

CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name:	Land Banking Nomination – Sales 688, 689, 690
Proposed Implementation Date:	Fall 2012
Proponent:	State Land Lessees
Location:	25N, 25E, Section 16 – ten acres SW4 NW4 SW4
County:	Phillips County

I. TYPE AND PURPOSE OF ACTION

Offer for sale at public auction, three parcels encompassing 10 acres of state trust land currently held in trust for the Common School trust beneficiaries.

Revenue from the sale would be deposited in a special account used to purchase replacement land meeting acquisition criteria related to legal access, productivity, and potential income which would then be held in trust for the beneficiary. The proposed sale is part of a program called Land Banking authorized by the 2003 Legislature. The purpose of the program is to diversify the land portfolio of the various trusts, improve the sustained rate of return to the trusts, improve access to state trust land, and consolidate ownership.

II. PROJECT DEVELOPMENT

1. PUBLIC INVOLVEMENT, AGENCIES, GROUPS OR INDIVIDUALS CONTACTED:

Provide a brief chronology of the scoping and ongoing involvement for this project.

DATE	GROUP AND / OR INDIVIDUALS CONTACTED
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July 23, 2012 to
August 7 2012.

Montana Environmental Policy Act - Public Scoping

Individuals and organizations contacted:

Trust Land lessees, adjacent landowners, interested parties identified through the NELO contact list for Trust Land projects, County Commissioners, Phillips County Planner, Phillips County Sanitarian, Negotiated Rulemaking Committee members and DFWP Region 6.

Written comment was received from DFWP Region 6 who expressed no concern with the proposed land sale.

Oral comment was received from neighboring landowners regarding compliance with Phillips County subdivision and DEQ sanitation review.

2. OTHER GOVERNMENTAL AGENCIES WITH JURISDICTION, LIST OF PERMITS NEEDED:

Phillips County – Subdivision and Sanitation Review

3. ALTERNATIVES CONSIDERED:

Alternative A- No action, do not sell Trust Land.

Alternative B- Sell Trust Land

III. IMPACTS ON THE PHYSICAL ENVIRONMENT

- *RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.*
- *Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.*
- *Enter "NONE" if no impacts are identified or the resource is not present.*

4. GEOLOGY AND SOIL QUALITY, STABILITY AND MOISTURE:

Consider the presence of fragile, compactable or unstable soils. Identify unusual geologic features. Specify any special reclamation considerations. Identify any cumulative impacts to soils.

This ten acre parcel does not contain any unusual geologic features. The existing land use practices are expected to continue. No direct, indirect or cumulative effects are anticipated.

5. WATER QUALITY, QUANTITY AND DISTRIBUTION:

Identify important surface or groundwater resources. Consider the potential for violation of ambient water quality standards, drinking water maximum contaminant levels, or degradation of water quality. Identify cumulative effects to water resources.

This ten acre parcel is currently developed for residential use with three existing lease agreement for; a four unit apartment complex, a mobile home park, and single family residence.

If approved for sale, the DNRC would complete with Phillips County the process outlined in 77-2-318, Sale of leased cabin or home sites or city or town lots. This will require compliance with Department of Environmental Quality sanitation standards. Comment from the Phillips County sanitarian indicates that the mobile home park has an engineered sanitation system and the four plex and single family home individual septic systems. Upon subdivision application all systems will be reviewed for compliance. As part of the DEQ approval process all septic tanks must be pumped prior to subdivision approval.

The three properties are connected to the Zortman public water system.

No impact is expected as the existing land use practices are expected to continue. No direct, indirect or cumulative effects are anticipated.

6. AIR QUALITY:

What pollutants or particulate would be produced? Identify air quality regulations or zones (e.g. Class I air shed) the project would influence. Identify cumulative effects to air quality.

The parcels are located within a class II air shed. The existing land use practices are expected to continue. No direct, indirect or cumulative effects are anticipated.

7. VEGETATION COVER, QUANTITY AND QUALITY:

What changes would the action cause to vegetative communities? Consider rare plants or cover types that would be affected. Identify cumulative effects to vegetation.

The ten acre site is developed for residential use with vegetation consistent with introduced grass and tree species.

Current land use practices are expected to continue. No direct, indirect or cumulative effects are anticipated.

8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS:

Consider substantial habitat values and use of the area by wildlife, birds or fish. Identify cumulative effects to fish and wildlife.

As a developed ten acre site the property has very little habitat value for wildlife species. DFWP has no concern with this land sale.

The existing land use practices are expected to continue. No direct, indirect or cumulative effects are anticipated.

9. UNIQUE, ENDANGERED, FRAGILE OR LIMITED ENVIRONMENTAL RESOURCES:

Consider any federally listed threatened or endangered species or habitat identified in the project area. Determine effects to wetlands. Consider Sensitive Species or Species of special concern. Identify cumulative effects to these species and their habitat.

As a developed ten acre site the property has very little habitat value for wildlife species. DFWP has no concern with this land sale.

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

Identify and determine effects to historical, archaeological or paleontological resources.

The presence or absence of antiquities is presently unknown. A class III level inventory and subsequent evaluation of cultural and paleontologic resources will be carried out if preliminary approval of the parcels nomination by the Board of Commissioners is received. Based on the results of the Class III inventory/evaluation the DNRC will, in consultation with the Montana State Historic Preservation Officer, assess direct and cumulative impacts.

11. AESTHETICS:

Determine if the project is located on a prominent topographic feature, or may be visible from populated or scenic areas. What level of noise, light or visual change would be produced? Identify cumulative effects to aesthetics.

The three properties are currently developed and the existing land use is expected to continue. No change in the current aesthetic character of the property is anticipated.

No direct, indirect or cumulative effects are anticipated.

12. DEMANDS ON ENVIRONMENTAL RESOURCES OF LAND, WATER, AIR OR ENERGY:

Determine the amount of limited resources the project would require. Identify other activities nearby that the project would affect. Identify cumulative effects to environmental resources.

The existing land use practices of the parcels are expected to continue. No direct, indirect or cumulative effects are anticipated.

13. OTHER ENVIRONMENTAL DOCUMENTS PERTINENT TO THE AREA:

List other studies, plans or projects on this tract. Determine cumulative impacts likely to occur as a result of current private, state or federal actions in the analysis area, and from future proposed state actions in the analysis area that are under MEPA review (scoped) or permitting review by any state agency.

No other environmental documents pertinent to this area are known to exist. No direct, indirect or cumulative effects are anticipated.

IV. IMPACTS ON THE HUMAN POPULATION
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| <ul style="list-style-type: none">• <i>RESOURCES potentially impacted are listed on the form, followed by common issues that would be considered.</i>• <i>Explain POTENTIAL IMPACTS AND MITIGATIONS following each resource heading.</i>• <i>Enter "NONE" if no impacts are identified or the resource is not present.</i> |
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14. HUMAN HEALTH AND SAFETY:

Identify any health and safety risks posed by the project.

The existing land use practices are expected to continue. No direct, indirect or cumulative effects are anticipated.

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

Identify how the project would add to or alter these activities.

The existing land use practices are expected to continue. No direct, indirect or cumulative effects are anticipated.

16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT:

Estimate the number of jobs the project would create, move or eliminate. Identify cumulative effects to the employment market.

The existing land use practices are expected to continue. No direct, indirect or cumulative effects are anticipated.

17. LOCAL AND STATE TAX BASE AND TAX REVENUES:

Estimate tax revenue the project would create or eliminate. Identify cumulative effects to taxes and revenue.

The parcels would move from tax exempt status to taxable status, which will provide income to the county. The exact amount is unknown until assessor appraisal is completed.

18. DEMAND FOR GOVERNMENT SERVICES:

Estimate increases in traffic and changes to traffic patterns. What changes would be needed to fire protection, police, schools, etc.? Identify cumulative effects of this and other projects on government services

The existing land use practices are expected to continue. No direct, indirect or cumulative effects are anticipated.

19. LOCALLY ADOPTED ENVIRONMENTAL PLANS AND GOALS:

List State, County, City, USFS, BLM, Tribal, and other zoning or management plans, and identify how they would affect this project.

The existing land use practices are expected to continue. No direct, indirect or cumulative effects are anticipated.

20. ACCESS TO AND QUALITY OF RECREATIONAL AND WILDERNESS ACTIVITIES:

Identify any wilderness or recreational areas nearby or access routes through this tract. Determine the effects of the project on recreational potential within the tract. Identify cumulative effects to recreational and wilderness activities.

Due to the existing residential uses of the property it is closed to general recreational use.

No direct, indirect or cumulative effects are anticipated.

21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING:

Estimate population changes and additional housing the project would require. Identify cumulative effects to population and housing.

The existing land use practices are expected to continue. No direct, indirect or cumulative effects are anticipated.

22. SOCIAL STRUCTURES AND MORES:

Identify potential disruption of native or traditional lifestyles or communities.

The existing land use practices are expected to continue. No direct, indirect or cumulative effects are anticipated.

23. CULTURAL UNIQUENESS AND DIVERSITY:

How would the action affect any unique quality of the area?

The parcels do not exhibit any unique qualities. No direct, indirect or cumulative effects are anticipated.

24. OTHER APPROPRIATE SOCIAL AND ECONOMIC CIRCUMSTANCES:

Estimate the return to the trust. Include appropriate economic analysis. Identify potential future uses for the analysis area other than existing management. Identify cumulative economic and social effects likely to occur as a result of the proposed action.

Legal	acres	2012 Gross Income per Special Leases	2012 Lease Expenses per WSLCA	Total 2012 Net Income
25N, 25E, Section 16 – ten acres SW4 NW4 SW4 (Lease # 8733, 8734, 8735)	10	\$2,662.00	\$2,568.00	\$94.00

Estimated Value of Proposed Sale Tract \$10,000.00. Estimated Income Rate of Return 0.94%

To date the average annual rate of return on acquisitions has been 1.91%, on acquisitions with income generated from annual lease payments.

An appraisal of the property value has not been completed to date. Under DNRC rules, an appraisal would be conducted if preliminary approval to proceed is granted by the Board of Land Commissioners. The Department is conducting more detailed evaluations at this time in order to make a determination on whether to offer the tract for sale. The revenue generated from the sale of this parcel would be combined with other revenue in the Land Banking Account to purchase replacement property for the benefit of the Trust. It is anticipated the replacement property would have legal access and be adjacent to other Trust lands which would provide greater management opportunities and income. If replacement property was not purchased prior to the expiration of the statute, the revenue would be deposited into the permanent trust for investment.

Land Banking statute requires that land acquired as replacement property through Land Banking is “likely to produce more net revenue for the affected trust than the revenue that was produced from the land that was sold” (Section 77-2-364 MCA). Property considered for acquisition will include cropped or irrigated land, and/or land with recreational, timber, or commercial potential. All these land classifications or uses have the potential to produce a higher rate of return on State Trust land than the current revenue from the proposed disposal tract.

EA Checklist Prepared By:	Name: Clive Rooney	Date: 8/27/12
	Title: NELO Area Manager	

V. FINDING

25. ALTERNATIVE SELECTED:

Alternative B – Sale. Sale of the ten acre parcel as three subdivided units.

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

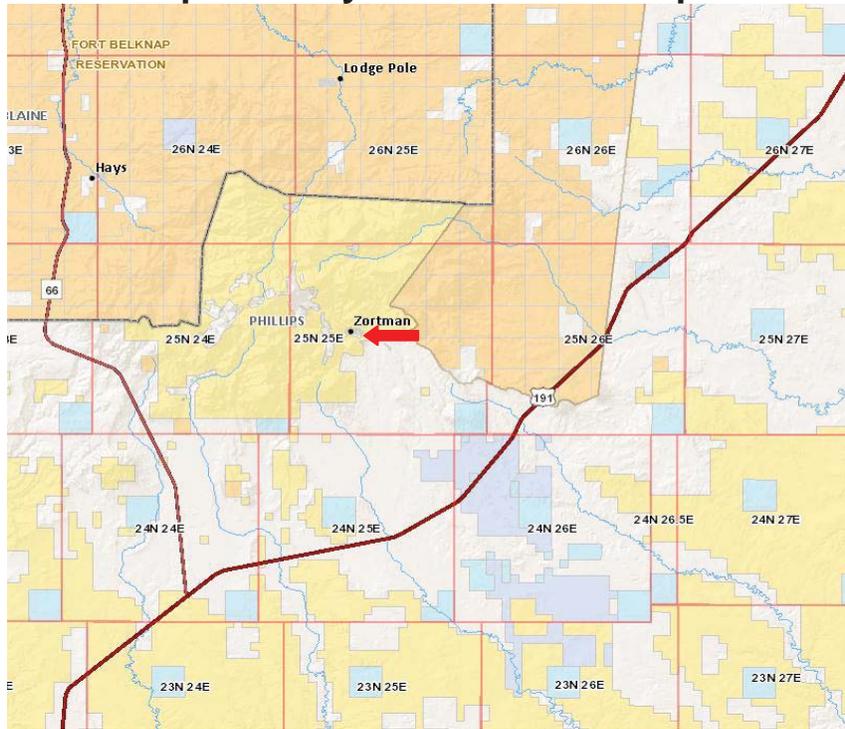
No significant impacts are anticipated as a result of sale.

27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:

EIS More Detailed EA No Further Analysis

EA Checklist Approved By:	Name: John Grimm
	Title: Real Estate Section Supervisor
Signature: /s/ John Grimm	Date: August 29, 2012

Phillips County Sale Location Map



Sales Aerial Photo

