



United States Department of the Interior
BUREAU OF LAND MANAGEMENT

Washington, D.C. 20240

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In Reply Refer To:
UTU-87577FD/PT
2200 (350)

MAY 28 2014

Memorandum

To: State Director, Colorado

From: *for* Neil Kornze
Director

Steven Elh

Subject: Approval to Issue the Decision on the Sutey Ranch Land Exchange;
COC-74812

On a Memorandum dated November 26, 2013, you requested approval to issue the decision and proceed with completion of the subject land exchange. On January 16, 2014, the Office of the Solicitor, Intermountain Region, provided its legal sufficiency review and concurrence for the proposed exchange.

The Sutey Ranch Land Exchange is a single-transaction land exchange between the Bureau of Land Management, Leslie and Abigail Wexner (Proponents), 2343 County Road, LLC, Prince Creek Crown, LLC, and Lady Belle Partnership, LLLP (Participants). The exchange involves six parcels of Federal lands and interests totaling 1470.01 acres, and two parcels of non-Federal lands and interests totaling 433.03 acres.

The draft Decision Record, draft Notice of Decision (NOD), and other documentation reviewed by the Energy, Minerals, and Realty Management Directorate (WO-300) indicate that the land exchange is in the public interest. The consummation of the exchange will provide for more effective land management for the BLM and the Proponents and result in the acquisition of valuable conservation and recreation lands by the United States of America.

Given the public benefits in making the exchange, you have my approval to issue the decision and publish the required NOD in conformance with the attached Decision Review Statement. In the absence of any protests in response to the NOD, you may complete the land exchange. If you receive any adverse comments or protests, please coordinate with the Washington Office for the review of and response to such comments, protests, and any subsequent appeals to the Interior Board of Land Appeals. Please provide the Washington Office with the details of the closing of the exchange in accordance with the requirements outlined in the attached Decision Review Statement.

Please address any questions to Michael D. Nedd, Assistant Director, Energy, Minerals, and Realty Management Directorate (WO-300), at 202-208-4201. Your staff may also contact Leslie Holland, Acting Division Chief, Lands, Realty, and Cadastral Survey, at 202-912-7350; Don Buhler, Branch Chief, Lands, Realty and Cadastral Survey (WO-350), at 202-912-7353; or Diane Simpson, Realty Specialist (WO-350), at 202-912-7337.

Attachment (2 pp)

**WASHINGTON OFFICE
DECISION REVIEW STATEMENT**

State: Colorado **Serial Number:** COC-74812

Exchange Name: Sutey Ranch Land Exchange

District/Field Office: Colorado River Valley Field Office

Counties Involved: Eagle, Garfield, and Pitkin Counties, Colorado

Parties to the Exchange: The Bureau of Land Management (BLM), Leslie and Abigail Wexner (Proponents), 2343 County Road, LLC, Prince Creek Crown, LLC, and Lady Belle Partnership, LLLP (Participants), and Western Land Group, Inc. (Facilitator)

Federal acreage proposed for conveyance: 1,470.01 acres in six parcels in Eagle and Pitkin Counties.

Non-Federal acreage proposed for acquisition: 433.03 acres in two parcels in Garfield and Pitkin Counties.

Proposal: This will be a single transaction exchange.

Land Use Plan Consistency: Conveyance of the Federal lands complies with the Glenwood Springs Resource Management Plan (RMP), as revised in 1988. Disposing of the six Federal parcels to acquire the two non-Federal parcels is consistent with land tenure adjustment considerations outlined in the RMP. Under the revised RMP, the BLM may exchange Federal lands if the public value of the non-Federal lands acquired meets or exceeds the public value of the Federal lands disposed of. The 1988 RMP does not directly address the acquisition of the specific non-Federal lands. However, BLM retention zones surround the two non-Federal parcels.

Public Interest Factors: The exchange well serves the public with respect to the provisions of Section 206 of Federal Land Policy and Management Act of 1976. Consummation of the exchange will accomplish BLM land adjustment objectives, consolidate land ownership boundaries in the Red Hill Special Recreation Management Area, the Crown, and Horse Mountain areas, and improve access to public lands. The Federal lands have limited legal public access and are difficult to manage. The non-Federal lands are adjacent to large blocks of public lands, have public access, and contain valuable winter wildlife habitat in an area where open space is rapidly disappearing due to development.

Appraisal – Value Consultation: The Department of Interior’s Office of Valuation Services (OVS) reviewed and approved appraisals for the Federal and non-Federal lands. Appraisals of the lands included in the initial exchange proposal determined the value of the non-Federal lands to be substantially higher than the value of the Federal lands. The appraised value for the six parcels of Federal lands is \$4,000,000. The OVS established a value of \$6,240,000 for the non-Federal lands included in the initial exchange proposal.

To equalize the exchange, the BLM and the Proponents agreed to exclude a portion of non-Federal Parcel 1 from the exchange. A supplemental appraisal of Parcel 1 separated the Sutey

Ranch into two tracts. Parcel 1A would remain part of the non-Federal lands in the exchange. The parties agreed to exclude Parcel 1B from the exchange. The appraisal established a value of \$3,050,000 for the 321.25 acre Parcel 1A. The appraised value of the 111.78-acre non-Federal West Crown parcel (Parcel 2) is \$950,000. The combined values of non-Federal Parcel 1A and Parcel 2 are equal to the value of the Federal lands.

Mineral Issues: The BLM will convey all mineral estate on the Federal lands. The Proponents/Participants will convey the mineral interest on Parcel 1A of the non-Federal lands to the United States. The United States already owns the mineral estate on non-Federal Parcel 2. The interests will merge upon conveyance.

Congressional Notification: The Department of Interior will notify the Congressional Appropriations Committees of the proposed exchange.

Solicitors Office Review: The Office of the Solicitor, Rocky Mountain Region, reviewed and provided concurrence on the Decision documents on January 16, 2014.

The BLM completed the environmental analysis and other required studies. The Colorado State Office prepared the draft Decision Record, draft Notice of Decision, and Land Exchange Decision Summary. The Washington Office reviewed the decision documents and found the exchange to be in conformance with existing land exchange regulations and guidance. The documentation shows that completion of the proposed land exchange would be in the public interest. We conclude that final processing of the land exchange should proceed subject to the following conditions:

- Prior to the closing of the land exchange, the BLM should confirm that the environmental site assessments for the Federal and non-Federal land are current, in conformance with the regulations at 40 CFR Part 312 for the non-Federal land and agency requirements to comply with section 120(h) of the Comprehensive Environmental Response, Compensation and Liability Act and 40 CFR Part 373 for the Federal land.
- In the absence of any protest(s) to the publication of the Notice of Decision, the Colorado State Office may complete the exchange.
- If the BLM receives any protests, the Colorado State Office will coordinate the review of and response to such protests and any subsequent appeals with the Washington Office and the Office of the Solicitor. The Washington Office does not approve completion of the exchange without such coordination.
- Please notify the Washington Office upon the completion of the land exchange and the close of escrow, and provide copies of the following documents as they become available: executed escrow instructions, escrow settlement statement, and the Solicitor's final opinion of title.