Exhibit 2

CALIFORNIA STATE LANDS COMMISSION



EXECUTIVE OFFICE 100 Howe Avenue, Suite 100-South . Sacramento, CA 95825-8202

JENNIFER LUCCHESI, Executive Officer (916) 574-1800 Fax (916) 574-1810 California Relay Service TDD Phone 1-800-735-2929 Voice Phone 1-800-735-2922

December 23, 2017

David Haase Director, Pacific Rim Region U.S. General Services Administration 50 United Nations Plaza, Fourth Floor, Room 4341 San Francisco, CA 94102

Dear Director Haase:

On October 6, 2017, the Governor of California signed Senate Bill (SB) 50¹, which will take effect on January 1, 2018. SB 50 states that "conveyances of federal public lands in California are void ab initio unless the [California State Lands Commission] was provided with the right of first refusal to the conveyance or the right to arrange for the transfer of the federal public land to another entity." (Cal. Pub. Resources Code, § 8560, subd. (b)(2)(A).) Additionally, any:

deed, instrument, or other document related to a conveyance that is subject to Section 8560 of the Public Resources Code shall be titled "Federal Public Land Deed of Conveyance" and shall not be recorded without a certificate from the State Lands Commission. The federal agency wishing to convey federal public lands shall ensure that the deed, instrument, or other conveyance document is titled in the manner required by this section. (Cal. Gov't Code, § 27338.)

The certificate referenced in section 27338 is a "certificate of compliance," in which the State Lands Commission certifies that it was afforded the right of first refusal but determined to not acquire the subject federal public lands or arrange for their transfer to another entity. (See Cal. Pub. Resources Code, § 8560, subd. (b)(2)(D)(i).)

There is a listing on the U.S. General Services Administration's (GSA) website for the "Corporate Way Pocket Parcel." This parcel, located in Sacramento, is subject to the requirements, discussed above, that will take effect on January 1, 2018. Although bidding for this parcel is scheduled to begin on January 8, 2018, GSA must provide the California State Lands Commission with the right of first refusal or right to arrange for the transfer of the parcel to another entity in order to comply with State law and validly transfer the parcel.

https://leginfo.legislature.ca.gov/faces/billTextClient.xhtml?bill id=201720180SB50

https://disposal.gsa.gov/searchresults?state=CA&type=Land

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Please contact me at <u>Jennifer.Lucchesi@slc.ca.gov</u> or (916) 574-1800 to discuss the proposed disposal of the Corporate Way Pocket Parcel and the requirements under SB 50.

Sincerely,

JENNIFER LUCCHESI

Executive Officer