Final Environmental Impact Statement

Tellico Reservoir Land Management Plan

June 2000

FINAL ENVIRONMENTAL IMPACT STATEMENT

TELLICO RESERVOIR

LAND MANAGEMENT PLAN

This Assessment was Prepared by
The Tennessee Valley Authority
Resource Stewardship
Little Tennessee Watershed Team
804 Highway 321 North
Lenoir City, Tennessee 37771

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TELLICO RESERVOIR LAND MANAGEMENT PLAN

Blount, Loudon, and Monroe Counties, Tennessee

Responsible Federal Agency: Tennessee Valley Authority (TVA)

Abstract: TVA has prepared a Final Environmental Impact Statement (EIS) and a TVA comprehensive Land Management Plan (Plan) for the 12,643 acres (360.8 shoreline miles) of TVA land above the summer operating range (812-813 elevation) on Tellico Reservoir. The EIS documents the analysis of alternative uses of the TVA lands and their influence on the surrounding environment. The Plan provides a clear statement of how TVA would manage its land in the future, based on scientific, cultural, and economic principles. This Plan takes into account the comments received from the general public in the east Tennessee area. The Plan prepared for Tellico Reservoir is intended to guide TVA resource and property management decisions for the next ten years. It identifies the most suitable range of uses for 139 parcels of TVA public land. TVA considered two alternatives for making land use decisions for the TVA land around Tellico Reservoir. Under the No Action Alternative (Alternative A) TVA would continue to use the existing land use plan to manage TVA land on Tellico Reservoir. Under the Allocation Alternative (Alternative B), an updated and revised Tellico Reservoir Land Management Plan is proposed.

The draft of the EIS was distributed in February 2000. TVA received 34 sets of comments on the draft. The EIS includes responses to these comments. The full EIS and Tellico Reservoir Land Management Plan can be viewed on the Internet at http://www.tva.gov/environment/reports/tellicoeis.

Requests for further information should be directed to:

Steven L. Akers
Project Leader
Tennessee Valley Authority
804 Highway 321 North
Lenoir City, TN 37771-6440
Telephone: (865) 988-2430
Email: slakers@tva.gov

Cheryl V. Ward
Project Leader
Tennessee Valley Authority
P.O. Box 1589
Norris, TN 37828-1589
Telephone: (865) 632-1531
Email: cvward@tva.gov

EXECUTIVE SUMMARY

The Tennessee Valley Authority has prepared this Environmental Impact Statement (EIS) on alternative plans for the management of TVA lands around Tellico Reservoir. Public involvement began in January 1997 with the publication of an article announcing that planing was under way on Tellico Reservoir in TVA *River Neighbors* magazine, distribution of a questionnaire, solicited input from representatives of a cross-section of groups of people who use or are concerned with the resources of Tellico Reservoir. Since then, members of the public and various other agencies have participated in the preparation of this EIS by attending a public scoping meeting on January 28, 1999; providing 1,391 sets of comments on scoping issues; attending a public meeting on the Draft EIS; and providing 34 sets of comments on the Draft EIS.

Alternatives

TVA considered two alternative plans for making land use decisions for the TVA land around Tellico Reservoir. Under the No Action Alternative (Alternative A), TVA would continue to use the existing 1982 land use plan, Contract No. TV-60000A, to manage TVA land on Tellico Reservoir. Under the Allocation Alternative (Alternative B), TVA would use an updated Tellico Reservoir Land Management Plan to guide future land use decisions

A common feature of both alternatives is categorization of the residential shoreline. In accordance with the TVA Shoreline Management Initiative (SMI) Record of Decision, three categories used for residential shoreline includes Shoreline Protection, Residential Mitigation and Managed Residential.

Alternative A – No Action Alternative

TVA would continue to use the existing land use plan established by Contract No. TV-60000A with the Tellico Reservoir Development Agency (TRDA). This plan allocates land into three categories: TVA Retained Land, Easement Land, and Transferred Land.

TVA Retained Land (9959 acres) includes TVA Dam Reservation, Cultural/Public Use/Open Space Areas, Industrial Development Areas, and Natural/Wildlife Areas.

Easement Land (591 acres) includes Public Use Recreation Areas, State Recreation Areas, and the Eastern Band of the Cherokee Indians Memorial Site.

Transferred Land (10,949 acres) includes Private Residential Areas, Commercial Recreation Areas, and other development land types.

Alternative B – Allocation Alternative

Alternative B, the proposed Tellico Reservoir Land Management Plan (Plan), was developed using information obtained from the public, existing and newly-collected field data both on land conditions and resources, and technical knowledge of TVA staff. It would allocate land into categories that emphasize sensitive resource management (preservation and enhancement

of wetlands, biodiversity, and archaeological and historic resources) and natural resource conservation.

Foreseeable public recreation projects that have been conceptually proposed by various agencies for Tellico Reservoir are presented as they would be considered under Alternative B. However, each of these proposals could be considered under either alternative. Once they become formal proposals, the compatibility of the proposal with land use allocations or zoning would be considered, and each proposal would be subjected to the appropriate level of additional environmental review. A small amount of development is included to accommodate proposals of the Eastern Band of the Cherokee Indians Development, the Greenway (Tennessee Department of Environment and Conservation), and the Coytee Springs Recreation Area. More restrictive development standards would be applied to the Tellico River Corridor.

TVA considered a wide range of possible land uses in the development of this Plan. Each parcel of land was reviewed to determine its physical capability for supporting certain uses, suitability of supporting these uses, and public needs. Based on this information, TVA allocated land parcels to one of seven planning zones: Non-TVA Shoreland (Zone 1), TVA Project Operations (Zone 2), Sensitive Resource Management (Zone 3), Natural Resource Conservation (Zone 4), Industrial/Commercial Development (Zone 5), Recreation (Zone 6), and Residential (Zone 7).

Zone 1: Non-TVA Shoreland includes shoreland located above the summer water level that TVA does not own in fee or land never purchased by TVA. TVA is not allocating private or other non-TVA land

Zone 2: TVA Project Operations (635 acres) includes TVA reservoir land currently used for TVA operations and public works projects.

Zone 3: Sensitive Resource Management (2,184 acres) includes land managed for protection and enhancement of sensitive resources. Sensitive resources, as defined by TVA, include resources protected by state or federal law or executive order and other land features/natural resources TVA considers important to the area viewscape or natural environment. Natural resource activities such as hunting, wildlife observation, and camping on undeveloped sites may occur in this zone; but the overriding focus is protecting and enhancing the sensitive resource the site supports.

Zone 4: Natural Resource Conservation (7,137 acres) includes land managed for the enhancement of natural resources for human use and appreciation. Management of resources is the primary focus of this zone. Appropriate activities in this zone include hunting, resource management, wildlife observation, and camping on undeveloped sites.

Zone 5: Industrial/Commercial Development (331 acres) includes land managed for economic development purposes.

Zone 6: Recreation (1,804 acres) includes all reservoir land managed for concentrated, active recreation activities that require capital improvement and maintenance.

Zone 7: Residential (552 acres) includes TVA lands where Section 26a applications and other land use approvals for residential shoreline alterations are considered. Requests for residential shoreline alterations are considered on parcels identified in this zone where such

use was previously considered and where the proposed use would not conflict with the interests of the general public. As provided for in the SMI, residential access would be divided into three categories based on the presence of sensitive ecological resources.

Adoption of Alternative B would result in the supplementation of Contract No. TV-60000A to reflect the changes in land use designations.

Alternatives Eliminated from Consideration

The January 14, 1999, Notice of Intent to prepare the Draft EIS described three alternative plans. Two of these constitute Alternatives A and B, described above. The third alternative was similar to Alternative B, except that it would have allocated 853 acres of TVA retained land on the downstream east bank of the reservoir for a commercial recreation and residential development proposed by Tellico Landing, Inc. The Tellico Landing development would have also included 217 acres of TRDA land and backlying private lands. The TVA Board announced on March 15, 1999, that it would no longer consider the Tellico Landing proposal affecting TVA retained properties. Consequently this third alternative was eliminated from consideration in the EIS.

Comparison of Alternatives

A major change from existing land designations is the creation of Zone 3 (Sensitive Resource Management); land containing sensitive resources such as sensitive species, archaeological resources, significant visual resources, wetlands, and others is allocated to this zone. Under Alternative A, the resources identified for protection would be protected by individual environmental reviews of specific land use proposals. However, allocation of these resources to Zone 3 in Alternative B allows the protection of the sensitive resource to be the overriding objective for the management of a particular parcel of land, as well as providing an additional tool to better manage the potential for cumulative effects which might occur to a sensitive resource.

Proposed Mitigation Measures

1. TVA will follow the procedures specified in a Memorandum of Agreement with the State Historic Preservation Officer for the identification, evaluation, and treatment of historic properties that are eligible for inclusion in the National Register of Historic Places.
2. USFWS guidelines would be used to establish buffer zones around nesting bald eagle nests.
3. The current practice of prohibiting the construction of water use facilities and shoreline alterations within the marked limits of the safety landing would be continued to avoid interference with commercial navigation.
4. Noise covenants consistent with the guidelines described in Section 3.12.2. would be included in land transfer instruments pertaining to parcels in Zone 5.
5. Amenities provided in Coytee Springs Recreation Area (Parcel 10) (e.g. picnic areas, walking trails, and greenway entry/exit points) would be limited to day-time use.
6. Guidelines proposed in Appendix B-1 would be consulted in reviewing applications for water use facilities on the River Corridor.

Preferred Alternative

TVA has selected new Tellico Reservoir Land Management Plan (alternative B) as the preferred alternative. Alternative B was designed to meet the desires of a majority of the members of the public and various agencies who commented on the draft EIS. This alternative formulates a new and comprehensive Reservoir Land Management Plan for 139 parcels of TVA land on Tellico Reservoir. This Plan grandfathers previous land use commitments and allocates uncommitted TVA land into zones that allow for a balance of development and conservation. The results of the evaluation of possible environmental effects (summarized in section 2.4) indicate that Alternative B would not have adverse environmental effects. Alternative B would allocate land into categories that emphasize sensitive resource management and natural resource conservation. Selection of this alternative would be beneficial to public lands and would protect current resource functions and values.

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