

BLM96GMS

TYPE OF RECORD:	PERMANENT
CATEGORY OF RECORD:	CONTRACT
NAME OF CONTRACTOR:	BUREAU OF LAND MANAGEMENT (BLM), ETAL
SUBJECT/PROJECT:	LETTER OF INTENT TO INITIATE LAND EXCHANGES RELATED TO THE GRAND MESA SLOPES SPECIAL MANAGEMENT AREA
CITY DEPARTMENT:	PUBLIC WORKS & PLANNING
YEAR:	1996
EXPIRATION DATE:	NONE
DESTRUCTION DATE:	NONE

4/17/96

LETTER OF INTENT TO INITIATE LAND EXCHANGES
RELATED TO THE GRAND MESA SLOPES SPECIAL MANAGEMENT AREA

INTRODUCTION:

This agreement to initiate several related land exchanges is made pursuant to Section 206 of The Federal Land Policy and Management Act, as amended. The agreement is between the Bureau Of Land Management (BLM), Town of Palisade, City of Grand Junction, the Ostrager Family Trust, and the Lumbarly Ranch (Other private landowners could also be involved; Black, Fiegel, First Presbyterian Church, etc, depending on agreement on values and availability of funds.).

The land exchanges under consideration have been outlined in the Grand Mesa Slopes Special Management Area Management Plan (GMS) and the Gunnison River Bluffs Public Use Plan (GRB). The GMS and GRB Plans essentially provide for "managed open space". These plans have also been adopted as part of the Mesa County Master Plan.

The purpose of this agreement is to initiate the technical aspects of exchanges proposed in the GMS and GRB Plans. The BLM's Grand Junction Resource Area Resource Management Plan, 1987, has been amended to consider the proposed land exchanges. Approximately 1,200 acres of BLM land in the GMS area can be considered for land exchanges or sales that would benefit GMS, GRB, and other related public interests. By way of deed restrictions certain conditions relating to public access, wildlife habitat, cultural resources, and development would be protected. Lands being considered for acquisition by BLM would benefit public access, wildlife habitat, open space, and recreational values. There is no intent by the parties to this agreement to change or acquire any right, title, or interest in water rights.

DESCRIPTION OF LANDS BEING CONSIDERED FOR EXCHANGE:

The attached map outlines the BLM and private lands being considered for exchange. BLM lands disposed of may contain some deed restrictions as mentioned above (see attached deed restriction).

LAND EXCHANGE PROCESSING STEPS:

- 1) Each party will provide legal descriptions, detailed maps, and other boundary identification as needed.
- 2) Evidence of title will be acquired and reviewed by BLM to determine if there are any unacceptable encumbrances.

3) Appraisal of the federal and non-federal lands shall be accomplished by a contracted appraiser approved by all parties, and shall be reviewed to insure compliance with BLM standards. The City of Grand Junction shall take the lead on contracting necessary appraisals and appraisal payment agreements with affected landowners.

4) The value of private and public lands shall be determined by the above appraisal, however, no private landowner is required to sell their land if the price does not meet their expectations. BLM will only complete purchase transactions with willing sellers.

5) BLM shall publish a Notice of Exchange Proposal in local newspapers and the Federal Register, as needed.

6) BLM will complete necessary cultural resource, mineral, endangered species, hazardous material, and other resource reports needed by BLM to process land exchanges. BLM will complete an Environmental Analysis, which is also the decision making document for the proposed actions. All interested parties will have an opportunity to be involved in preparation of the Environmental Analysis. BLM will attempt to complete the Environmental Analysis within 90 days of execution of this agreement. It is understood by all parties that BLM must analyze all public concerns and cannot guarantee completion of any land exchange.

HAZARDOUS SUBSTANCES

Each party to this agreement declares that, to their knowledge, there have been no known or suspected release, storage, or disposal of hazardous substances on the BLM or private lands involved.

ACCESS

The parties to this agreement hereby grant permission to the other parties to enter and physically examine the lands involved. Such examination shall be by non-surface disturbing methods.

RELOCATION

This agreement and any resulting land exchanges will be voluntary in nature and will not be subject to relocation expenses.

CLOSING

Real estate transactions may occur following completion of the final Environmental Analysis, Record Of Decision, resolution of any decision protests, and agreement on exchanged land values. BLM will issue Final Patent for BLM lands involved at closing. All parties shall attempt to have a simultaneous closing, however other arrangements may be made if agreeable to affected parties.

The private landowner involved in any exchange or sale shall provide to BLM at closing; 1) a recordable warranty deed, subject to those reservations and exceptions accepted by BLM in the Preliminary Title Opinion, conveying the private lands to BLM, and 2) a Policy of Title Insurance (ALTA US Policy Form 1963), or an endorsement to a previously furnished policy, in an amount equal to the contract price of the private lands, showing title vested in BLM and free from all encumbrances except those permitted in the Preliminary Title Opinion.

Upon receipt of these items, BLM will immediately request a final opinion of title and when title is determined to be acceptable will issue a decision accepting title and issuing any payment due for the private lands.

AMENDMENT OF THIS AGREEMENT

This agreement may be amended with the written consent of the parties or terminated at any time upon written notice by any party.

NON-BINDING NATURE OF THIS AGREEMENT

Performance by BLM is dependent on the availability of appropriated funds. This agreement does not legally bind any party to proceed with processing or to consummate the proposed exchanges, sales, or conveyances, or to reimburse or pay damages to any party.

This agreement and the consummation of this proposed exchange is subject to the provisions of 43 CFR Part 4, The Department Of Interior Hearings and Appeals Procedures, and in the event of a protest or appeal, is contingent upon final disposition of any protest or appeal.

IN WITNESS WHEREOF, the parties have executed this agreement as of the dates shown below:

BUREAU OF LAND MANAGEMENT _____
Area Manager _____ Date _____

TOWN OF PALISADE _____
Mayor _____ Date _____

CITY OF GRAND JUNCTION Shane Achen _____
City Manager _____ Date 5/16/96

OSTRAGER FAMILY TRUST _____
Ostrager Representative _____ Date _____

LUMBARDY RANCH _____
Al Lombardy, Ranch Owner _____ Date _____

(Several other private landowners have expressed an interest and may be added.)

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DEED RESTRICTION
FOR BLM LANDS TRANSFERRED TO CITY OF GRAND JUNCTION OWNERSHIP

The Grantor and Grantee, its successors and assigns, do hereby covenant and agree that the property conveyed herein shall be managed in perpetuity in accordance with the objectives of the cooperative management plans for the Grand Mesa Slope Area to preserve and protect the scenic, wildlife, riparian, and other natural resource values of the property.

This conveyance shall be subject to the following restrictions which shall constitute perpetual covenants running with the land:

1. The property shall be maintained in a generally natural condition, and the preservation of wildlife and riparian habitat, scenic qualities and other resource values shall be considered in all management and husbandry actions (or inactions).
2. The property shall not have residential or commercial development. Livestock management structures are permitted, such as fences, gates, and watering facilities.
3. Public access shall be provided for as shown and described on the attached map.
4. Use of existing structures and the construction of new structures reasonably related to the operation, maintenance, enlargement, or improvement of municipal water facilities and watershed management are permitted. This includes but is not limited to: pipelines, canals, ditches, roads, valve stations, spring developments, water intakes, treatment facilities, hydropower facilities, flumes, detention dams, reservoirs, sediment ponds, and caretaker structures. Reasonable vegetative manipulation consistent with the purposes of these restrictions is also permitted.
5. These restrictions, including public access routing and public use restrictions, may be modified with the prior mutual consent and written approval of the authorized representatives of BLM and Palisade. Modification may be needed for issues related to maintenance of water quality, management of public use, or other unforeseen issues or opportunities.
6. Sale or lease of acquired BLM lands or resources on those lands shall involve transfer of the above deed restrictions to any future landowner, grantee, lessee, or assign.

To: City Council

Date: May 17, 1996

**From: Staff: Tim Woodmansee
Greg Trainor**

The City Manager has asked us to forward this summary to you for your information. Future actions, if any, concerning exchanges of lands will be before the Utility Committee and City Council. An executed copy of the "Letter of Intent" is available if you wish to have a copy. Please contact us at 244-1554. Thank you.

Action:

The City Manager has signed "Letter of Intent To Initiate Land Exchanges" among the City of Grand Junction, BLM, Town of Palisade, and private land owners in the Grand Mesa Slopes Special Management Area and authorized the expenditure of up to \$8,000 in Water Fund monies to accomplish land appraisals.

Executive Summary:

The "Letter of Intent" is to initiate the technical aspects of land exchanges proposed in the Grand Mesa Slopes Management Plan (GMS) and in the Gunnison River Bluffs Public Use Plan (GRB). Prior to any actual exchange taking place, surveys, mapping, and land appraisals have to be accomplished. The "Letter of Intent" outlines participant responsibilities during the appraisal and study phases and describes the "non-binding nature" of the appraisal and study results.

Fiscal Impact:

Each party to the "Letter of Intent" will provide financial support for an independent MAI appraiser, approved by the parties, to accomplish the appropriate land appraisals. The Water Fund will appropriate up to \$8,000 as the City's share in appraisal costs. Actual expenditures may be less. These funds are not budgeted in the 1996 Water Fund budget. Other Water Fund budget expenditures will be reduced so that total appropriated 1996 Water Fund expenditures are not exceeded.

Background/Issues/Options:

In the Grand Mesa Slopes Special Management Plan, adopted by the City of Grand Junction on July 7, 1993, and in the Gunnison River Bluffs Public Use Plan, adopted by Mesa County on April 27, 1995, land exchanges were outlined as alternatives to benefit public

access, cultural resources, recreation, water supply, wildlife, and open space values. Twenty (20) parcels of land have been identified among the BLM, Town of Palisade, City of Grand Junction, Lumbardy Ranches, the Ostrager Family Trust, and other private land owners as possible exchange parcels. The parties, in order to effect these exchanges, have to complete land appraisals, cultural and mineral surveys, environmental review, and negotiations. The "Letter of Intent" outlines the responsibilities among the parties during this appraisal phase. These responsibilities include each party providing legal descriptions, the BLM acquiring evidence of title and determining if there are unacceptable encumbrances, contracting for an acceptable contract appraiser, publication of notice by the BLM, and completion of various cultural and environmental surveys.

After completion of the work, no landowner is committed to selling or exchanging property if the appraised price does not meet their expectation. The "Letter of Intent" is non binding among the parties.

The City of Grand Junction will take the lead in contracting for the necessary appraisals and arranging appraisal payment agreements with affected landowners.

The Town of Palisade, Lumbardy Ranch, and the Ostrager Family trust have approved and signed the "Letter of Intent".

Recommendation:

Authorize the City Manager to sign the "Letter of Intent" and authorize the expenditure of up to \$8,000 of Water Fund money as the City's share in appraisal costs.

cc: Department Heads
City Attorney
City Manager