

CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name:	Land Banking Sale #692
Proposed Implementation Date:	Fall 2013
Proponent:	Dan & Nancy and Ron & Sherry Bates
Location:	Homesite Lot, T1S R3E S16, Part of N2N2NE4NE4
County:	Gallatin
Trust:	Common Schools

I. TYPE AND PURPOSE OF ACTION

Offer for Sale at Public Auction, approximately 8 acres of state land currently held in trust for the benefit of the State Common Schools. Revenue from the sale would be deposited in a special account used to purchase replacement lands meeting acquisition criteria related to legal access, productivity, potential income and proximity to existing state ownership which would then be held in trust for the benefit of the State Common Schools. The proposed sale is part of a program called Land Banking authorized by the 2003 Legislature. The purpose of the program is for the Department of Natural Resources and Conservation to overall, diversify uses of land holdings of the various trusts, improve the sustained rate of return to the trusts, improve access to state trust land and consolidate ownership.

This homesite consist of a barn that was built around 1912, and a house around 1920. The other structures including a garage, machine shed, cattle shed, and modular home (second homesite) have been constructed and/or remodeled between 1950 and 2002. Attachment A attached to this EA checklist shows an aerial photo of the proposed sale area.

II. PROJECT DEVELOPMENT

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

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

The Homesite lessees Ronald & Sherry, and Dan & Nancy Bates contacted us in October (2012) and we discussed the possibilities of Land Banking their homesite lease. We discussed the process and the issues associated with the sale of the land occupied by their homesite at public auction. They are interested in the opportunity to purchase the land.

A letter, requesting comments be submitted by July 24, 2013 was sent to interested parties on July 3, 2013 including adjacent landowners (listed on the Land Ownership database of the Natural Resources Information System administered by the Montana State Library), the Gallatin County Commissioners, the Montana Department of Fish Wildlife and Parks and members of the Negotiated Rulemaking Committee who participated in writing the Administrative Rules for the Land Banking Program. A complete list of the individuals contacted is included in Attachment B of this EA. One comment/question was received from the Department of Fish Wildlife and Parks, inquiring if this positional land banking would affect access to the remaining state parcel. No comments were received otherwise.

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

Gallatin County – Subdivision of the lot from the larger parcel

3. ALTERNATIVES CONSIDERED:

Proposed Alternative: Offer approximately 8 acres of State Land for sale at Public Auction and subject to Statutes addressing the Sale of State Land found in Title 77, Chapter 2, Part 3 of the Montana Codes Annotated. Proceeds from the sale would be deposited in the Land Bank Fund to be used in conjunction with proceeds from other sales for the purchase of other state land, easements, or improvements for the beneficiaries of the respective trusts, in this case Common Schools.

No Action Alternative: Defer inclusion of this tract in the Land Banking Program, maintain state ownership of this tract at this time and continue to lease as a homesite.

III. IMPACTS ON THE PHYSICAL ENVIRONMENT
<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>

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.

The tract has already been developed. No other construction is planned as a result of this sale.

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.

No change in water quality would be expected due to this sale.

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 tract of land is located approximately 10 mile west of Belgrade, MT. Air quality is currently good. Impacts to air quality may result from a variety of activities including road use, agricultural burning, wildfires, industrial development, vehicle emissions or heating system emissions among others. This lot, if sold would remain a homesite and no changes to air quality would be expected.

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 development is existing on this parcel, no expected direct or cumulative effects would occur to vegetation as a result of the proposal.

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.

Development on this lot would not change as a result of this sale.

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.

This sale would have no effect on the environmental resources surrounding it, since it would continue its existing use.

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

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

A Class I (literature review) level review was conducted by the DNRC staff archaeologist for the area of potential effect (APE). This entailed inspection of project maps, DNRC's sites/site leads database, land use records, General Land Office Survey Plats, and control cards. The Class I search results revealed that no cultural or paleontological resources have been identified in the APE, but it should be noted that Class III level inventory work has not been conducted there to date.

Because the topographic setting and geology suggest a low to moderate likelihood of the presence of cultural or paleontologic resources, and because of extensive disturbance of the ground surface within the homesite over the decades, the sale of this state parcel is expected to have *No Effect to Antiquities*. No additional archaeological investigative work will be conducted in response to this proposed sale.

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.

There are no prominent topographic features on the state land. No direct or cumulative impact to aesthetics is anticipated as result of the proposal.

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.

This tract totaling about 8 acres is part of the Common School Trust of which there are 4,621,923 acres of surface ownership within the state as of the 2012 Annual Report. The potential sale of this tract would affect an extremely small percentage of the state land in Gallatin County.

The potential transfer of ownership would not have any impact or demands on environmental resources of Land water, air or Energy.

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.

There are no known state or federal actions in the vicinity and no known future actions proposed by the state which would have cumulative impacts with this proposal.

IV. IMPACTS ON THE HUMAN POPULATION
<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>

14. HUMAN HEALTH AND SAFETY:

Identify any health and safety risks posed by the project.

No impacts to human health and safety would occur as a result of the proposal.

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

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

No changes should occur as a result of this sale.

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 proposal would have no effect on quantity and distribution of employment.

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.

Currently the tract is not assessed taxes. If the property were to be sold and purchased by a private land owner, it is estimated Gallatin County would receive between \$750 and \$1500 per year in assessments.

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 proposed sale would not have an impact on government services.

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 tract is currently not zoned.

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.

Homesite leases are closed under state statute, if sold, there would be no effect to recreational and wilderness activities.

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 potential ownership transfer of this tract would not require additional housing or impact population changes. Any future proposal to develop the property and increase housing would be subject to review under state and local regulations.

22. SOCIAL STRUCTURES AND MORES:

Identify potential disruption of native or traditional lifestyles or communities.

There are no native, unique or traditional lifestyles or communities in the vicinity that would be impacted by the proposal.

23. CULTURAL UNIQUENESS AND DIVERSITY:

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

The potential sale of the state land will not directly or cumulatively impact cultural uniqueness or diversity. It is unknown what management activities would take place on the land if ownership was transferred

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.

This is currently a homesite lease for which we charge \$9801.60 per year based 10% (5% for each residence) of the appraisal of the land by MT DOR. This may appear to be a good deal for the trust since it will continue to receive a return as the land appreciates and therefore the trust will realize its land value appreciations and a 10% return. Unfortunately, in some cases around Gallatin County the cost of the land lease is outpacing the

value of the homesite itself. We have some homesite leases that are not saleable because the value of the improvements compared to the escalating cost of the lease. For long term management of the land this is an untenable situation and could lead to abandonment of the improvements making them State Trust Land responsibility to remediate. This 8 acre homesite lot should appraise for between \$100,000 and \$210,000 according to the Montana Department of Revenue, which could then be used to buy other properties that would remain productive.

An appraisal of the property value has not been completed to date. Under DNRC rules, the appraisal would be conducted after preliminary approval to proceed is granted by the Board of Land Commissioners and the Department is conducting more detailed evaluations in order to make a final determination on whether to offer the tract for sale. The revenue generated from the sale of this tract is intended to 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.

EA Checklist Prepared By:	Name: Katie Svoboda	Date: 10/21/2013
	Title: Bozeman Unit Office Manager	

V. FINDING

25. ALTERNATIVE SELECTED: Proposed Alternative: Offer approximately 8 acres of State Land for sale at Public Auction and subject to Statutes addressing the Sale of State Land found in Title 77, Chapter 2, Part 3 of the Montana Codes Annotated. Proceeds from the sale would be deposited in the Land Bank Fund to be used in conjunction with proceeds from other sales for the purchase of other state land, easements, or improvements for the beneficiaries of the respective trusts, in this case Common Schools.

26. SIGNIFICANCE OF POTENTIAL IMPACTS: I have determined that none of the anticipated environmental impacts outlined in the EA are significant according to the criteria outlined in *ARM 36.2.524*. I find that no impacts are regarded as severe, enduring, geographically widespread, or frequent. Further, I find that the quantity and quality of various resources, including any that may be considered unique or fragile, will not be adversely affected to a significant degree. I find no precedent for future actions that would cause significant impacts, and I find no conflict with local, State, or Federal laws, requirements, or formal plans. In summary, I find that the identified adverse impacts will be avoided, controlled, or mitigated by the design of the project to the extent that the impacts are not significant.

27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:

☐ EIS ☐ More Detailed EA ☒ No Further Analysis

EA Checklist Approved By:	Name: Craig Campbell
	Title: Bozeman Unit Manager
Signature: Craig Campbell/s/	Date: 10/21/2013

Attachment A

Aerial photo of the proposed sale area.



Attachment B

List of the individuals contacted.

Anne Hedges
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Information Center
PO Box 1184
Helena, MT 59624

Bill Orsello/Stam Frasier
Montana Wildlife Federation
PO Box 1175
Helena, MT 59624

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Montana School Boards
Association
862 Great Northern Blvd, Ste 301
Helena, MT 59601-3398

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27 Cedar Lake Dr
Butte, MT 59701

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Montana Wood Products
PO Box 1967
Missoula, MT 59806

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MT Farm Bureau Federation
502 S 19th, Suite 104
Bozeman, MT 59715

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Matador Cattle Co.
9500 Blacktail Rd
Dillon, MT 59725

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PO Box 1184
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Common Schools
Denise Juneau, Superintendent
Office of Public Instruction
Box 202501
Helena, MT 59620

Julie Cunningham
FWP Region 3
1400 South 19th
Bozeman, MT 59718

Patrick Flowers
FWP Region 3
1400 South 19th
Bozeman, MT 59718

Dept. of Environmental Quality
Attn: Bonnie Lovelace
PO Box 200901
Helena, MT 59620-0901

Dept of Transportation
Attn: Carla Haas
PO Box 201001
Helena, MT 59620-1001

Gallatin County Commissioners
311 West Main, Room 306
Bozeman, MT 59715

Dept of Fish, Wildlife & Parks
Attn: Hugh Zackheim
PO Box 200701
Helena, MT 59620-0701

Spring Creek Farms Inc
3990 Churchill Rd
Manhattan, MT 59741-8138

Alvin & Eloise Klompier
8131 Amsterdam Rd
Manhattan, MT 59741-8319

B 3 Inc
6701 Dyk Rd
Manhattan, MT 59741-8311

Braaksma Partnership
7450 Amsterdam Rd
Manhattan, MT 59741-8318

Vander, Molen Jean Marie
56 Park Plaza Rd
Bozeman, MT 59715-9343

Ection Zales N III
6777 Dyk Rd
Manhattan, MT 59741-8311

Dan & Nancy Bates
8400 Amsterdam Rd
Manhattan, MT 59741-8346

Lonny & Karolyn Anderson
9250 Amsterdam Rd
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Dale & Nancy Venhuizen
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