

Federal Land Exchanges: A Primer for Local Citizens and Planners

Policy Brief

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PREFACE

The Center for Natural Resources and Environmental Policy is an applied research and education center based at The University of Montana. Its mission is to foster sustainable communities and landscapes through collaboration and conflict resolution. To help achieve this mission, the Center conducts action-oriented research and produces policy reports to inform and invigorate public policy and to examine current issues in the use of collaborative methods to prevent and resolve public disputes.

This policy brief was prepared in cooperation with the Sierra Business Council and participants in the Eastern Sierra Land Tenure Project. It is explicitly not intended as a legal analysis of the particular land ownership patterns or exchange opportunities available in a particular location, but instead provides an overview of the laws and regulations that will affect any effort to incorporate federal land exchanges into a local growth strategy, along with observations of the lessons and experiences of those who have pursued this strategy in various locations throughout the West.

The references listed at the end of this policy brief provide more detail on the laws and policies related to federal land exchanges. In addition, local citizens and planners wishing to explore the options available in their specific location should consult legal and land exchange professionals familiar with applicable state and local laws.

This policy brief and a variety of other publications related to natural resources policy and governance are available on the Center's website: <http://cnrep.org>.

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Brief Summary

Western communities increasingly find it beneficial to include federal public land exchanges in their growth management planning. Federal land exchanges range from simple trades to complex multi-party transactions. Thus, even those communities without immediately adjacent public lands may find themselves engaged in a federal land exchange, possibly involving lands located in a different county. The basic goal of all such exchanges is to consolidate land ownership in a way that makes sense for all parties and serves broader public interests.

These transactions may be pursued either by:

- Working directly with the federal land managers to negotiate an **administrative** exchange; or
- Working with a member of Congress to enact a **statute** authorizing or requiring an exchange or a combination of land sale and acquisition to achieve similar goals.

Local citizens and planners can use these processes to guide and accommodate growth by:

- Participating actively in federal resource planning processes before any land exchanges are contemplated to identify priority lands for exchange;
- Developing clear objectives and criteria to evaluate proposed exchanges;
- Considering alternatives to exchanges to achieve land use objectives;
- Understanding the time and resources necessary to complete an exchange;
- Investigating and addressing all potential objections and issues that may delay or prevent the exchange from proceeding;
- Building a constituency for the exchange early, and conducting an effective and transparent public participation process;
- Exercising caution when entering into multi-party transactions;
- Evaluating the benefits of administrative versus legislative exchanges; and
- Encouraging policy reforms to improve the federal land exchange process.

Examples drawn from several western communities illustrate ways in which local citizens and planners have engaged with federal resource managers to encourage more strategic use of federal land exchanges to support local growth management and land use planning.

These transactions are seldom without controversy, as each implicates strongly held values for public land and private property rights, but the best practices outlined in this policy brief aim at identifying and addressing concerns early in the process and working as collaboratively as possible with all affected parties. Additional resources at the end of the policy brief provide a starting point for more in-depth investigation of the options for integrating federal land exchanges with local growth management.

Introduction

Public lands managed by the U.S. Bureau of Land Management and the Forest Service surround many rural communities in the western United States, providing many benefits to residents who enjoy recreational access and open landscapes. In some cases, communities seek opportunities to accommodate growth by expanding into adjacent public lands.

For their part, public land managers face management challenges from the historical legacy of western land disposal practices, which resulted in numerous parcels of privately held lands scattered throughout the public land estate. Several laws authorize the agencies to negotiate transactions in which private lands are exchanged for public land parcels, typically those adjacent to communities or otherwise attractive for development.

More recently, Congress has authorized or directed through legislation specific exchanges and other land transactions (including sales through public auction). Such bills may contain a wide variety of special conditions adapted to the specific place and conditions.

Sometimes these transactions involve multiple parties and a series of exchanges involving parcels in different counties. In all cases, the goal is to consolidate land ownership in a way that makes better sense for all parties—and, when public lands are part of the deal, the overriding policy consideration is that the exchange be consistent with the broad public values that guide public land management agencies.

Typically, individuals seeking development opportunities have taken the initiative in pursuing such exchanges, often in cooperation with independent land exchange facilitators. Increasingly, communities are considering potential land exchanges and similar transactions in their planning processes, seeking to take a more proactive role in shaping future ownership adjustments to better match existing infrastructure and desired growth patterns.

This policy brief provides an overview of the land exchange process, including a summary of the various means to adjust land ownership, potential benefits of doing so, and concerns about this practice. Several examples highlight the ways in which communities can integrate land exchanges into their planning processes, leading to suggested lessons learned and best practices.

The sources at the end of this paper provide additional details on the legal authorities for exchanges and the practical considerations that arise in a variety of transactions involving federal public land.

What is a Federal Land Exchange?

Public lands envelop many communities in the American West, a legacy of the nation's historical expansion and settlement policies. These lands, managed for the most part by the U.S. Bureau of Land Management and the U.S. Forest Service, comprise approximately half the acreage in the West, and as high as 80 percent in Nevada.

Public lands and the resources they support provide valuable recreation access, scenic vistas, and many other community benefits that draw residents and economic growth to this region. Yet many western communities are essentially landlocked, unable to expand their footprint to accommodate growth without changes in land ownership. Increasingly, such ownership changes are taking place through processes referred to as land exchanges or land tenure adjustment.

The United States' 19th Century land disposal policies produced fragmented land ownership patterns, leading to the "checkerboard" ownership that creates colorful political maps and resource management headaches.¹ In some cases, the federal government purchases private inholdings, but funds for such purchases are limited. Land exchanges and other land tenure adjustments provide an opportunity to convert this checkerboard pattern to a more logical blend of land ownership, consolidating federal lands for landscape-scale management and focusing new private development on lands adjacent to established services in existing communities.

In some cases, the transactions involve multiple parties and properties, involving federal lands and some combination of lands owned by private parties and others (state lands, public water district lands, etc.). Western state land managers have enough experience with these transactions to have developed sophisticated criteria for evaluating proposed trades. Other parties, such as municipal water districts or corporate landowners, do not necessarily have established procedures for participating in federal exchanges, but generally deal with them as they would other real estate transactions.

In every case, the goal is to more logically align land ownership with public and private interests and priorities. Increasingly, local citizens and planners are seeking to use such transactions to achieve growth management goals. Whether the lands adjacent to a growing community are owned by the federal government or by another party that may be interested in exchanging some of its land for federal lands

¹ For a concise history of the policies and practices that resulted in this ownership pattern, see Paul 2006, at 108-13. This and all references mentioned in the text are listed in the "Sources" section at the end of this report.

elsewhere, it is important for all involved to understand the federal legal and regulatory framework that will set the stage for the process.

This section describes three types of land ownership changes: administrative land exchanges, legislated land exchanges, and legislated land disposal and acquisition.

Administrative Land Exchanges

Federal law defines exchanges as “voluntary real estate transactions between federal and non-federal parties” (43 C.F.R. Sec. 2200.0-6(a)). They range from straightforward acre-for-acre exchanges to complex, multi-party (sometimes multi-phase) transactions including transfers of resource development rights or other valuable commodities in addition to acreage or cash equalization payments. Sometimes the federal government ends up with a net gain in acreage, since the lands it gives up close to existing communities are valued highly for development potential. In all cases, the federal agencies must determine that the exchange will serve the public interest and be consistent with overall resource management objectives.

Congress authorized land exchanges involving the Forest Service as early as 1911 (and the predecessor of the BLM in 1934), but the practice accelerated in recent decades. Between 1989 and 1999, the Forest Service conducted over 1,200 land exchanges with a total value of over \$1 billion, and acquired a net total of around 600,000 acres. In the same decade, the BLM completed nearly 1,300 exchanges and acquired a net total of around 350,000 acres (Vaskov at 81). Between 2004-08, the two agencies together processed 250 land exchanges involving over 600,000 acres (GAO 2009 at 9, 19).

Historically, most exchanges involved relatively small parcels and occurred through discretionary administrative acts, conducted by Forest Service or BLM managers in compliance with governing laws and regulations. Under the Federal Land Policy & Management Act (FLPMA),² the following criteria guide land disposal decisions:

- The federal parcel proposed for exchange or sale is difficult and uneconomic to manage because of its location or other factors and is not suitable for management by another federal department or agency;
- The purpose for which land was acquired has been met and the land is no longer required for any federal purpose; or
- The ownership transfer will serve important public policy goals, such as expansion of communities and economic development, which cannot be achieved on land other than public land, and outweigh other public

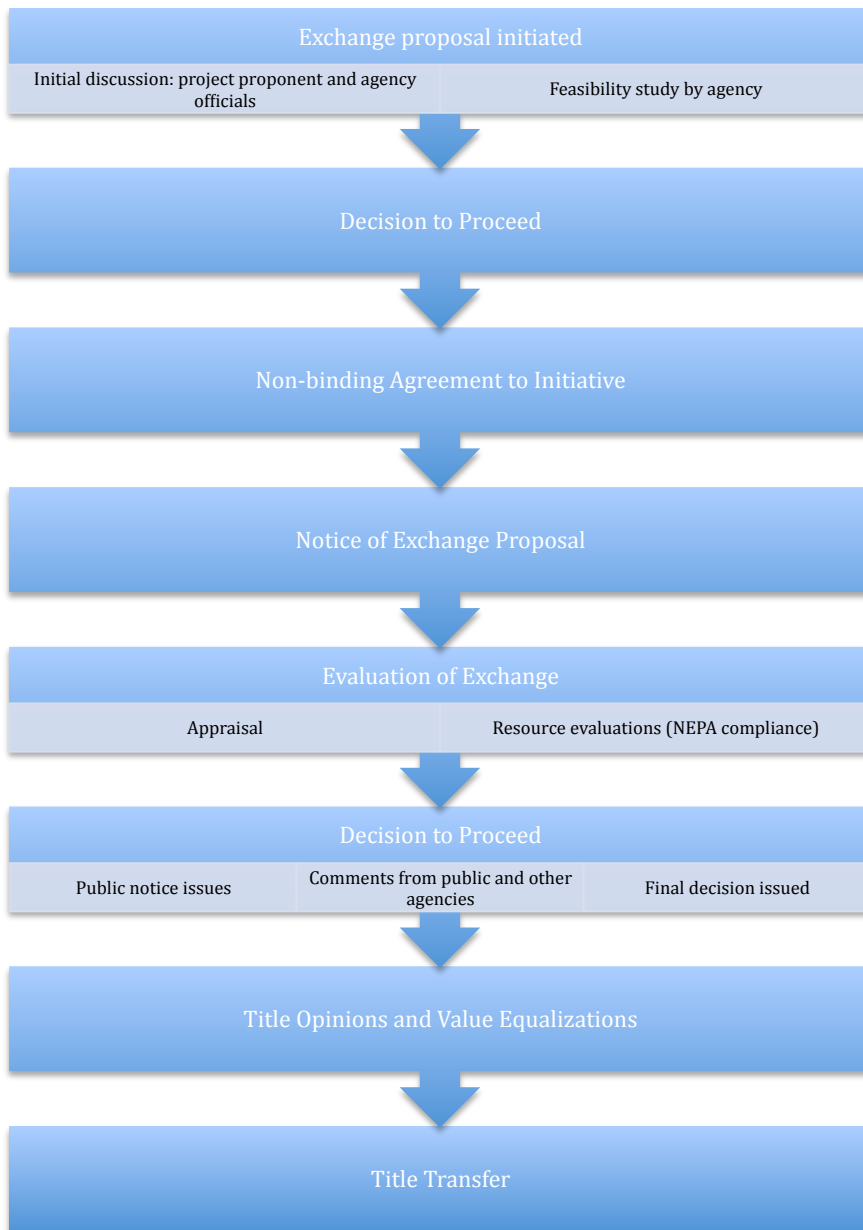
² Land exchanges are subject to a number of federal laws, including FLPMA, the Federal Land Transaction Facilitation Act of 2000, and the National Environmental Policy Act (NEPA). Several of the reports listed in the “Sources” section include detailed citations and discussions of the applicable laws. See Sonoran Institute (2009), Blaeloch (2009), and GAO (2009).

objectives and values, including specifically recreation and scenic values, which would be served by keeping the land in federal ownership.

Exchanges may be for full fee simple title or for partial interests such as conservation easements. The agency reviewing the exchange must determine that the “intended use of the conveyed Federal land will not substantially conflict with established management objectives on adjacent Federal lands.”

Although the procedures differ somewhat between agencies, the basic steps of an administrative land exchange are the same. See Figure 1 for the general framework.

Fig. 1 Administrative Land Exchange Process: Major Steps in Agency Consideration



Legislated Land Exchanges

In a significant change in recent years, land exchanges and other ownership adjustments involving public lands have followed congressional legislation instead of this administrative procedure. Between October 1, 2004, and June 30, 2008, BLM and the Forest Service reported processing 20 land exchanges that were specifically legislated by Congress, resulting in a net gain of approximately 200,000 acres of federal land (GAO 2009 at 22).

Legislative exchanges can proceed very differently from their administrative counterparts, as Congress can make any number of changes to the normal requirements. For example, recent legislative exchanges have: (1) identified specific lands to be exchanged; (2) required the agencies to conduct exchanges if requested by the nonfederal party; and (3) established time frames for the completion of the exchanges (GAO 2009 at 23). Since Congress has broad constitutional power to regulate activities on public lands, it can exempt these legislative exchanges from environmental review or resource planning mandates, set the appraisal guidelines, and establish advisory groups to help select exchange lands. Thus, it is impossible to diagram a “typical” legislated land exchange process.

This ability to customize the exchange process for particular situations has proven attractive, and has given rise to some creative land conveyance programs. But critics protest that legislative transfers of federal ownership tend to favor special interests, avoid the public scrutiny that is afforded by agency planning processes, and often bypass important statutory requirements aimed at protecting environmental and other public interests.

Legislated Land Disposal and Acquisition

The most recent trend in federal land tenure adjustment is congressional legislation that authorizes the federal agencies to sell parcels of federal land at public auction or in modified competitive sales, and then deposit the proceeds into a special account for priority land acquisition. Examples include the Southern Nevada Public Land Management Act of 1998 (P.L. 105-263) and the more broadly applicable Federal Land Transfer Facilitation Act of 2000 (P.L. 106-248, codified at 43 U.S.C. Sec. 2301 et seq.).³ Nearly all these sales have occurred in Nevada, involving lands managed by the BLM (GAO 2008 at 5).

Often, these “omnibus” bills include wilderness and other protective land designations, resulting from negotiations among diverse stakeholders. Critics call these “quid pro quo” wilderness bills; supporters see them as “win-win” solutions.

³ See Appendix E to the Sonoran Institute’s *A Citizen’s Guidebook to Federal Land Disposal* for summaries of these and other land disposal statutes.

Using public auctions to dispose of surplus lands offers a better chance of obtaining fair market value that includes development potential than through the traditional appraisal process. Moreover, public involvement is encouraged by these statutes' mandatory collaborative planning processes to identify lands to be auctioned off and lands to be acquired.

Legislative disposal bills raise a number of objections from people concerned that statutory mandates may be inconsistent with existing land and resource plans and may seek to avoid environmental and other legal requirements. Conversely, a congressional bill may impose a wide variety of conditions to ensure that the public interest is served. These could include, for example:

- Mandatory completion of environmental analyses prior to completion of transaction;
- Restrictive covenants on the lands to be transferred out of federal ownership, ensuring that future uses are consistent with community or other identified goals;
- Reversionary clause requiring that the land revert to federal ownership if not used for the stated purpose (more common where the federal parcel is dedicated to a conservation or recreation purpose); and
- Oversight by a designated advisory committee.

In other words, the broad discretion of Congress to govern activities on public lands may either be used to bypass or enhance important administrative safeguards.

What are the Benefits of Federal Land Exchanges?

For federal resource managers, land exchanges offer opportunities to acquire high-priority lands and divest themselves of lands whose development potential exceeds their conservation value.

Federal land exchanges have facilitated wilderness protection, historical resource protection, and enhanced recreation opportunities. Sometimes federal agencies have pursued exchanges to resolve longstanding disputes over rights-of-way or land uses impacting sensitive areas.

In its public interest review, the federal agency considering an administrative land exchange must assess the potential for “better Federal land management and the needs of State and local people, including needs for lands for the economy, community expansion, recreation areas, food, fiber, minerals, and fish and wildlife” (42 U.S.C. Sec. 1716(a)).

This and other statutory mandates direct federal agency officials to engage in meaningful consultation with local officials to determine whether the lands proposed for transfer to nonfederal ownership will lead to development that is consistent with local land use priorities. When done well, this consultation allows a community bordering public land to maintain control over the path of development along its urban fringe, encouraging growth that matches local priorities and available services.

Such consultation does not always occur, leading to surprise and protest by those who suddenly discover that neighboring public lands are slated for exchange and thus will be open for development. The following section describes some of the problems that can arise in an exchange process.

What Can Go Wrong?

Although the logic of federal land exchanges is solid, and the potential for mutually beneficial outcomes is great, the reality has been far more mixed. An unfortunate legacy of poorly conceived or executed exchanges convinces many that such transactions are a bad deal for the federal government—wasting public money and resources and failing to account for fiscal and environmental consequences (Chamberlain at 251-252). “The exchange process,” concluded the Public Lands Foundation in 2001, “gives the land exchange proponent an avenue to acquire blocks of developable lands in prime locations from the federal government, and without competition,” resulting in a financial windfall for the private party who quickly develops or resells the former federal lands.

The many objections raised to land exchange practices include:

- Land exchanges are completed without meaningful public scrutiny and input;
- Agency procedures to evaluate environmental impacts were not adequate⁴;
- Third-party facilitators did not disclose relationships with landowners;
- Appraisals often overvalue private land while undervaluing federal land;
- Federal agencies deal improperly with corporations with which they have close ties;
- When exchanges involve lands in different counties, the county in which a private land parcel becomes public land will lose property tax revenues, which likely will not be fully compensated by federal programs such as Payments in Lieu of Taxes;
- Lands transferred into federal ownership are often logged, degraded, or of otherwise of low quality, while the lands conveyed into non-federal ownership are often prime or high-quality forest lands; and
- The process affords the agencies too much discretion and not enough accountability to the public.

The Government Accountability Office (GAO) has completed numerous reviews of land exchange practices, concluding most recently that the Forest Service and BLM have made progress in improving oversight of the exchange process, but that there is still room for improvement. Specifically, the GAO remarked on the agencies’ failure to develop national strategies to guide land transactions and to account for all costs incurred in their implementation.

In short, pursuing a federal land exchange can be time-consuming and contentious. The discussion below of “Lessons Learned” suggests some strategies to address

⁴ See, e.g., *Muckleshoot Indian Tribe v. U.S. Forest Service*, 177 F.3d 800 (9th Cir. 1999), which held that the Forest Service did not consider the cumulative impacts of the exchange, in conjunction with past or reasonably likely future land transactions, and did not consider an adequate range of alternatives to the exchange, such as buying the nonfederal land.

these concerns at the outset of an exchange process. Perhaps the key lesson for local planners considering strategic participation in the federal land exchange process is that such transactions may raise objections from those who object to them on principle, and that there may be many reasons that a contemplated exchange is not completed.

Examples of Land Exchanges Linked to Community Growth Plans

Mono County, California: Mammoth Community Facilities Exchange

In 2007, after three years of negotiation among federal, state, and local public agencies, the Mammoth Community Facilities Land Exchange (“McFlex”) provided 12.5 acres of land for expanded public facilities for the Mammoth Lakes Fire Protection District, the Town of Mammoth Lakes, the County of Mono, the State Administrative Office of the Courts, and Mammoth Hospital. The Southern Mono Healthcare District initiated this administrative exchange, part of a planned hospital expansion, but the negotiations involved many parties and the active assistance of a third-party facilitator, Western Land Group. The municipality and county stepped in at various points to provide support, but were not main players in the exchange.

In turn, the Forest Service obtained 3,061 acres of privately held, environmentally sensitive land in Mono, Inyo, Eldorado, and Placer counties. The acquired land include ten acres in the Ancient Bristlecone Pine Forest, a parcel in the Mono Basin National Forest Scenic Area, some acreage on the backside of the Glass Mountains, and the Tub Springs parcel located at the base of Kearsarge Peak.

In evaluating the public benefits of the transaction, the Forest Supervisor noted that the management priorities for the Mammoth Management Area of the Inyo National Forest Land and Resource Management Plan (LRMP) call for exchanging Forest Service lands into the private sector for community expansion when:

- The most appropriate use of the National Forest lands over the long term is in the private sector;
- State, county, local, and Forest Service planning processes identify and support conveying ownership of the parcel from National Forest System status to the private sector; and
- The use intended for the federal land being exchanged meets the intent of the current approved County General Plan.

Those who submitted comments supporting the exchange included the Mother Lode Chapter of the Sierra Club and the Friends of the Inyo. The transaction raised concerns in Inyo County, which has a policy of “no net loss” of private lands. Nonetheless, an appeal of the exchange on this principle was unsuccessful and Inyo County ended up with a reduction of private property taxes as a result of the transaction. The final decision document notes that the objection did not come from Inyo County officials, and evaluates the actual impact on tax revenues as minimal since, “[t]he parcels located within Inyo County (Bristlecone Pine and the Tub Springs parcels) are undeveloped and provide very little tax base to Inyo County.

Furthermore, these parcels because of lack of access, and infrastructure have a very low potential for development.”⁵

For more information:

<http://www.mammothtimes.com//content/view/52852/>

Washoe County, Nevada: Exchanges Integrated with Regional Open Space/Growth Planning

Federally managed public lands comprise much of southern Washoe County, home to the metropolitan areas anchored by Reno and Sparks, Nevada. In its first regional open space plan, adopted in 1994, the county began a process of identifying lands appropriate for protection. This planning process is notable for the extent to which local planners integrated their efforts with federal land managers, especially with regard to land exchange and other land tenure adjustments.

A cooperative BLM-county planning process completed in 2000 evaluated lands appropriate for community expansion, and identified 2,140 acres of BLM land for potential transfer to private ownership. The plan states that the preferred means for disposing of these federal lands would be through exchange for private lands designated as desired open space in the Washoe County Regional Open Space Plan.

County and state bonds financed more than 60 parks and trails, and preserved nearly 10,000 acres of open space in Washoe County. Additionally, the sale of public land parcels in southern Nevada through the Southern Nevada Public Lands Management Act provided another \$183 million to help consolidate a patchwork of federally owned land, preserving an additional 40,000 acres of open space in Washoe County.

For more information:

http://www.washoecounty.us/comdev_files/os/os_plan_081908.pdf

Washington County, Utah: Collaborative Process Improves and Builds Support for Land Exchange Bill

The Washington County Growth and Conservation Act (included in the Omnibus Public Land Management Act of 2009) grew from a series of legislative proposals that evolved over the past decade. In an earlier version proposed in 2006, the bill would have mandated disposal by sale or exchange of 17,000 acres of BLM land in

⁵ USDA Forest Service, Pacific Southwest Region, Decision Notice, Finding of No Significant Impact, and Project Specific Non-Significant Forest Plan Amendment, Mammoth Community Facilities Land Exchange, Appendix A (2007).

Washington County, well in excess of the acreage BLM had identified as appropriate for disposal in its Resource Management Plan.

In an effort to resolve these conflicts, a public-private partnership led by a neutral facilitator convened to develop a consensus-based plan for the region's future growth. "Vision Dixie," published in 2007, examined alternative growth scenarios and established "Quality Growth Principles" to guide development in the region. This document directly impacted revisions to the bill and supported its passage in 2009.

The 2009 legislation authorizes the BLM to dispose of 5,000 acres of land for urban growth, and requires consultation with the county in evaluating proposed transactions. All sales are subject to environmental review and public input. Five percent of the proceeds will go to the State School Trust Fund, and the rest of the proceeds will be used to acquire high-priority, biologically significant lands within designated wilderness and national conservation areas. (The bill also includes significant new designations of wilderness, NCA, and Wild & Scenic River acreage.) The legislation conveys 353 acres to Washington County and local municipalities for public purposes such as schools, correctional facilities, and sports parks.

For more information: <http://wilderness.org/files/Omnibus-Key-Provisions.pdf>

Lessons Learned and Best Practices

The examples summarized here illustrate the diversity of approaches available to local governments wishing to participate in federal land exchanges to direct growth in desirable ways. Land use planners and others wishing to explore this topic in more detail should look to the experience of western states that have developed detailed criteria for participating in exchanges and other land tenure adjustments with the federal government.⁶ Early and consistent participation in federal resource planning processes will facilitate good communications and better outcomes when exchanges and other property transactions are contemplated.

Perhaps the most important overarching principle to keep in mind is that federal land exchanges are judged first by whether they are beneficial to the public interest. The opportunity to exchange or otherwise engage in a transaction that changes the ownership of a federal land parcel is not intended primarily for private financial gain or local economic development. All exchanges must make sense in the larger context of the nation's public land system and the laws and policies that guide its management.

Based on the experience of communities that have completed land exchanges with federal and state agencies, the following “best practices”⁷ provide a useful framework for approaching this process in conjunction with local growth planning:

1. Participate in agency planning processes before any land exchanges are contemplated.

Both the BLM and the Forest Service must coordinate their planning efforts with other agencies and governments. This coordination may be informal or may be formalized in a memorandum of understanding (MOU) or similar agreement. Early and consistent communications can help ensure that local concerns and priorities are considered in the federal land and resource planning processes that will guide any future land exchanges. Washoe County (Nevada), for example, formed a Checkerboard Lands Committee to facilitate participation in planning and exchange activity on BLM lands. The Sonoran Institute's *Citizen's Guidebook* provides detailed guidance on ways to bring local land use priorities to the attention of agency planners.

⁶ See, for example, Montana's guidelines for state land exchanges: dnrc.mt.gov/trust/REMB/landexchange.pdf

⁷ Adapted from the Sonoran Institute's “rules of thumb” to guide exchanges, developed for the *Citizen's Guidebook to Federal Land Disposal* (2009).

2. Develop clear objectives and criteria to evaluate proposed exchanges.

Typically, local governments learn of exchanges proposed by others and scramble to respond with concerns about their impacts on local services and adjacent property owners. The alternative is to look ahead at development and conservation needs and develop priorities and principles for evaluating projected exchanges, including pursuing beneficial exchanges in partnership with others. Such criteria should encompass impacts on area growth patterns and community character, infrastructure and related fiscal impacts of projected development, consistency with adjacent land uses, and relationship to open space protection and other conservation objectives.

3. Explore alternatives to direct land exchange transactions to achieve objectives.

Consider whether changes in land ownership are necessary to achieve land-use objectives. For example, tools such as zoning, open space bond purchases, conservation easements, or transfers of development rights might channel development into desirable areas while protecting valued landscapes.

4. Ensure at the outset that participating entities have the commitment of resources and time necessary to complete the transaction.

Whether pursued through administrative or legislative channels, federal land exchanges are time-consuming—typically taking at least five to seven years to complete. The GAO found that federal agencies consistently underestimate the amount of time it will take to complete a transaction. Legislated exchanges may mandate a deadline by which a transaction must occur, but should be designed carefully to allow full consideration of all affected interests.

5. Avoid surprises by completing due diligence on the lands involved in the transactions early in the process.

In this case, due diligence includes the usual property inspection (abandoned mines, hazardous waste, and other liabilities) as well as a thorough survey of the potential opposition to the transaction, including neighbors of the federal parcels subject to exchange and stakeholder groups concerned about impacts on public resources.

6. Build a constituency for the exchange early, and short-circuit controversy by conducting an effective and transparent public participation process.

Much of the criticism of federal land exchanges focuses on the closed nature of the transaction, with public input occurring only after the essential elements have been agreed upon. Establishing clear criteria and priorities before contemplating any particular exchanges will help local officials understand the likely interests to be affected and, ideally, involve those interests as participants in an improved process rather than opponents of a “done deal.”

7. Enter into three-way land exchanges with full information and caution.

“Three way” refers to the involvement of an additional nonfederal entity, such as the state land board, a public utility such as a water district, or a land exchange broker who consolidates parcels into larger units for exchange. Each additional party will bring its own concerns, constituents, and constraints to the table, and thus may complicate the transaction, but the additional time and work may pay off in a mutually beneficial outcome. This is especially attractive in communities surrounded by non-federal lands owned by entities that may wish to exchange their holdings for federal land parcels elsewhere, such as a water district seeking to consolidate its land holdings in a critical watershed or obtain essential tracts to complete a right-of-way for future infrastructure needs.

8. Evaluate alternative approaches for completing the transaction.

The Sonoran Institute advises that administrative land exchanges work best for small amounts of similarly situated and valued land, while legislated exchanges may be more effective for large-scale transactions where non-monetary values can and should be considered. Other observers reach different conclusions; the Public Lands Foundation, for example, favors the exclusive use of agency-run public auctions to generate funds for purchasing high-value conservation lands identified in the FLMPA planning process. The point is, there is no one recipe for a successful change in land ownership. The examples highlighted here and the sources for more information offer parallels that might suggest the best approach in a particular situation.

9. Encourage policy reforms to improve the federal exchange process.

Land exchanges implicate many public values and thus should be conducted in a public process, not a “closed deal” between the agency and a private party. Cooperative planning with local officials to prioritize areas for ownership changes is

an important first step toward making this process more transparent and accessible to the public at large.

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