



## Memorandum

To: Vail Town Council

From: George Ruther, Director of Community Development

Date: November 1, 2016

Subject: USFS Feasibility Study Report

### I. SUMMARY

The Town of Vail contracted federal land acquisition consulting services with Western Land Group, Inc. and its principal, Tom Glass, to determine the feasibility of acquiring certain USFS lands adjacent to the Town of Vail municipal boundary. Upon completion of the two-phase feasibility study approach, Western Land Group, Inc. has concluded that there are parcels of federal land that may be eligible for acquisition from USFS. Should the Vail Town Council choose to pursue discussions of certain land acquisitions with the USFS the Town staff recommends that a process for public engagement and community conversation be initiated and a strategy for discussions and negotiations with the USFS be adopted.

### II. PURPOSE

The purpose of this meeting is to present to the Vail Town Council the initial findings of the USFS Feasibility Study completed by Western Land Group, Inc. The study was commissioned by the Vail Town Council to determine the feasibility of acquiring certain USFS lands adjacent to the Town of Vail municipal boundary. While other uses may be appropriate, the expressed purpose of this study and any subsequent acquisition would be for the purposes of providing land for the development of resident housing.

### III. BACKGROUND

The availability of resident housing has been a longstanding challenge for the Vail community. While many factors have contributed to this challenge over the years, the two most often cited issues are 1) the availability of financial resources, and 2) the availability of vacant land to build upon. The Feasibility Study is an attempt to proactively seek out available land resources for the purposes of building resident housing in the community.

The Vail Town Council instructed town staff to contract for professional federal land acquisition consulting services and authorized the expenditure of up to \$10,000 to investigate the feasibility of acquiring federal lands adjacent to the Town's current municipal boundary from the United States Forest Service. In doing so, Western Land Group, Inc. of Denver, Colorado was retained to complete a specified scope of services.

Western Land Group, Inc. ("WLG") is a public lands consulting firm focused primarily on acquisition of Federal lands by non-Federal clients. WLG drafted and successfully lobbied for enactment of the Federal Land Exchange Facilitation Act as well as dozens of other public land

laws. Most of the firm's work is administrative in nature and is spread across a range of Federal land tenure authorities. No other firm in America matches the experience and success of WLG. Because of its unique niche in the public lands arena most of the firm's public sector clients have determined that contracts with WLG meet sole source procurement requirements.

A Scope of Services Agreement was executed with Western Land Group, Inc. in May of 2016. According to the Agreement, WLG ("Contractor") was to:

- Contractor shall identify valuation experts with experience and success in preparing appraisals for the USDA Forest Service. Contractor expects that the Town will want to contract with one of them to establish a range of values for the Federal parcels as well as any parcels that the Town may consider acquiring to exchange to the Forest Service for the Federal land.
- Contractor shall identify lands that the Town may consider acquiring as trade bait for a potential land exchange or other Federal transaction with the Forest Service. Should the Town decide to pursue a land exchange or other Federal transaction Contractor shall assist the Town in obtaining a purchase option or other mechanism to secure the land for a subsequent transaction with the Forest Service.
- Contractor shall provide a written report summarizing findings. Contractor's report will include recommendations as well as cost and timetable estimates for completing the contemplated transaction(s). In addition, the report will include our prognosis for successfully completing the transaction.
- Contractor shall meet with Town officials to further discuss our report and to answer questions or concerns regarding the Contractor's report and recommendations. This commitment is limited to two meetings to be held within 30 days of completion the report.

In furtherance of their work, the Town staff met with WLG and identified eleven (11) parcels of federal lands which may have potential for acquisition from the USFS. An initial set of evaluation criteria was created to objectively evaluate the potential of acquisition. The initial evaluation criterion was selected to focus the evaluation on the most basic of considerations. If the Vail Town Council decides to move forward with further evaluation of any or all of the parcels more detailed and site specific criteria should be developed.

#### **IV. REPORT CONCLUSIONS AND FINDINGS**

In summary, the findings of the Feasibility Study conclude that most of the federal land parcels identified can be acquired from the USFS by the Town of Vail.

According to the Feasibility Study,

There are no prohibitions contained within the White River National Forest Land and Resource Management Plan ("Forest Plan") that prohibit the Forest from considering disposal of any of the identified Federal parcels. However, the Forest Plan would make disposal of the western parcels relatively straightforward as the Forest Plan land management prescription for the westernmost parcels is "Intermix." Intermix is intended to accommodate urban services and to provide a buffer between urban and forest activities. There is no Plan prohibition against moving such a buffer to accommodate urban growth.

The most difficult parcels to acquire are located in areas with significant wildlife impacts. One parcel is located in an area of East Vail north of the frontage road that is critical habitat for the local bighorn sheep herd. The two easternmost parcels are near the bottom of Vail Pass, which is an important for lynx migration and other lynx activities.

The parcel configurations identified by staff are not the exact parcel configurations that would be proposed to the Forest Service. In simplistic terms, the Federal will need to be configured to simplify boundary management. Straight lines will be proposed whenever possible, and isolated parcels of Federal and private will be avoided. Final parcel configurations will be approved by the Town and the Forest Service.

WLG recommends addressing local issues and concerns in terms of the Town of Vail land use code as well as in purely political terms. For example, one or more of the identified parcels may trigger hot button reactions that the Town Council would want to avoid.

A copy of the Memorandum from Western Land Group, Inc., dated September 15, 2016, and the supporting evaluation tables and parcels maps have been attached for reference.

## **V. NEXT STEPS**

The work obligated under the terms of the Scope of Services Agreement with Western Land Group, Inc. has been completed. Should the Vail Town Council choose to pursue discussions of certain land acquisitions with the USFS the Town staff recommends that a process for public engagement and community conversation be initiated and a strategy for discussions and negotiations with the USFS be adopted by the Town Council.

Further, the Town staff recommends that the Land Ownership Adjustment Agreement be reviewed to determine which steps, if any, need to be taken with regard to said Agreement. It should also be noted that the Town staff has initiated an update to the Town of Vail Comprehensive Open Lands Plan as there may be benefit to incorporating this effort into the Open Lands Plan effort.