

# Saving Area 51

Shasta Resources Council  
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A prized Old Shasta asset will be lost if a federal agency has its way. Soon, the Bureau of Land Management intends to convey a 216-acre parcel in the Salt Creek Watershed to a private speculator through a land exchange. For decades, the community of Old Shasta has voluntarily cared for this area, locally referred to as Area 51, as a preserve and relied on it as a natural recreation area. Subdivision into 60 residential lots as proposed by the BLM's speculator client will obliterate this crucial community asset along with our longstanding vision of public acquisition. The agency has ridden roughshod over all community efforts to take responsibility for this parcel, in complete contradiction of its claim to "...actively involve local groups through partnerships." In fact, the agency has been totally unresponsive to the community.

The Shasta Resources Council (SRC) recently resubmitted its proposal concept to the BLM to purchase Area 51 at the federal government's appraised fair market value. The financial effect of our offer on the federal government is equal to or more favorable than that of the speculator. An overview of community initiatives to date and more background as to the **urgent need for intervention** follow. Letters and other documents referenced maybe found on the SRC website.

## Beginnings

Old Shasta lies to the west of Redding in territory administered by Shasta County. It was the first node of settlement in the region and served as the County seat until the seat was moved to Redding. Members of the Old Shasta community, together with other local groups, began their efforts to preserve Area 51 for community use following publication of the BLM's Resource Management Plan in 1993.

## What is Area 51?

Area 51 is located in the eastern portion of Old Shasta, close to Redding, as may be seen on the accompanying maps. Over the past thirty or more years, the southern portion of the 216-acre federal parcel proposed for exchange has grown to become the centerpiece of informal natural area recreation on Redding's west side. Users affectionately named this centerpiece "Area 51" after the military's secret Groom Lake installation in Nevada. Local residents and other volunteers have constructed over five miles of trails using natural, onsite materials. The trail system incorporates historic mining ditches and related features that track the topography. Walkers, runners, equestrians, and mountain bikers of the community and region alike enjoy its labyrinth of trails and the pristine setting.

## Rebuffed Proposals

In March of 2002, the Shasta Community Services District (Shasta CSD) submitted a letter to the BLM indicating interest in acquiring and administering Area 51 for the purpose of recreational use and preservation on behalf of the community. The Shasta CSD supplies water and is chartered to administer parks, recreation facilities and fire control on behalf of the community. The Shasta CSD Board amended the District's charter specifically to enable parks and recreation facilities administration with a view to acquiring Area 51. The SCSD received no response of any kind from the BLM.

In May of 2003, the Shasta CSD and local Trails and Bikeways Council of Greater Redding, a nonprofit organization, jointly submitted a transfer proposal pursuant to the Recreation and Public Purposes Act. Under their widely supported proposal, the Shasta CSD was to assume ownership and both entities were to be responsible for maintenance of the area. To the chagrin of both organizations, the BLM again did not as much as respond.

In February of 2005, community residents formed the Shasta Resources Council (SRC) to acquire the land through exchange or direct purchase. In March 2005, the SRC submitted a proposal to acquire Area 51 with funds derived through a benefit assessment district. We offered to pay the BLM full market value in accordance with their appraisal. In that proposal and subsequent correspondence, we repeatedly asked for BLM cooperation in the development and implementation of a viable community acquisition process. Again, we received no response. Subsequently, we requested via telephone and letter that the local (Redding) BLM field manager, Steve Anderson, meet with our group. In that telephone conversation and in a letter to us that followed, a very hostile Mr. Anderson rebuffed and admonished us not to contact the BLM office further about our proposal. We were advised that it would be “addressed” as an alternative in the NEPA environmental assessment (EA) they were compiling to support the intended exchange with private speculator Joe Rice. At that time, it became clear to us that the BLM does not intend to give acquisition of this parcel by our community serious consideration.

### Current Proposal

Recent meetings with Shasta County Supervisors and lead staff, as well as local land developers sympathetic to our cause, have produced a new funding strategy. Our plan is to acquire not only the Area 51 parcel (216 acres), but also other disposal land in the Salt Creek and adjacent drainages that front on existing county roads. We plan to create several residential lots along such roads where economical and minimal adverse impacts will result. We will also sell property line adjustments where parcels now interface federal land to be acquired. Interfacing lines were set before the creation of existing residential lots and therefore often conflict with effective vegetation management and land utilization by lot owners. The SRC will be sure to reserve area for trailheads and public access corridors. We project that sale of 10 to 20 percent of the total acreage we plan to acquire will generate sufficient funds to cover the total cost of acquisition in accordance with BLM’s appraised values. This financing approach avoids the step of forming a benefit assessment district as previously envisioned. Instead, assessments will be far lower and can go to fuels reduction and maintenance. We now have a truly viable funding strategy that does not present a hardship for any member of our community.

### Local Support

Our Shasta CSD Board of Directors recently passed a resolution requesting the SRC to prepare a plan to acquire certain BLM lands including Area 51. Informal polls of community residents show firm support for acquisition and willingness to pay the maintenance assessments necessary, particularly considering the wildfire safety and recreation resource benefits over and above ecological protection and enhancement. Key Shasta County officials have indicated strong support and offered assistance in devising a prudent and readily approvable land division plan. Friendly local developers have provided advice and offered their assistance. Redding’s newspaper, the Record Searchlight, has published strong editorials in support of our proposal as well.

### Proposed Grass Valley Creek Exchange Parcel

The community received notice of the intended exchange in August of 2004. Under the exchange, the BLM would acquire a 566-acre parcel in the Grass Valley Creek (GVC) watershed located in Trinity County. The SRC supports BLM acquisition and administration of this parcel. However, Area 51 is every bit as ecologically rich and important. If exchanged, its development is certain and virtually all of Upper Salt Creek’s direct and strategic ecological value, as well as recreational value to the community and region, will be lost. On the other hand, the GVC parcel proposed for exchange is very remote and under no discernable development pressure. Its infamous environmental sensitivity precludes serious economic use as timberland. Timber removal is impractical due to the cost of environmental mitigation measures required by

law. This is in spite of speculator Joe Rice's alleged threat, as reported by the BLM, to log the parcel.

Because the BLM's premise for the proposed exchange is ecological benefit, the fact that the GVC parcel is under no substantive threat of ecological degradation is very important. Their purpose in raising the specter of logging is to inflate the ecological benefit of BLM acquisition in order to argue that exchange is the preferred NEPA alternative. In actuality, the ecological cost of allowing development of Area 51 and the related degradation of the Salt Creek watershed, as well as Sacramento River fisheries, is far greater than the benefit of GVC acquisition by BLM. While we are not in any way opposed to such acquisition, we are opposed to sacrificing Area 51 and the Salt Creek drainage to accomplish this objective. Considering the fact that the community is willing to buy Area 51 at BLM's appraised fair market value, even consideration of such a sacrifice is unnecessary.

#### A Good Deal for the Public?

It is not as if the exchange model for disposal is particularly lucrative for the federal government. The BLM's speculator client purchased the 566-acre GVC parcel in 1999 for \$210,000. It is highly unlikely that its value has changed significantly since. Under the present arrangement, Mr. Rice will convey the GVC parcel plus a cash contribution less than 25 percent of the value assigned to Area 51 for the purposes of the trade. In other words, the value of the Grass Valley Creek parcel must be at least 75 percent that of Area 51. This is a very sweet deal for BLM's speculator client, but not for the public, given that the GVC parcel would likely still be on the market today for about \$210,000. As such, it could be purchased by the BLM directly, were it not for the disposal program inducing speculators to purchase such parcels and, effectively, hold these parcels hostage. The BLM could actually purchase several times as much land similar to the GVC parcel with the amount the community is willing to pay for Area 51.

#### Why Exchange Only?

So why is the BLM so entrenched in exchange as a means of disposal, rather than direct sale? The principal reason is greater benefit to the agency itself. Prior to passage of the Federal Land Policy and Management Act (FLPMA), the BLM used exchange exclusively because the proceeds of direct sale had to go into the federal government's general fund and were therefore "lost" to the BLM as an agency. Their reason to exist would therefore evaporate along with their land base under this arrangement. Despite the BLM staff contention that "it would be illegal" for them to sell land directly, they have actually been free to do so under federal law all along. Only the agency's policy has dictated otherwise, not the law. In an exchange, the private parcel conveyed to the BLM remains under the control of the particular BLM Resource Area in which the exchange takes place. Hence, the agency's land base is preserved or even expanded if the private parcel is larger than the public parcel — as is the case with the GVC parcel.

#### Purchase Option Not Previously Available To Community

The SRC strongly supports direct sale of federal land for a variety of reasons related to public equity. Unfortunately, the Redding Resource Area BLM only recently implemented the direct purchase option. This is important, because this method of acquisition has not been available to us for over ten years. The only options open to us were uncompensated transfer under the Recreation and Public Purposes Act, or land exchange. Had the option to purchase been available to the Old Shasta community when the BLM was considering initiation of an exchange, and had the BLM simply engaged the community proactively, we would have purchased it then at fair market value. It is understandable that the BLM would be reluctant to simply give the land to the community, as this would diminish the agency's land base and functional reason to exist. However, land exchange is risky and very complicated for an all-volunteer community group to accomplish in that it involves advance speculative purchase of a parcel suitable for trade. Funds

for such a purchase are not readily available up front to such a group, as is the case with a private speculator having such financial resources. The SRC included exchange in its March 2005 proposal with the desperate hope that close cooperation from the BLM might make it workable. No such cooperation was offered or forthcoming from the BLM.

#### Priority Consideration for the Community

By its own analysis, the BLM is obligated to give adjoining landowners and local government consideration as purchasers ahead of others, such as speculators, in a direct sale scenario. To quote from a letter sent to Congressman Herger by Mike Pool, BLM State Director: "While the sale authority provided by Congress does set preference requirements, the exchange authority does not." Mr. Pool goes on to quote the Federal Land Policy and Management Act as requiring that, in an exchange, "full consideration" must be given to the needs of local people, including needs for recreation areas, fish, and wildlife. This clearly provides further grounds for the BLM to seek a cooperative solution with the community. It is certain alone from the FLPMA excerpts provided by Mr. Pool that Congress wants the surrounding community to have every reasonable chance to acquire such lands for public purposes. Incredibly, in an attempt to validate their exchange procedure, Mr. Pool parses the Act to justify the BLM's denial of priority consideration for the Old Shasta community. We must also suppose that he and the local field manager feel that the federal legislature would even support their refusal to engage the community meaningfully.

It is the SRC's position that Section 203(f) of the FLPMA actually requires that the BLM consider non-competitive sale to an interested, local public entity or host community.

#### Development Constraints

It is important to understand that Area 51 is relatively unsuitable for development. Such parcels remaining under federal ownership in Old Shasta are largely remnants that are difficult to access and subdivide. Roads, sewage disposal, water supply, and wildfire protection are all problematic. Inordinate numbers of stream crossings as well as extensive cuts and fills are necessary, resulting in substantially higher road construction and ongoing public maintenance costs. The existing collector road system, constructed many decades ago, tracks the bottoms of the larger drainages. Site distances are very limited due to both irregularity and right-of-way constraints. Residential development occurred incrementally along these principal roads, adapting to their winding curves and elevation changes. As a result, any realignment to accommodate the substantial increase in traffic volumes resulting from development of Area 51 or other BLM remnants would result in major disruption of existing residents. Mitigation would not be feasible. Road safety and functionality would be degraded significantly.

Sewer infrastructure is nonexistent and water supply is short. In Old Shasta, soil cover is thin and irregular, making surface and groundwater contamination from septic systems inevitable. The Shasta Community Services District no longer has surplus water available, and now requires any new development to secure the additional allocation necessary to serve itself. Wells are not a feasible source of additional supply due to geologic conditions. Our water supply comes entirely through Whiskeytown Dam operated by the Bureau of Reclamation (BOR). The SCSD is not eligible for additional allocations from the BOR. Our wildfire suppression supply is stretched to its limit. Old Shasta is extremely vulnerable to very fast moving and intense fires due to terrain and heavy fuels loading. Any new development increases the vulnerability of the remainder of the community in the event of wildfire. During drought years when water supply is cut back by the BOR, this vulnerability will elevate to emergency status.

Given the nature and severity of these infrastructure and other physical constraints, adverse impacts on the safety, health and welfare of the community as well as natural environment will

be very significant. Our community response to this specter is not obstruction. Instead, it is to assume full financial responsibility for preservation, thereby circumventing the violation of these constraints.

### Ecological Effects

The fisheries and stream ecology of Area 51 is robust and still recovering. Iron Mountain Mine, an EPA Superfund site just seven miles to the northwest, had a devastating effect on the surrounding area's ecology. Habitat restoration expenditures in the area to date are in the tens of millions of dollars. Development of Area 51 will reverse ecological recovery of the Salt Creek Watershed, as well as destroy Upper Salt Creek's fisheries. The benefits of major public investments made and ongoing to enhance Salt Creek's fisheries are now at grave risk. If the BLM were to simply cooperate and allow the community to purchase Area 51, *at fair market value* as proposed, no loss of benefit or public investment equities would have to occur. A brief summary of major investments in and related to the Salt Creek Watershed follows.

1. Since 1997, at the request of both water and fisheries management agencies, the BOR has injected over 96,000 tons of spawning gravel into the Sacramento River at the mouth of Salt Creek. The outflow of sediment from Area 51 development would plug this gravel and destroy its fisheries value. Here is a perfect example of one federal agency on a course that will directly defeat the efforts and public resource investments of another.
2. In 2001, CALFED agencies paid approximately \$20 million to improve two fish ladders and a fish screen at the ACID (Anderson-Cottonwood Irrigation District) diversion dam located in the Sacramento River downstream of the mouth of Salt Creek. Many more salmonids are now making it past the dam. Sedimentation of Salt Creek due to Area 51 development will destroy its fisheries value and substantially reduce the spawning habitat available to those salmonids. Why spend all that money improving passage and at the same time ruin the destination?
3. In 2002, the Western Shasta Resource Conservation District, funded by a grant from the Cantara Trustee Council, removed an old road crossing which was a fish passage barrier on Salt Creek located approximately 300 feet upstream from the confluence of the Sacramento River. Again, what is the point of removing such a barrier if the fish have no gravel in which to spawn and development results in new road crossing and culvert barriers?
4. This year, cooperative efforts by Department of Fish and Game, Shasta Fly Fishers, and area residents will begin to improve fish passage through the culvert at the SR 299/ Salt Creek crossing as well as collect fish and habitat data upstream of SR 299. Again, what is the point?

Development of Area 51 will severely undermine the benefit of these major public investments and ongoing efforts of resource agencies, in addition to gutting the ecological value of the Salt Creek watershed.

### BLM's Heavy Hand

BLM came down hard on the DFG after they went on record as having concerns about Area 51 development and opposing the exchange. Local BLM representatives, joined by their speculator exchange partner's developer representative, criticized DFG scientists and administrators, and forced them to withdraw their opposition to the exchange. This caused considerable dismay

within the Redding office of the DFG. The official reason was the fact that the DFG “signed off” on the BLM’s obsolete 1993 disposal plan and therefore, according to the BLM, the DFG must accept the consequences, regardless of their biologist’s more recent observations and experience in the watershed. The BLM also asserted that data proving upper Salt Creek to be a functioning and viable salmonid fishery is not sufficient. However, the lack of data is due to lack of formal field study, not lack of fish or habitat. Actually, both the DFG and the community have extensive informal documentation of robust trout and salmonid spawning activity throughout the watershed. The principal limit to the watershed’s full comeback as a rich fishery is the highly restricted fish passage at the culvert where Salt Creek is intersected by SR 299. All fish migrating upstream into the upper Salt Creek watershed must pass through this culvert. Substantial numbers of salmonids and trout are regularly impounded at the culvert outlet downstream leaving them vulnerable to poachers and vandals next to the highway. Fish passage improvements and formal study of Salt Creek watershed habitat are planned by the DFG for 2006.

In any case, the DFG did not withdraw their concerns over development of Area 51. They based their change in position on the benefit of BLM acquisition of the Grass Valley Creek parcel. As explained earlier, the GVC parcel is not at risk of degradation due to logging or development for the foreseeable future. Installation of a sediment dam a few years back checked a onetime, downstream sedimentation problem. Never the less, like the DFG, the SRC supports GVC acquisition by the BLM at some point to remove the threat of ecological degradation in the long-term.

#### More Heavy Hand

A typical public refrain of BLM representatives is that disposal does not mean development is inevitable. After all, they say, the land is in County jurisdiction and County officials with input from the community will determine the ultimate use. Development may be conditioned, they say, to preserve resources of concern to the community. This is very interesting. The only problem here is that their conduct behind the scenes directly contradicts their public refrain. In fact, the BLM attempted to force lead County staff to commit to zoning prior to disposal and thereby avoid local due legislative process.

In a letter to the County, the BLM demanded pre-commitment to zoning of disposal lands to permit the maximum intensity of subdivision allowed historically in Old Shasta, which is a two-acre minimum lot size. Undoubtedly, they feel this will result in the greatest possible land value and compensation for the BLM as an entity. Proof of this duplicitous conduct is in a letter from Steve Anderson, local BLM field manager, to Russ Mull, County Resource Management Director. Mr. Anderson states that “our (BLM’s) appraisal (for the Area 51 parcel) was consistent with a General Plan designation matching the surrounding area,” that is, “highest and best use,” or a lot size of two acres. If the County would just follow through and zone the land as the BLM wishes to presume for their appraisals, this would be, according to Mr. Anderson, a “consistent approach.” Of course, they are “not asking for a plan amendment prior to a full review of a proposal.” Moreover, since “the Bureau plans additional land exchanges in the future,” there will be plenty of opportunity to apply this “consistent approach.” With such a convenient understanding in place, the appraisal could obviously then be represented by the BLM to its speculator clients as de facto assurance of the County’s pre-commitment to maximum-intensity zoning. Now, how is this NOT asking for a guarantee of zoning and avoidance of due legislative process?

Mr. Anderson then goes on to say that without a “written position from the County,” that is, a zoning pre-commitment, “a higher number of patents may be required to keep our appraised values consistent in the face of uncertainty with the General Plan.” In other words, Mr. Anderson

threatens to use federal power to break BLM parcels up along patent lines and sell the smaller land units separately to increase values consistent with appraisals they generate that are based on the presumption of maximum-intensity zoning. Disposing of land in patent parcel increments would be to disregard ruthlessly the integrity of local land-use planning principles. The government created patent parcel lines in regular grids unrelated to topography or infrastructure. Such arbitrary fragmentation of ownership would greatly compromise planning the land's use, not to mention increase adverse impacts and infrastructure costs, and reduce land utilization.

So, not only do BLM actions conflict with their claim that community members can affect the development outcome through the local legislative process, but they brazenly threaten disposal of federal land in a manner that undermines sound local planning and contradicts their professed role as prudent land managers acting in the best interest of the public.

#### Intervention Is Crucial

Why has the BLM rejected all community efforts to assume responsibility for Area 51? Why have they failed to engage us constructively to develop an acquisition arrangement and disposal alternative that is equitable for the BLM, community, and environment? Is there a private arrangement to which we are not privy? Why did they cut off all further communication with us following submittal of our proposal concept and request for BLM collaboration in its development? We do not know. The simple answer is that the BLM is grinding forward in reliance on an obsolete 1993 management plan and a land disposal model they presume will yield the greatest benefit to their agency. Their conduct with respect to Area 51 is clearly devoid of any sense of accountability or responsibility to the community. They have no reservations about inflicting the consequences of disposal policies on the host community and environment, policies designed first to serve the interests of the BLM as an agency and only second to serve public interests as they relate to ecological resource protections. In the case of Area 51, these sets of interests are widely disparate.

As often said, "If you want it preserved, then why don't you buy it?" That is precisely what we are offering to do. All we need is for the BLM to cooperate proactively and let it happen as clearly allowed and encouraged by federal law. Our plan can and will work if given the chance.