



October 1, 2015

## Memorandum of Intent

### Relating to Land Exchanges between the Bureau of Land Management and the California State Lands Commission

#### I. INTRODUCTION

This Memorandum of Intent is between the United States Department of the Interior, Bureau of Land Management (BLM) and the California State Lands Commission (SLC) (collectively referred to as "Parties"). The purpose of this Memorandum of Intent is to memorialize the Parties' intent and commitment to expeditiously pursue and complete the Phase I of the proposed series of land exchanges.

#### II. BACKGROUND

The BLM and the SLC each have long pursued efforts to protect nationally significant lands designated as National Conservation Lands and to consolidate lands that could generate revenue for the California State Teachers' Retirement System (CalSTRS), respectively. Through diligent collaboration and partnership, the proposed series of land exchanges between the Parties will achieve mutual objectives of protecting and conserving valuable biological and other natural resources, and provide access and recreational opportunities for the public through the consolidation of federal lands within the National Conservation Lands units and other BLM management areas. Further, the proposed series of land exchanges will provide an immediate and continuing revenue source dedicated to benefitting California's teachers, through the State acquisition of lands with operational renewable energy facilities and/or lands that otherwise have potential to generate revenue for CalSTRS.

The proposed land exchange supports the energy and conservation goals for the Desert Renewable Energy Conservation Plan (DRECP) and supports the State's School Land Bank Act and California Public Resources Code sections 8720 et seq.

In cooperation with the SLC, the BLM has completed the proposed list of lands to exchange that will be included in the DRECP Proposed Land Use Plan Amendment and Final Environmental Impact Statement along with a Feasibility Summary, the May 21, 2012 Memorandum of Agreement between the BLM and SLC, maps and additional supporting information.

### III. PURPOSE AND COMMITMENT

The Phase I of the proposed land exchange, called the AB 982 Exchange, will include approximately 61,000± acres of state lands (serialized by the BLM as CACA 056034 P1) and approximately 5,600± acres of federal lands that have the potential for, or are previously developed with, renewable energy facilities (serialized as CACA 056034 F1). Future phases contemplate conveying approximately 150,000± acres of school lands to the BLM in exchange for approximately 16,000± acres of federal lands. The majority of lands subject to the proposed exchanges are located in San Bernardino, Inyo and Riverside counties.

There are many components involved in completing a land exchange, especially one of this magnitude. Land exchanges typically take a few years to complete, even in the absence of issues or conflicts that may arise throughout the process. Additionally, land exchanges require environmental review and public participation, in accordance with the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA), Congressional notification, review and approval by the SLC, Department of Justice, and at the BLM national, state and field office levels. In the Phase I land exchange, there will be four BLM field offices involved: Ridgecrest, Palm Springs, Barstow and Needles. Interested stakeholders and the public will have an opportunity to review and comment on the proposed land exchange as required by NEPA and CEQA.

The BLM received the market valuation consultation report on both federal and state lands to give the BLM a general idea of land values in order to select enough lands to equalize values. These values may change upon receipt of formal appraisals, at which point the lands may need to be adjusted by adding or excluding lands, and as a last resort, making a cash equalization payment. The next step is for the Parties to formally initiate the Phase I land exchange with a formal agreement.

The Phase I land exchange, as well as future phases, will provide clear, significant and comprehensive public benefits, including environmental protection, land conservation, facilitation of renewable energy, greenhouse gas reduction, and a critical and ongoing revenue source dedicated to CalSTRS for the benefit of California's retired teachers.

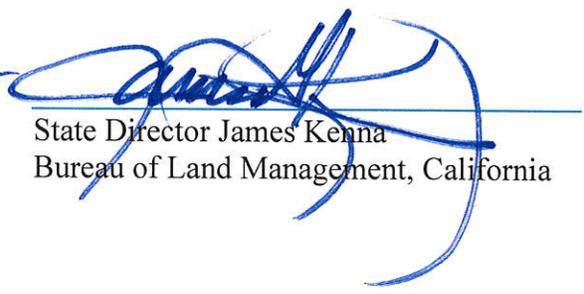
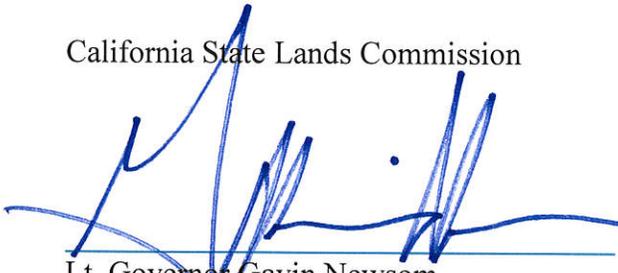
The Parties are following direction provided in Section 206 of the Federal Land Policy and Management Act of 1976 [43 U.S.C. 1716], Section 707 of the 1994 California Desert Protection Act, and Chapter 485, Statutes of 2011, AB 982, Skinner (Land Exchanges for Renewable Energy-Related Projects), commencing with Public Resources Code Section 8700.

The Parties, recognizing the significant benefits associated with the Phase I land exchange, commit to working expeditiously to implement the Phase I land exchange, as well as the future phases, throughout the entire process. Further, in conjunction with the Record of Decision for the DRECP Land Use Plan Amendment, the BLM will promptly begin processing Phase I of the land exchange by preparing a draft Agreement to Initiate and continue the NEPA process. The SLC commits to cooperate with the BLM to the fullest in all of the processes required for this Phase I land exchange.

IV. Approvals

California State Lands Commission

Bureau of Land Management, California



Lt. Governor Gavin Newsom  
Chair, California State Lands Commission

State Director James Kenna  
Bureau of Land Management, California