



United States Department of the Interior

BUREAU OF LAND MANAGEMENT
Oregon State Office
P.O. Box 2965
Portland, Oregon 97208

IN REPLY REFER TO:
2060 (OR-932)

JUL 07 2004

Rob Gill, Operations Manager
Foundation for Voluntary Land Exchanges
4035 SW Canyon Road
Portland, OR 97224

Dear Mr. Gill:

Thank you for delivering the internal review version of the draft Umpqua Land Exchange Project (ULEP) Environmental Impact Statement, which the Bureau of Land Management (BLM) received in March. The document represents a major accomplishment and a significant milestone in the course of the project, authorized by Congress in Section 349 of Public Law 106-291, the Department of the Interior and Related Agencies Appropriations Act of 2001. Overall, we found the draft well crafted. Although we have not conducted a thorough technical review, we have not identified any feature that could be considered a fatal flaw, and in other circumstances we believe the document is ready for a complete internal review. However, new developments obviate the need for completing the project and cast doubt on some of the key modeling assumptions.

The recent settlement agreement in AFRC v. Clark (D.D.C.) requires the BLM to develop new land use plans for western Oregon, in the form of Resource Management Plan (RMP) revisions. The BLM is in the initial phases of the land use planning process which must be completed in 2008. The results of the process will almost certainly include changes in land use allocations for some BLM lands in the ULEP planning area. Since BLM land use allocations are a critical variable in the ULEP model, progress in application of the model to land exchanges must be delayed until the land use allocations are reestablished. There seems little point in going forward with work on the Draft ULEP EIS at this time, as doing so would be an inefficient use of resources. Furthermore, to proceed with the ULEP effort (a land use plan revision) would overlap in both space and time the BLM Western Oregon RMP revisions. Understandably, this will be confusing to the public.

In addition to the changes required by AFRC v. Clark, the December 2003, decision in Spirit of the Sage Council v. Norton (D.D.C.) has probably caused some private landowners to be reluctant to make long-range plans based on the issuance of an Incidental Take Permit (ITP) under a Habitat Conservation Plan. The "No Surprises

Rule” that was challenged in that litigation was intended to give the holder of an ITP assurance that their long-range plans would not be disrupted due to later changed circumstances. The uncertainty concerning the “No Surprises Rule” has caused unexpected difficulties in completing any exchange authorized under Section 349.

There are other changes in circumstances that would also require substantial changes in the ULEP model and EIS analysis. For example, doubts about the long-term Endangered Species Act listing status of various fish species and the emphasis on forest thinning under the Healthy Forests Restoration Act would both impact the ULEP model and EIS analysis. Because of the uncertainty created by all these changes, it appears best to suspend the ULEP project, rather than continue with no realistic opportunity for completing an exchange in the foreseeable future.

At this time, the Foundation and the BLM have fulfilled as many of the requirements of Section 349 as possible:

- Appropriated funds were transferred to the Foundation, and BLM overhead charges have not exceeded 15%.
- BLM completed the process to determine whether any private lands within the planning area should have been purchased on an emergency basis due to critical environmental values or the threat of imminent development (no lands qualified).
- The Department of the Interior and the Foundation reported to Congress on project status and additional needs.
- BLM cooperated fully in preparation of the internal review version of the draft EIS and the further development of the Multi Resource Land Allocation Model (MRLAM).

In addition, we will carry forward to BLM’s upcoming western Oregon land use plan revisions the lessons from ULEP and the model. We are obligated under the AFRC settlement agreement to use a version of the MRLAM to evaluate alternative silviculture practices across an entire landscape, and we may be able to use model components and data as a “test bed” for different land use planning methods. Our experience with the MRLAM and with comprehensive digital spatial data that you developed will be very useful in the western Oregon RMP revisions, using similar data and models. The ULEP investment and experience will prove very beneficial to these planning efforts.

Finally, we note that Section 349 was adopted with the underlying presumption that a substantial number of willing non-federal owners would be attracted to this exchange project. Although we acknowledge that the Foundation made extensive outreach to the private owners, and that some of the private lands identified by the Foundation may complement federal land management, overall interest by private landowners has been lackluster at this time. This, of course, may change in the future as circumstances change and, if so, we are better prepared for this eventuality because of the work done by the Foundation and the BLM under this Act. Private land owners continue to have the opportunity to propose specific land exchanges at any time under the Federal Land Policy and Management Act exchange authority, and the revision to the land use plans in

western Oregon may yet generate interest in exchanges in the future. We are willing to entertain any exchange proposals at any time.

I am recommending to the State Director that the project be indefinitely suspended. We need to collect and catalogue all appropriate records, including some in your possession. Also, you should trigger the annual financial audit, so that we can have a final accounting of funds. Unexpended federal funds in Foundation accounts should be returned to the BLM. We should meet soon to discuss other termination procedures.

Your personal attention to quality and timely accomplishments in this often frustrating project has not gone unnoticed and I am personally very grateful.

Sincerely,

A handwritten signature in cursive script, appearing to read "Patrick H. Geehan".

Patrick H. Geehan
Assistance Representative

cc:

OR-952 (Robert Heaton)