



# Land Exchange

The NorthMet Deposit containing copper-nickel-precious metals is located within National Forest System (NFS) lands in the Superior National Forest. When the United States Forest Service (USFS) purchased the land under the authority of the Weeks Act, a private owner retained ownership of the mineral estate. These mineral interests remain privately owned and are now controlled by PolyMet, while the remaining property interest (“surface estate”) is currently owned by the USFS.

The USFS does not believe that the mineral estate gives PolyMet a right to surface mine NFS land to access the minerals. To eliminate that conflict, PolyMet has proposed a land exchange with the USFS to acquire the NFS lands where mining would take place. The proposed land exchange would reunify the severed mineral and surface rights of the NorthMet Deposit and exchange private lands purchased by PolyMet to USFS ownership and management. The Land Exchange must take place in order for PolyMet to surface mine.

- The land exchange would involve the transfer of 6,650.2 acres of federal lands from public to private ownership, and up to 6,722.5 acres of land from private to public ownership, depending upon the results of the environmental analysis and federal real estate appraisals.
- The federal land proposed for exchange is one 6,650-acre tract. Nonfederal land considered for exchange includes five tracts throughout the SNF ranging in size from 32 acres to 4,651 acres.

## **How is the land exchange decision made?**

The Land Exchange is a discretionary, voluntary real estate transaction between the USFS and PolyMet. The Forest Supervisor must determine if the proposed exchange serves the public interest and supports the direction and guidance in the forest land management plan. The public interest determination must show that the resource values and the public benefit of the newly acquired lands would be equal to or exceed the resource values and public objectives of the Federal lands, and that the intended use of the conveyed Federal land would not substantially conflict with established management objectives on adjacent Federal lands, including Indian trust lands.

If the Forest Supervisor decides to proceed with the land exchange, PolyMet and the USFS would enter into a binding exchange agreement to transfer lands contingent upon acceptable real estate due diligence. Real estate due diligence includes: hazardous materials screening, mineral character determinations, title examinations, legal description review/preparation, and physical inspections. This work is ongoing.

The transfer process can take three to twelve months.

## Potential Effects of the Land Exchange Proposed Action?

The following net changes to the federal estate would occur as a result of the Land Exchange Proposed Action.

- Net increase of about 580 acres of publicly owned land in the 1854 Ceded Territory.
- Net increase of about 95 acres of DNR-designated public water lakes (2 miles of shoreline) and 5 miles of public water streams.
- Net increase of wild rice beds—Hay Lake contains known wild rice beds (approximately 126 acres).
- Net increase of about 506 acres of wetlands.
- Net decrease of about 1,401 acres of floodplains; however, these floodplains are not Federal Emergency Management Agency (FEMA) regulatory floodplains. There would be no decrease in the amount of regulatory floodplain or increase in the flood damage potential.
- Net increase in waterway acreage and frontage.
- Net increase of about 580 acres of vegetation land cover types.
- Net increase of about 625 acres of landscape ecosystems.
- Net increase of about 580 acres of vegetation land cover types for wildlife habitat.
- Mixed effects for the Canada lynx—increase in suitable habitat for lynx and for snowshoe hare (prey species), although the amount of unsuitable lynx habitat would also increase; decrease of denning habitat; and decrease within designated Lynx Analysis Units (LAUs). Critical lynx habitat would not change regardless of ownership.
- Net increase of number of occurrences and habitat availability for four state-listed species, which include the gray wolf, the bald eagle, the Laurentian tiger beetle, and the trumpeter swan.
- Decrease of 11 plant species; increase of 2 different plant species.
- No expected changes to three additional state-listed species, which include the wood turtle, the eastern heather vole, and the yellow rail.
- Increase in watershed riparian connectivity and aquatic connectivity.
- Potential increase of nine additional fish species.
- Potential increase of six new potential Species of Greatest Conservation Need (SGCN) species.
- Socioeconomic effects:
  - moderate positive economic effects through increased opportunity for forestry and recreation and association employment, earnings, and revenue;
  - undetermined effects for Environmental Justice populations and subsistence activities—there would be a loss of subsistence resources and opportunities on the federal lands, and a gain in subsistence resource and opportunities on the non-federal lands.
- Net increase in opportunities for recreational activity.
- Net increase in amount of land controlled by the USFS in the Superior National Forest with Moderate and High Scenic Integrity Objectives.
- No net increase or decrease in any wilderness areas.
- Net increase of about 307 acres of candidate Research Natural Areas (cRNAs) to the federal estate.

It is possible that not all non-federal tracts would be exchanged. The total number of non-federal tracts exchanged could be less once when real estate values are determined and the listed changes would be less.

**For more information about the environmental review process of the NorthMet Mining Project and Land Exchange, see the Executive Summary, Chapter 1.0 (Introduction). Also, refer to additional Fact Sheets about the NorthMet Mining Project and Land Exchange SDEIS:**

- 1. What is the Environmental Review Process?**
- 2. Effective Commenting**
- 3. A Guide to the SDEIS Document**
- 4. What's Changed Since the DEIS?**
- 5. Project & Land Exchange Overview**
- 6. Land Exchange**
- 7. Reclamation and Financial Assurance**
- 8. Water Quality**
- 9. Wetlands**
- 10. Air Quality**
- 11. Wild Rice**
- 12. Mercury**
- 13. Threatened & Endangered Species**
- 14. Cumulative Effects**
- 15. Cultural Resources**
- 16. Water Quantity**