

CHECKLIST ENVIRONMENTAL ASSESSMENT

Project Name:	Owen Sowerwine Conservation Easement
Proposed Implementation Date:	Fall / Winter 2023
Proponent:	Montana Department of Natural Resources and Conservation, Kalispell Unit
Location:	Kalispell, Montana - Section 16 T28N R21W
County:	Flathead

I. TYPE AND PURPOSE OF ACTION

The Montana Department of Natural Resources and Conservation (DNRC) proposes the sale of a permanent conservation easement of 405.19 acres to the Flathead Land Trust on the DNRC owned parcel known as Owen Sowerwine. Owen Sowerwine is located directly east of Kalispell, MT, and is currently temporarily licensed for use as a natural area under a Special Recreation Use License held jointly by Flathead Audubon Society and Montana Audubon. The purpose of selling a conservation easement is to secure long term compensation for the Common Schools Trust.

II. PROJECT DEVELOPMENT

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

Public scoping was conducted from October 3, 2022 – October 31, 2022.

- Public Scoped: Letters sent to 125 adjacent landowners, DNRC statewide scoping list, posted on DNRC website, articles in the Daily Inter Lake, Flathead Beacon, and Hungry Horse News newspapers.
- Agencies Scoped: Montana Fish, Wildlife, and Parks, Montana Department of Environmental Quality, Flathead County, City of Kalispell, regional legislative members, Montana Department of Transportation, Tribes statewide, US Fish and Wildlife Service
- Internal DNRC staff

Comments Received:

- 200 public comments through emails, calls, and letters
- Concerns: The majority of comments expressed support for the project. 12 comments addressed concerns listed below. 1 comment opposed the project with no explanation included.

Concerns:

- Changes to the property – several adjacent landowners had questions about whether management or ownership of the Owen Sowerwine property is changing. The proponent's proposal is not to purchase the property from the State, but rather to secure a conservation easement on the property. Current land management practices on this parcel are expected to continue under the easement, benefiting the Common Schools Trust through a permanent land authorization. Any future changes to the property would be subject to additional MEPA review.
- Several comments expressed concern over land management issues, including:
 - Parking and access
 - Trespassers originating from DNRC land
 - Noxious weed management
 - Motorized use

- Hunting and shooting
- Trail creation and access
- Trash clean-up
- People illegally residing on or around the parcel

The purpose of this environmental assessment is to analyze a proposal that encompasses two administrative changes, the first being a change in the type of land authorization (license to easement) and the second being a change the duration of the land authorization (temporary to permanent). This proposal would generate a corresponding revenue increase for the trust. Thus, land management issues are outside the scope of this project. Current land management practices would generally remain consistent under the conservation easement. DNRC rules, policies and procedures will continue to be implemented and enforced on this property. However, the comments received addressing land management issues may help the DNRC anticipate and address future on-the-ground management, which would likely require separate MEPA analysis in the future.

- One public comment mentioned the Natural Area designation of the Owen Sowerwine parcel and questioned if the designation would allow for a conservation easement to be sold. The commentor also asked if the area would qualify for a land swap with Montana Fish, Wildlife, and Parks (MT FWP).

Although the Owen Sowerwine property bears the name 'natural area' and for many years has been licensed to be managed consistent with natural area limitations, it was never officially designated as such by the Montana Board of Land Commissioners, as there was no compensation to the Trust beneficiaries to secure that use. Consequently, it is not federally recognized as a Natural Area. Therefore, no restrictions on placing a conservation easement on the Owen Sowerwine property exist in this sense.

A land swap with MT FWP was investigated jointly by DNRC and MT FWP in September 2016. It was determined that it would be very difficult for the Owen Sowerwine parcel to meet the criteria in the Montana Board of Land Commissioners' Land Exchange Policy. Specifically, all state land must be exchanged for lands of equal or greater value and have equal or greater navigable water frontage. Owen Sowerwine is unique in the fact that it is a high value property with over 1.3 miles of navigable water frontage, and it would be challenging to find a similar FWP property with equivalent navigable water frontage that would be available for exchange.

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

- Flathead County Planning Department – conservation easement review.

3. ALTERNATIVE DEVELOPMENT:

Describe alternatives considered and, if applicable, provide brief description of how the alternatives were developed. List alternatives that were considered but eliminated from further analysis and why.

No-Action Alternative:

Given recent appraisal values, the No-Action Alternative would result in a significant license fee increase for any use of the property. The current land authorization (Special Recreation Use License) is temporary and not applicable for longer-term use. DNRC would continue to manage this property for the highest and best use in accordance with the school trust mandate and state land management requirements. Due to its unique characteristics (flood plain, etc.) use and trust revenue opportunities on the property is limited.

Action Alternative:

Flathead Land Trust (FLT) would purchase a permanent conservation easement on 405.19 acres of State Trust Land at full market value for the property. No physical changes to the property are currently proposed; this

alternative would facilitate the continued management of Owen Sowerwine and current land management practices on the parcel would remain consistent. Analysis through the Montana Environmental Policy Act (MEPA) would be conducted if any management changes to the property are proposed. This easement purchase would be in lieu of the annual license payment and would fulfill the DNRC's fiduciary responsibility to generate revenue for the Common Schools Trust, while simultaneously providing long-term protection for an important ecological area directly adjacent to the City of Kalispell. The estimated revenue from this alternative would be \$970,000.

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 direct, indirect, and cumulative effects to soils.

This proposal would result in an administrative change only and would not impact the existing use and management of this property. There would be no impacts to physical environment, including geology and soils.

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 direct, indirect, and cumulative effects to water resources.

This proposal would result in an administrative change only and would not impact the existing use and management of this property. There would be no impacts to physical environment, including water resources.

6. AIR QUALITY:

What pollutants or particulates would be produced (i.e. particulate matter from road use or harvesting, slash pile burning, prescribed burning, etc)? Identify the Airshed and Impact Zone (if any) according to the Montana/Idaho Airshed Group. Identify direct, indirect, and cumulative effects to air quality.

This proposal would result in an administrative change only and would not impact the existing use and management of this property. There would be no impacts to physical environment, including air quality.

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 direct, indirect, and cumulative effects to vegetation.

This proposal would result in an administrative change only and would not impact the existing use and management of this property. There would be no impacts to physical environment, including vegetation.

8. TERRESTRIAL, AVIAN AND AQUATIC LIFE AND HABITATS:

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

This proposal would result in an administrative change only and would not impact the existing use and management of this property. Further, the proposed conservation easement would ensure the long-term continued management and protection of an important ecological, largely riparian area. There would be no impacts to the physical environment including wildlife habitats. Thus, there would be no impacts to wildlife, birds, or fish.

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 direct, indirect, and cumulative effects to these species and their habitat.

This proposal would result in an administrative change only and would not impact the existing use and management of this property. Further, the proposed conservation easement would ensure the long-term continued management and protection of an important ecological, largely riparian area. There would be no impacts to the physical environment including unique or limited environmental resources. Thus, there would be no impacts to threatened, endangered, or sensitive species.

10. HISTORICAL AND ARCHAEOLOGICAL SITES:

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

This proposal would result in an administrative change only and would not impact the existing use and management of this property. There would be no impacts to physical environment, including any historical and archaeological resources.

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 direct, indirect, and cumulative effects to aesthetics.

This proposal would result in an administrative change only and would not impact the existing use and management of this property. There would be no impacts to physical environment, including the aesthetics of the area.

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 direct, indirect, and cumulative effects to environmental resources.

This proposal would result in an administrative change only and would not impact the existing use and management of this property. There would be no impacts to physical environment, including demands on environmental resources.

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 pertinent environmental documents.

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 proposed project would not alter the status quo regarding human health and safety.

15. INDUSTRIAL, COMMERCIAL AND AGRICULTURE ACTIVITIES AND PRODUCTION:

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

Historically the project area was utilized under a grazing lease, the last of which expired in 1989. Grazing use was removed from the area after the 1989 expiration due to the planned natural area designation of 1978. The Owen Sowerwine parcel has since been managed under Land Use and Special Recreation Use Licenses with Flathead County Parks, Montana Audubon and Flathead Audubon. Although grazing use could theoretically be considered to generate revenue for the trust, placing livestock in a sensitive and unique riparian area has the potential for significant environmental impacts.

A minerals analysis was conducted by the Montana DNRC Minerals Bureau, and approximately \$4,000 of gravel was estimated to be on the parcel. The gravel is located in the Flathead River riverbed. Extraction would require dredging the riverbed and would have impacts to the sensitive riparian environment. Under the proposed conservation easement, surface extraction of gravel would not be permitted. Compensation for the value of the gravel is incorporated in the appraised value of the proposed conservation easement.

16. QUANTITY AND DISTRIBUTION OF EMPLOYMENT:

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

The proposed project would not impact the quantity or distribution of employment in the area.

17. LOCAL AND STATE TAX BASE AND TAX REVENUES:

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

No impacts to local and state tax base and revenues would result from the proposed project.

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 direct, indirect, and cumulative effects of this and other projects on government services

No changes in the demand for government services would result from the proposed project.

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.

No locally adopted environmental plans and goals would affect this project.

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 direct, indirect, and cumulative effects to recreational and wilderness activities.

This proposal would result in an administrative change only and would not alter the recreational setting of the site. This proposal would ensure long-term management of this site as a unique public area.

21. DENSITY AND DISTRIBUTION OF POPULATION AND HOUSING:

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

The proposed project would not impact the density and distribution of population and housing in the area.

22. SOCIAL STRUCTURES AND MORES:

Identify potential disruption of native or traditional lifestyles or communities.

The proposed project would have no impact on social structures and mores.

23. CULTURAL UNIQUENESS AND DIVERSITY:

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

The proposed project would not impact any cultural uniqueness or diversity characteristics of the area.

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 direct, indirect, and cumulative economic and social effects likely to occur as a result of the proposed action.

Under the action alternative, the estimated revenue to the Common Schools Trust would be \$970,000. This payment would go into the State's Permanent Fund and generate interest annually in perpetuity for the beneficiary. It is estimated that interest from the Permanent Fund would amount to \$31,000 the first year, increasing to over \$34,000 by year 60. Under the No Action alternative, a decrease in revenue would be likely since there are limited management opportunities. Longer term license authorization to continue existing management practices on the property would be based on approximately 4-6% of the appraised value, estimated at \$38,800 to \$58,200 annually. These fees would be prohibitive for current licensees, and they have indicated they would have to abandon their land use authorization. DNRC would continue to manage this property for the highest return and best use in accordance with the school trust mandate and state land management requirements, and subject to the particular limitations of the property.

The Owen Sowerwine parcel is zoned as R-1, Suburban Residential Zoning District (88.33 acres), and AG-80, Agricultural (316.86 acres). Although the parcel is located in a residential and commercial development area directly adjacent to Kalispell city limits, the majority of the property is located within the 100-year floodplain with an additional smaller portion located in the 500-year floodplain. The property borders approximately one mile of the Stillwater River and over one mile of the Flathead River, with approximately 1.3 acres of braided channels connecting the two rivers. Approximately 6 of the 405.19 acres are not classified as floodplain. However,

development of that acreage is subject to rigorous permitting and review processes, as well as potentially unmitigable physical environmental impacts.

EA Checklist Prepared By:	Name: Kara Neal	Date: 8/30/2023
	Title: Forester	

V. FINDING

25. ALTERNATIVE SELECTED:

Action Alternative

26. SIGNIFICANCE OF POTENTIAL IMPACTS:

I find that the impacts of the proposed action alternative as described in this Environmental Assessment are not significant. This Environmental Analysis has been completed for the Owen Sowerwine Conservation Easement. After a thorough review of this EA, the project file, responses/discussions with Department and outside specialists, Department policies, standards, and guidelines, I have decided to choose the action alternative. I believe this EA has provided a good approximation of what this project would accomplish. The action alternative would facilitate the continued management of Owen Sowerwine by the Flathead Audubon Society with additional support from Flathead Land Trust. Land management on the parcel would remain consistent with current practices. The sale of this conservation easement offers a unique opportunity to provide a significant and permanent source of revenue for the Common Schools Trust, while simultaneously fulfilling the DNRC fiduciary responsibility to generate revenue for the trust beneficiary. In addition, implementing this easement would provide long term protection for an important ecological area directly adjacent to the City of Kalispell.

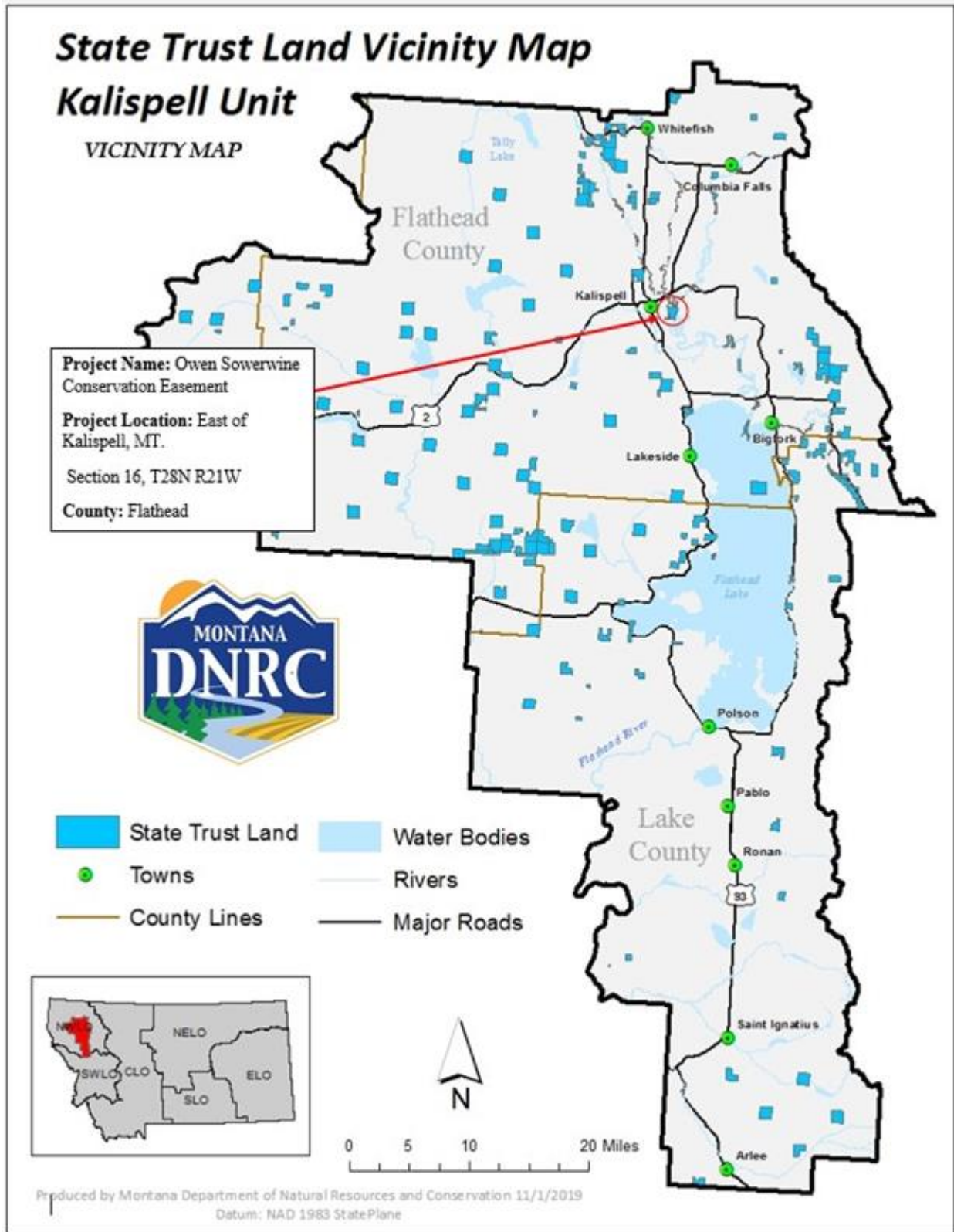
27. NEED FOR FURTHER ENVIRONMENTAL ANALYSIS:

EIS
 More Detailed EA
 No Further Analysis

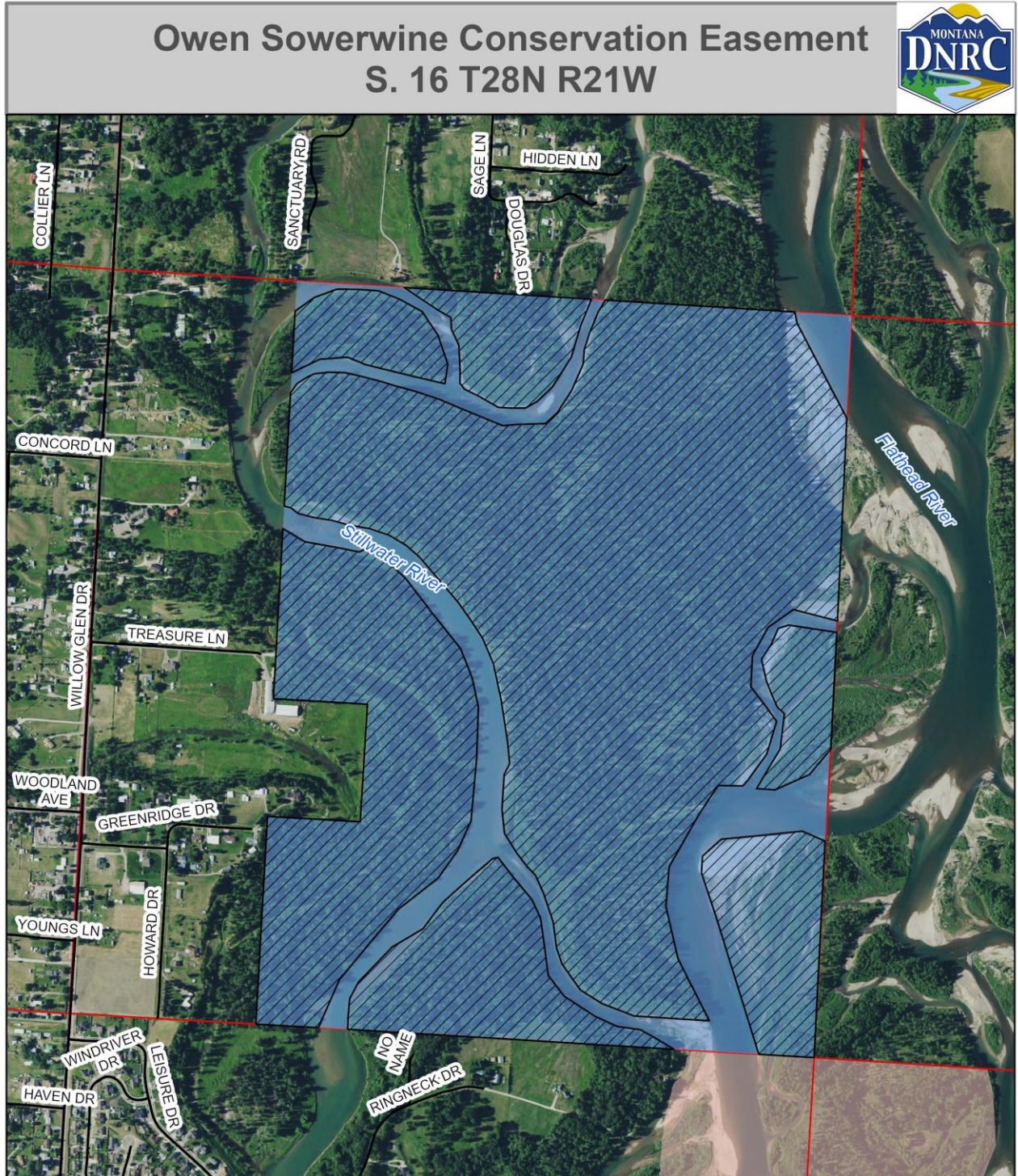
EA Checklist Approved By:	Name: David M. Poukish	
	Title: Kalispell Unit Manager	
Signature: /s/ David M. Poukish		Date: 09/22/2023

Attachment A – Maps

A-1: Project Vicinity Map



A-2: Project Map



Legend

- Proposed Conservation Easement
- Roads
- Sections
- Ownership
 - MT FWP
 - MT DNRC

