.2 acres of surface land in San Benito County. The second, submitted in June 2025, is an application from Caltrans to purchase 6.57 acres in San Bernadino County. Both applications are under review.

## Online Listing Services

To reach a wider applicant pool and promote the leasing of school lands for renewable energy projects, the Commission contracted with two online listing services, Land Gate and Energy Net. The services advertise school land parcels that are suitable for renewable energy projects to listing service subscribers. In May 2024, the Commission began listing parcels online with Land Gate and with Energy Net. In September of 2026, via the Energy Net service, staff received interest from two companies for solar projects on multiple school land parcels and anticipates new applications in the coming years.

## U.S. Bureau of Land Management California Desert Protection Act Land Exchange

In 1994, the California Desert Protection Act was signed into law, designating 3.6 million acres in Southern California as federal wilderness and four million acres in Southern California for inclusion in the national park system. Five exchanges were completed during the 1990s. Completion of a sixth exchange has been delayed after the federal General Accountability Office issued a report questioning the procedures followed by BLM in the exchange process. The future of this exchange is uncertain until these legal issues are resolved.

## Status of School Land Consolidation Efforts in the California Desert

As with the last several years, there are no new activities to report because no land consolidation efforts or exchanges related to the Desert Renewable Energy Conservation Plan (DRECP) Land Use Plan Amendment (LUPA) as envisioned by the School Land Bank Act have occurred. BLM has not proceeded with a DRECP LUPA amendment or provided updated information since 2018.

## Financial Summary: Fiscal Year 2024-25

### CalSTRS Fund

#### Revenues and Expenses

**Revenues:**

Surface (LMD)	\$468,772.27
Surface (MRMD)	\$230,161.67
Geothermal (MRMD)	\$5,394,549.26
Solid minerals (MRMD)	\$1,026,643.53
Oil and gas (MRMD)	\$365,865.34
Miscellaneous	\$(265.88)

**Total Revenues:** **\$7,485,726.19**

**Expenses:**

Mineral Resources Management	\$593,600
Land Management	\$212,800
Overhead/Distributed	\$313,600

**Total Expenses:** **\$1,120,000.00**

**Net Revenue to CalSTRS Fund:** **\$6,365,726.19**

## School Land Bank Fund

**Balance as of July 1, 2024** **\$65,006,311.14**

Revenues from Land Sales \$0.00

SMIF Interest Earned \$1,711,525.19

Interest Income – Interfund Loan \$879,386.30

Forest Product Sales \$135

Total Revenue: \$2,591,046.49

Less: Expenses \$(1,849,425.96)

**Fund Balance as of June 30, 2025** **\$65,747,931.67**

At the end of fiscal year 2024-25, the loans mentioned on page 2 were transferred back to the School Land Bank Fund with accrued interest that will be paid out of the Pooled Money Investment Account.

## Addendum to the 2023-2024 Annual Report on the Management of School Lands

This addendum includes School Land Bank Fund expenditure revisions for the 2023-2024 fiscal year. The final expenditures for the 2023-2024 fiscal year were revised by \$40,422.17, bringing the total School Land Bank Fund expenditures to \$1,952,485.86.

Revised School Land Bank Fund Balance for 2023-2024 fiscal year:

School Land Bank Fund Balance as of July 1, 2023 \$66,046,296. 69

Revenues from Land Sales \$0.00

Interest Earned in Fiscal Year 2023-2024 \$912,500.31

Less: Expenses Adjustment \$(1,952,485.86)

Balance of Fund as of June 30, 2025 \$65,006,311