

January 21, 1997

Ruben O. Hernandez, NRB 1A-N

FINDING OF NO SIGNIFICANT IMPACT (FONSI) - ENVIRONMENTAL ASSESSMENT (EA) -
RECREATION DEVELOPMENT OF THE LITTLE CEDAR MOUNTAIN TRACTS, NICKAJACK
RESERVOIR, MARION COUNTY, TENNESSEE

TVA proposes to change two land use designations in the Nickajack Reservoir Land Management Plan (Tract 1 from "industrial development" to "wildlife management" and Tract 3 from "public recreation" to "public recreation and residential development") and make Tract 3 available to the private sector for recreation and residential development. In addition, an adjacent tract of land (Tract 4) would be made available to the private sector for recreation development.

Since 1967, Tract 3 has been proposed for recreational development, first as a state resort park and later as a public recreation site in the Nickajack Reservoir Land Management Plan. Tract 1 has been identified as a site suitable for industrial use for about the same number of years, and was also designated for industrial use in the reservoir plan. Neither site has been developed for its intended purpose, although a number of recent proposals have been received for recreation development on tract 3. All recent proposals contained non-recreational commercial development or private residential development. These proposals have encouraged TVA to consider expanding the permissible uses of Tract 3. At the same time, TVA has identified a need to establish a more permanent "wildlife" designation for Tract 1 in order to encourage expanded wildlife habitat management, rather than use the tract for wildlife as an interim use.

The EA prepared for this proposed action and attached to this FONSI evaluates the environmental consequences of three alternatives to accomplish recreation development and one alternative which would retain the tracts in their current status with interim use as open space for wildlife habitat or agricultural land. Under Alternative 1, TVA would develop tracts 3 and 4 for commercial recreation, and allocate Tract 1 for wildlife management. Under Alternative 2, TVA would develop Tract 3 for commercial recreation and residential uses and Tract 4 for commercial recreation, and allocate Tract 1 for wildlife management. Under Alternative 3, TVA would transfer Tracts 3 and 4 to a state or local government agency to develop, and allocate Tract 1 for wildlife management, while under Alternative 4, all tracts would remain undeveloped until a suitable proposal was received for commercial recreation or industrial development consistent with their land use allocations.

In response to public, agency, and internal comments, several major issues were identified, and the impacts of each alternative assessed in the EA. Chief among these were loss of public hunting lands and loss of prime farmland, and the potential impact on endangered and threatened species, water quality, and historic and cultural resources. The potential impacts from development under Alternatives 1, 2, or 3 can be substantially avoided or minimized through commitments and environmental protection measures which are built into the alternatives. An important component of the alternatives is the permanent allocation of Tract 1 to wildlife management. This allocation change would enhance wildlife resource management and protection, and help preserve other natural resources on that tract. Special resources such as endangered and threatened species and historic and cultural resources would be avoided or protected. With the inclusion of additional measures for avoiding or minimizing adverse development impacts, implementation of the development alternatives are not expected to result in significant impacts to wildlife, water quality, aquatic life, cultural resources, or other environmental resources. Development would be beneficial to public recreation.

LAST COPY: DO NOT REMOVE

Index No: 383

Title: FONSI and EA - Recreational
Development of the Little Cedar Mountain
Tracts, Nickajack Reservoir, Marion County,

In November 1995, TVA provided public notice of the proposed land allocation change, and also notified interested state and federal agencies of the proposed action. In April 1996, TVA issued a draft EA for public review and comment, and held a public meeting on April 24, 1996 at Marion County High School to receive public comments. Public comments received were polarized, and either strongly supported the proposed development or strongly opposed development of this area. TVA has considered and responded to all comments received, either by modifying the EA or by a separate response in an appendix to the EA (Section 6).

By letter of August 26, 1996, the U.S. Fish and Wildlife Service concurred that the proposed development would have no effect on endangered and threatened plants, as well as on the bald eagle. The Service indicated that the actions would not likely adversely affect the gray bat and Indiana bat if buffer zones were established along the shorelines and drainages crossing the property. The Service also recommended that TVA restrict all land clearing to dates between October 15 and March 31, and that a bat gate be installed at the entrance to Little Cedar Mountain Cave on Tract 5. TVA proposes to implement the buffer zones and will consult with the Service on the need for abatement.

After considering the public and agency comments received, as well as the results of this environmental review, TVA prefers to adopt Alternative 2. After almost 30 years of effort, TVA believes that developers need greater financial flexibility in order to accomplish recreation development of this area, and that allowing residential development as a component of the recreational complex may be the necessary element to facilitate increased recreational opportunities in the area.

Based on the EA, we agree that the proposed land allocation changes, recreation development, and intention to make one tract available for public recreation with a possible residential component would not be major federal actions significantly affecting the quality of the human environment. Accordingly, an environmental impact statement is not required. The Office of General Counsel concurs in this determination.

Original Signed By

Jon M. Loney
Manager
Environmental Management
WT 8C-K

HMD:MDC
Attachment

cc: G.L. Askew, WT 8C-K
J.A. Carmichael, ET 12A-K
L.J. Carter, LMO 1A-C
E.S. Christenbury, ET 10A-K
M.R. Crowson, MHL 1L-LCT
M.E. Danby, PSC 1E-C
R.D. Davis, Sr., NRB 1A-N
K.J. Jackson, WT 11A-K
R.J. Williams, CTR 2C-M
Files, EM, WT 8C-K

Prepared by Harold M. Draper, reviewed by Lee J. Carter (LM) and Michael R. Crowson (LM) with concurrence of Gregory Signer and Khurshid Mehta (OGC)

Little Cedar