

CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name:	Lohrenz Land Banking Tract
Proposed Implementation Date:	Fall 2008
Proponent:	Harold Lohrenz (Grazing Lessee)
Location:	Sale #296: Section 16, Township 6 South, Range 22 East (640 acres)
County:	Carbon County

I. TYPE AND PURPOSE OF ACTION

Offer for sale at public auction, 640 acres of State Land that is currently held in Trust for the benefit of Common Schools. Revenue generated from the sale of this parcel will be deposited into a special account to be used to purchase replacement lands meeting acquisition criteria related to legal access, productivity, potential income generation and potential for multiple use. The new parcel would then be held in Trust for the benefit of Common Schools. This proposed sale is being initiated through the Land Banking program (Montana Code Annotated 77-2-361 through 77-2-367) that was approved by the Legislature in 2003 and modified in the 2007 session. The purpose of this program is to allow the Department of Natural Resources and Conservation to dispose primarily of parcels that are isolated and produce low income relative to similarly classified tracts and to allow the Department to purchase land with legal public access that can support multiple uses and will provide a rate of return equal to or greater than the parcels that were sold. Additionally, this program allows for the Trust land portfolio to be diversified, by disposing of grazing parcels that make up a majority of the Trust land holdings and acquire other types of land, such as croplands.

II. PROJECT DEVELOPMENT

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

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

A letter soliciting comments and explaining the proposed sale was sent to property owners adjoining the state parcel and other interested parties on 5 October 2007 and requesting that comments be submitted on the proposal by 16 November 2007. A complete list of individuals contacted is included on Attachment C of this EA.

A legal notice was published in the Carbon County News on 9 October 2007 requesting that comments be submitted on the proposal by 16 November 2007.

The Southern Land Office received one comment in favor of the sale from a landowner adjoining the section to the north. In addition, the SLO received a call and letter against the sale during the public scoping period from a landowner that adjoins the northeast corner of the section. A summary of the concerns in the letter are listed below:

- The sale is not financially necessary, since the State government is doing well financially.
- This section is "...substantially used by the public..." in spite of the lack of legal public access.
- If this land is sold, it will be difficult to replace it anywhere nearby because of rapid development in Carbon County.
- This sale of this section would adversely impact the elk population in hunting district 502 because "...it is a near certainty that if this school section is sold it will be developed for residential use" and "[t]his school section is quite possibly the most critical 640 acres of elk habitat in hunting district 502."
- The section has "...some unique geographic features" including a "...deep, steep canyon". The letter states that this canyon is in effect "...a wildlife refuge due to the difficulty of the terrain."
- The sale of the Trust land will result in "...at least 4 wells will eventually be drilled" as the "...default zoning [is] 160 acre minimum..."

- “Having 640 acres of public land as a neighbor represents a significant asset to all 6 adjacent property owners” and the writer states that “...losing this public land would constitute a tangible, negative impact on our property value and our quality of life.”

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

None

3. ALTERNATIVES CONSIDERED:

Proposed Alternative: Offer 640 acres of State Land for sale at public auction and subject to statutes addressing the sale of State Land found in M.C.A. 77-2-301 et seq. 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 that will permit the State to maintain ownership of this tract and continue the grazing lease.

III. IMPACTS ON THE PHYSICAL ENVIRONMENT
• <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.

No impact since the current grazing use is expected to continue. The subject property mainly contains clay loam soils and if a future owner were to develop the property the soils could present limitations in building construction because of shrink-swell potential. In addition, this section has some steep topography that would constrain any potential future development.

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.

There are no developed water uses on the property; however the most recent grazing lease evaluation notes that there are multiple undeveloped springs throughout the property. The existing grazing use is expected to continue; therefore no adverse impacts to water quality, quantity or distribution 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.

No Impact. The existing use is expected to continue.

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 vegetation on this tract is typical of land in the surrounding area and could be effected by various land management activities including livestock grazing, development, wildlife management or agricultural use. A

search of the Montana Natural Heritage Program database indicates there are no known rare, unique cover types or vegetation on this tract. The existing use is expected to continue and therefore, no direct 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.

This parcel of Trust Land is used by a variety of wildlife species typical of undeveloped land throughout Carbon County. Wildlife populations can be affected by land use activities associated with livestock grazing, residential development or agricultural practices. A variety of wildlife species including mule deer, fox, coyote and numerous non-game birds use the tract during various times of the year. One special note regarding this property is that it does receive heavy use by a herd of elk. The coulee that is utilized would be difficult to develop, if a future owner desired to do so because it cannot be easily accessed through the Trust land. The existing use is anticipated to continue and therefore, no direct or cumulative wildlife impacts 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.

A proposed project area search of the Montana Natural Heritage Program database identified one vertebrate animal listed as a species of concern, threatened species, or endangered species: greater sage-grouse. Greater sage-grouse is listed as a sensitive species and is known to exist near the proposed project area and probably inhabit the proposed project area. There have been no leks identified near the proposed project area. Since the existing land use expected to continue, no significant impacts are anticipated.

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 paleontological resources will be carried out if preliminary approval of the parcel nomination by the Board of Land 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.

No Impact. The existing use is expected to continue.

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.

No Impact. The existing use is expected to continue.

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.

This 640 acre tract is part of a second round of proposed sales of Trust land throughout the state and under concurrent analysis. There are no known state or federal actions in the vicinity and no known future actions proposed by the state that would have cumulative impacts with this proposal.

IV. IMPACTS ON THE HUMAN POPULATION

- *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.*

14. HUMAN HEALTH AND SAFETY:

Identify any health and safety risks posed by the project.

The implementation of the proposed action will not have a significant adverse impact on human health and safety.

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

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

No Impact. The existing grazing use is expected to continue.

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.

No Impact. The existing use is expected to continue.

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.

This tract is currently tax-exempt and the sale of this tract to a non-exempt entity would add it to the county tax base, thus marginally increasing tax revenue to Carbon County.

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

No Impact. The existing use is expected to continue.

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.

Implementing the proposed action would not conflict with the 2003 Carbon County Growth Policy. In addition, the property is not presently zoned by Carbon County.

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.

This parcel does not have legal public access so the only persons who can legally access the tract are those that can get permission from an adjoining private landowner. Therefore, implementation of the proposed action is not expected to have a significant impact on access to and quality of 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.

No Impact. The existing use is expected to continue.

22. SOCIAL STRUCTURES AND MORES:

Identify potential disruption of native or traditional lifestyles or communities.

The implementation of the proposed action will not have a significant impact on social structures and mores.

23. CULTURAL UNIQUENESS AND DIVERSITY:

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

Implementation of the proposed action will not have a significant impact on cultural uniqueness and diversity.

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 640-acre parcel currently has a grazing lease for 90 Animal Unit Months (.14 acres/AUM) at a rate of \$6.18/AUM. The total income generated from the tract was \$556.20 or approximately \$0.87/acre in 2008. The average annual income for the past 5 years has been \$543.60 or \$0.85/acre. Based on the DNRC Annual Report for Fiscal Year 2007, the average income for the 4.3 million acres of grazing land was \$1.83/acre with an average productivity of .258 acres/AUM. Therefore, this tract is significantly below average in productivity and producing far below average revenue per acre.

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, which would provide greater management opportunities and income. Assuming an appraised value of \$500/acre, the current annual return on the asset value for this tract is 0.17%.

EA Checklist Prepared By:	Name: Jeff Bollman, AICP	Date: 31 March 2008
	Title: Area Planner, Southern Land Office	

V. FINDING

25. ALTERNATIVE SELECTED:

The proposed alternative has been selected and it is recommended that the property receive preliminary approval for sale and continue with the Land Banking process.

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

The Southern Land Office has evaluated the comments received and studied the potential environmental effects as described in this document and have determined that no significant environmental effects would result from the proposed land sale of this 640-acre tract. The tract does not have any unique characteristics, critical habitat or environmental conditions indicating it should necessarily remain under management by the Department of Natural Resources and Conservation. There are no indications the tract would produce substantially greater revenue to the Trust in the near future.

The transfer of ownership of this 640-acre tract will not result in any significant effects to the human or natural environment.

27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:

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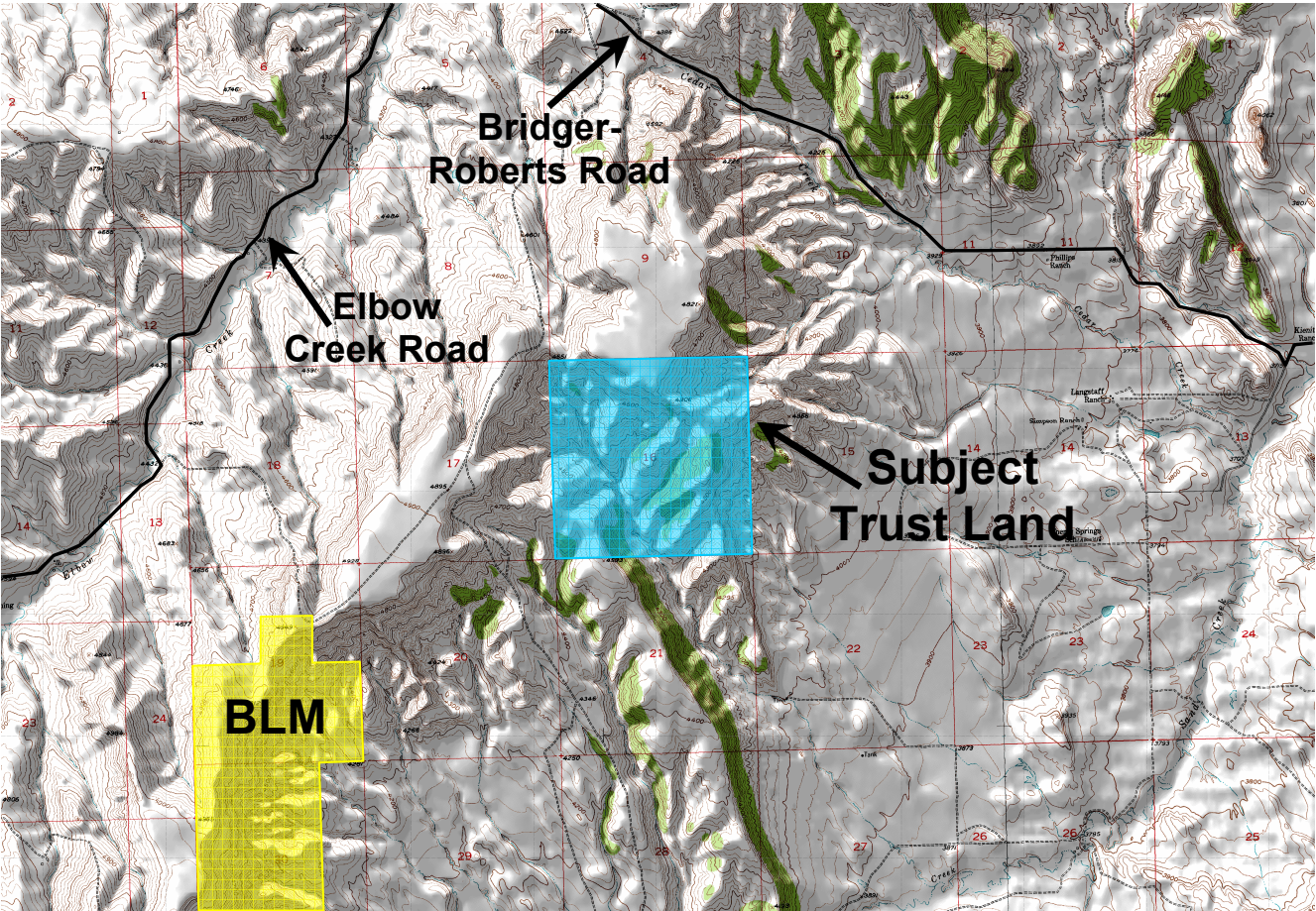
More Detailed EA

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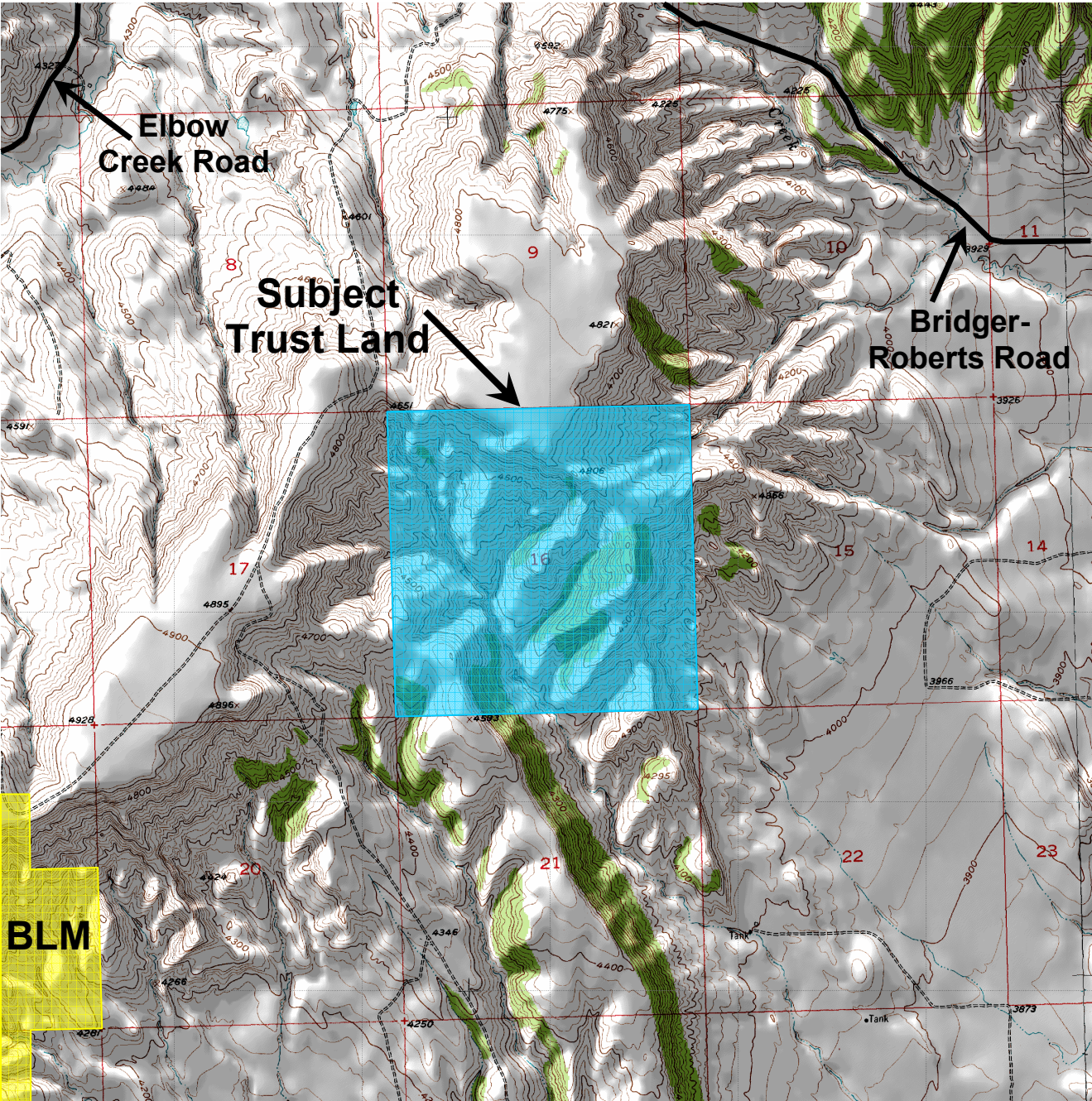
No Further Analysis

EA Checklist Approved By:	Name:	Richard A. Moore
	Title:	Area Manager, Southern Land Office
Signature:		Date:

Attachment A – Area Map



Attachment B – Property Map



Attachment C – List of Persons Notified in Lohrenz Land Banking Tract Scoping Process

Anne Hedges Montana Environmental Information Center PO BOX 1184 HELENA, MT 59624	NANCY SCHLEPP MT FARM BUREAU FEDERATION 502 SOUTH 19 th , SUITE 4 BOZEMAN, MT 59715	Ray Marxer Matador Cattle Co. 9500 Blacktail Road Dillon, MT 59725
Bill Orsello or Stan Frasier MONTANA WILDLIFE FEDERATION PO BOX 1175 HELENA, MT 59624	Jeanne Holmgren DNRC P.O. Box 201601 Helena, MT 59620-1601	Rosi Keller University of Montana 32 Campus Drive Missoula, MT 59812-0001
Bob Vogel Montana School Boards Association One South Montana Avenue Helena, MT 59601	Leslie Taylor MSU Bozeman P.O. Box 172440 Bozeman, MT 59717	Kathy Bramer Montana Office of Public Instruction PO Box 202501 Helena, Montana 59620-2501
ELLEN ENGSTEDT MONTANA WOOD PRODUCTS PO BOX 1149 HELENA, MT 59624	JANET ELLIS MONTANA AUDUBON PO BOX 595 HELENA, MT 59624	US Fish and Wildlife Service 2900 - 4TH AVENUE NORTH, ROOM 301 BILLINGS, MT 59101-1266
Harold Blattie Montana Association of Counties 2715 Skyway Drive Helena, MT 59601	JACK ATCHESON, SR. 3210 OTTAWA BUTTE, MT 59701	Gary Hammond, Regional Supervisor Fish Wildlife and Parks 2300 Lake Elmo Drive Billings, MT 59105
Daniel Berube 27 Cedar Lake Drive Butte, MT 59701	Tom Madden RE/MAX of Billings 1250 – 15 th Street West Billings, MT 59102	John Gibson 3028 Avenue E Billings, MT 59102
Russell Anderson RR 1 Box 1015 Bridger, MT 59014	Russell Baker, Jr. 1000 Walnut Street Suite 1400 Kansas City, MO 64106	Carbon County Board of County Commissioners PO Box 887 Red Lodge, MT 59068-0887
Michael & Jodi Langert 90 Liberty Lane Bridger, MT 59014	Harold Lohrenz 4555 Rio Vista Drive Billings, MT 59106	
Elizabeth Williams Dan & Kirstin Higbie 4238 Phillip Street Billings, MT 59101	Lyle & Karla Peterson 34 Tombstone Lane Hathaway, MT 59333	