

CHAPTER 2

2. ALTERNATIVES INCLUDING THE PROPOSED ACTION

This chapter describes the alternatives and summarizes the environmental consequences associated with each of the alternatives developed for the proposed action.

2.1. The Proposed Action

TVA proposes to issue permits or approvals to enhance or facilitate portions of the Rarity Pointe development. There are three parts to the proposed action that require TVA action or approval. These include: (1) the Applicant's request to release the planned use allocation of approximately 118 acres of federal property above the 820-foot elevation on the Tellico Reservation and make it available for sale and consequently use in constructing a residential resort and golf course community, (2) the Applicant's request for approval of the use of about 5 acres of TVA property, below the 820-foot elevation, and lying between the former TRDA property and Tellico Reservoir, for a small (par-3) golf course, and (3) the Applicant's request that TVA approve plans for a full service marina, shoreline stabilization, and dredge with 349 wet and 200 dry storage boat slips (see Figure 2-1) using 4 acres of TVA land below the 820-foot elevation. Approval of private water use facilities and other residential shoreline development has not been requested and would not be permitted on any transferred TVA lands.

USACE's proposed action is issuance or denial of the Section 404 and Section 10 permits for the proposed marina and dredge, and any wetlands impacts. TRDA's proposed action is to transfer lands identified for mitigation purposes to the Applicant for further transfer to TVA.

2.2. Alternatives

As a result of scoping, TVA has identified the following five potential alternatives for analysis in this EIS; Alternative A – No Action, Alternative B – Applicant's Proposal, Alternative C – Partial Land Sale with Mitigation, alternative D – Small Golf Course and Marina with No Land Sale, and Alternative E – Applicant's Proposal with Mitigation. Under the No Action Alternative (Alternative A) and the Small Golf Course and full service Marina with No Land Sale Alternative (Alternative D), TVA would not convey any property or property rights to Rarity Communities Properties and would continue to manage the requested parcels under the existing 2000 land use plan without modification. Under the Applicant's Proposal Alternative (Alternative B) and the Applicants Proposal with Mitigation Alternative (Alternative E), TVA would modify the land use allocation of Parcel 8 (47 acres) from Commercial Recreation to Residential and part of Parcel 9 (71 acres) from Natural Resource Conservation to Residential, and make this land available for development. Under the Partial Land Sale with Mitigation Alternative (Alternative C) TVA would modify the land use allocation of part of Parcels 8 and 9 totaling about 49 acres and make the land available for development of the championship golf course as well as allowing a par-3 golf course to be located on its property and approve the proposed marina.

Under any alternative, construction and operation of a commercial recreation and residential project is likely on the 539 acres of private land already owned by Rarity

Figure 2-1 Rarity Pointe Proposal

MASTER PLAN RARITY POINTE ON TELlico LAKE

± 5 acres

PAR 3 COURSE

TELlico LAKE



MILE 4 X

COURTNEY

138 UNITS

MARINA

LODGE

184 UNITS

TELlico LAKE

MILE 5

± 118 acres

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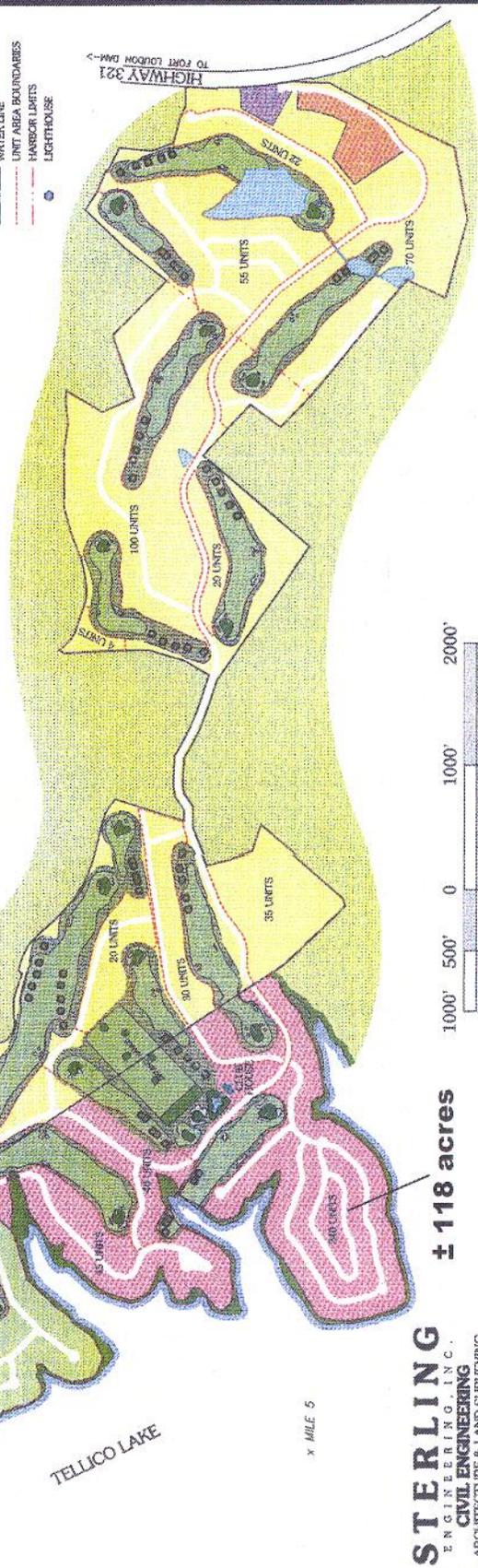


NOTE:
Unit Densities in specific areas are approximate only and subject to change with the overall project density to remain generally the same.

Total number of Marina Storage spaces is 300 Wet Slips and 200 Dry Stack.

THIS MASTER PLAN IS INTENDED TO BE USED FOR ILLUSTRATIVE PURPOSES ONLY. THE DEVELOPER RESERVES THE RIGHT TO ALTER THIS MASTER PLAN AT ITS SOLE DISCRETION. This Drawing was updated on April 25, 2002.

- LEGEND**
- RARITY POINTE LANDS
 - TRAIL LANDS
 - TWA LANDS
 - LODGE SITE
 - MARINA SITE
 - DISCOVERY CENTER
 - RETAIL VILLAGE
 - WATER
 - GOLF FAIRWAY CENTERLINE
 - BOUNDARY LINE
 - WATER LINE
 - UNIT AREA BOUNDARIES
 - HARBOR LIMITS
 - LIGHTHOUSE



Communities. TVA has no control over this property and Rarity Communities has informed TVA that it will develop the property regardless of the decisions TVA may make respecting its requests. As of September 2002, development of the former TRDA property had started and currently has progressed to the construction of an internal road system to provide access to the planned house sites, the lodges, and the marina. The impacts of these activities include the removal or modification of vegetation, road grading and fill, and the installation of underground utilities (see Figure 2-1). This EIS evaluates the impacts associated with the development of these private lands.

2.2.1. Alternative A – The No Action

Under the No Action Alternative, TVA would not modify the 2000 Land Plan to allow the sale of the approximately 118 acres, not approve new plans for the marina, or allow the par-3 golf course on TVA public land (See Figure 2-2). Management of Tellico Reservoir would remain as established by contract with TRDA and lands would be allocated as determined in the 2000 Land Plan. The approximately 118 acres of TVA land (Parcels 8 and 9) would continue to be available for the uses described in the plan including designation as a greenway and a trail although there would be no public access across the former TRDA property or other privately owned property. Because Rarity Communities has informed TVA that it intends to develop the 539 acres of property already under its control even if TVA denies its request, TVA has examined the impacts of such development as part of this alternative.

2.2.2. Alternative B – Applicant's Proposal

Under Alternative B, the Applicant's Proposal, TVA would change the use allocation of the land as proposed and make the land available for sale and development. The marina plans with 349 wet and 200 dry storage boat slips, shoreline stabilization and dredge would be approved as proposed and TVA would allow the construction of the par-3 golf course on TVA land below the 820-foot Mean Sea Level (MSL) contour. The establishment of the Greenway and trail would not occur on the transferred land.

The proposed plan of development for Rarity Pointe includes property from several sources (see Figure 2-3). Approximately 323 acres of back lying property has been purchased from private owners. Plans for this parcel include construction of residential units, with open space and park areas around an 18-hole golf course.

The other non-TVA property is the 216-acre tract of former TRDA property on the Lower Jackson Bend peninsula. This property has restrictions, as set forth under the Commercial Recreation Standards adopted by TRDA and recorded in TVA's agreement with TRDA, TVA 60000A. Under applicable restrictions, the recreational lodging units planned on this parcel by Rarity Communities could not be permanently occupied. Rarity Communities would make a rental program available to all of the recreational lodging units. In addition, all commercial recreation amenities placed on the former TRDA land, including the lodge, spa, golf course, restaurant, and marina will be made commercially available to the public.

The applicant's proposal for Rarity Pointe assumes the acquisition of approximately 118 acres of TVA public land and the use of an additional 9 acres of public land comprising of three TVA parcels. The three parcels of land and their proposed uses are as follows:

Figure 2-2 Alternative A - No Action

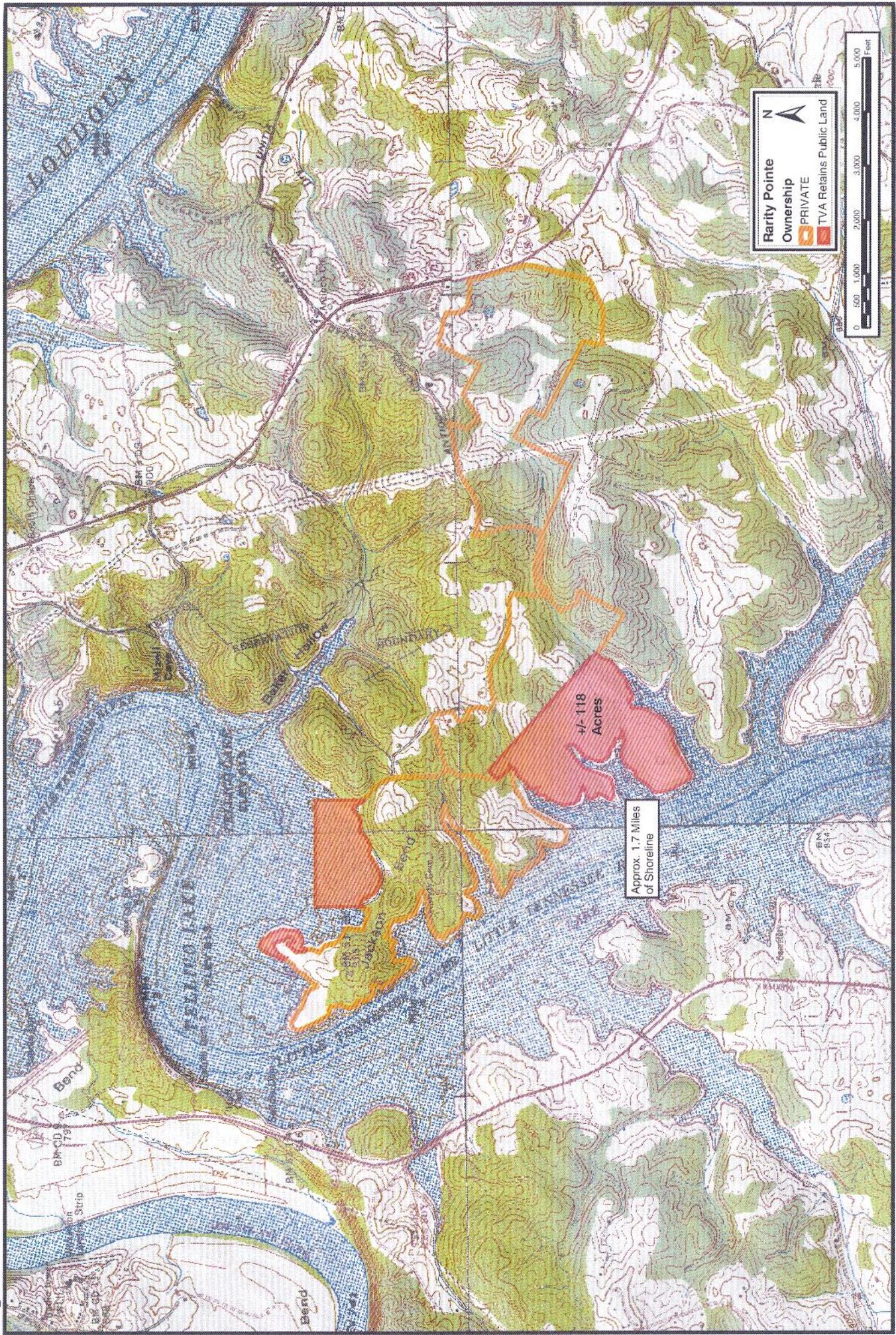
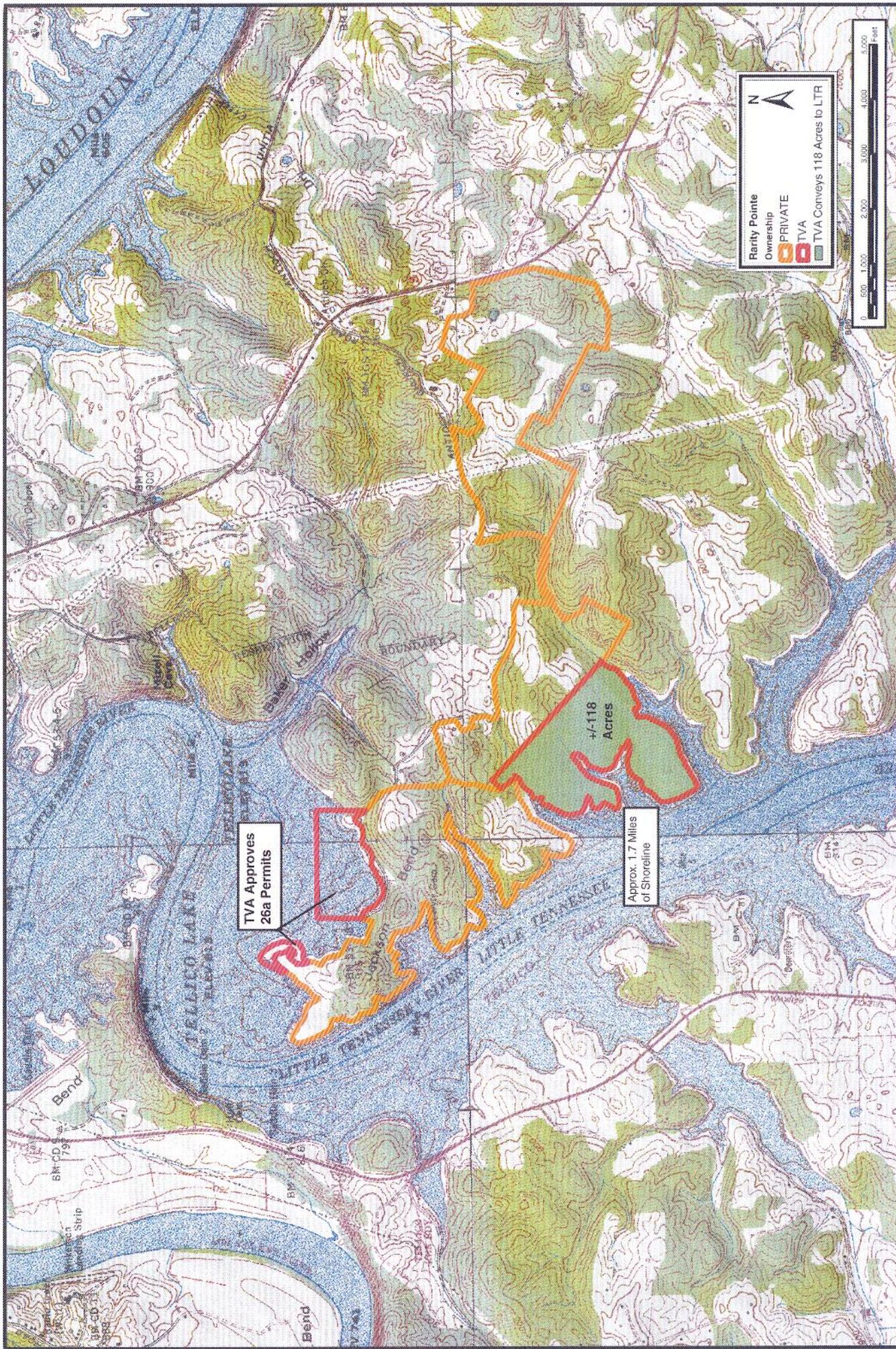


Figure 2-3 Alternative B - Applicant's Proposal



Rarity Pointe Commercial Recreation and Residential Development on Tellico Reservoir

- Parcel 8 (approximately 47 acres) is currently allocated for recreational use. Rarity Communities proposes to purchase the TVA property and use it for residential and golf course development.
- Parcel 9 (approximately 71 acres) is currently allocated for natural resource conservation use. Rarity Communities proposes to purchase the TVA property and use it for residential, golf course, and clubhouse development.
- Parcel 7 (approximately 9 acres) is located on Jackson Bend between the summer pool reservoir level and private property owned by Rarity Communities. The proposal is to secure a use permit from TVA for developing a par-3 golf course and for ingress and egress associated with the proposed marina operation.

Rarity Communities plans approximately 1,200 units over the approximate 657-acre site. The planned unit development density will be less than two units per acre, providing for additional open space, park areas, and low to mid-rise condominium design and construction. In the overall site planning and golf course routing design, the addition of TVA property would enhance the value of the recreational amenities by keeping golf course routing away from the shoreline and giving way to less crowding of amenity structures, thus increasing the overall value of each unit/lot parcel.

The approximate 657-acre Rarity Pointe master plan concept (see Figure 2-1 and Appendix A) would provide a recreational resort community offering both residential and rental use opportunities. Recreational and leisure amenities would include a full service marina including facilities for wet and dry storage of boats, fuel storage and dispensing, sewage pump out, and small store with boat repair and rental service, and restaurant with public use rights; an 18-hole, tournament-play golf course and extensive practice facility; a golf clubhouse with onsite stay and play guest accommodations; a full service spa and lodge site with in-lodge guest accommodations; meeting and banquet facilities; both casual and fine dining; an infinity pool, gardens and outdoor chapel; outdoor lighted tennis courts; walking trails and park areas; and planned/controlled access to Tellico Reservoir. Private individual boat docks would not be permitted at the shoreline. The entrance would be gated and employ 24-hour gatehouse attendants.

The site presents topography, affording aesthetic view corridors for much of the planned development. Natural resources include a wide-variety of mature hardwood trees that have been incorporated into the community design guidelines for preservation (Appendix A). These existing trees are part of an overall landscaping program to provide tree clustering throughout the site development. Extensive water views and lakefront buffer areas have been planned to provide walking access at the shoreline.

An English Country Manor and English Countryside architectural design theme has been incorporated into the design of the Lodge and Golf Club facilities to set the tone for all future development. The character of the English Manor House architectural design was chosen to enhance the natural environment of the site with the use of wood and stone, both on interiors and exteriors of all vertical structures. The construction of recreational and leisure amenities, as well as housing and resort accommodations would be managed under this theme.

Rarity Pointe would offer a mix of residential and rental opportunities to include: low-rise and mid-rise condominiums; cottage-style cabins; twin homes (duplexes); attached and

detached villas; single-family estate homes; custom home sites; and overnight suite accommodations. A retail and commercial site is planned adjacent to U. S. Highway 321 at the entrance to Rarity Pointe to accommodate owners and guests, as well as local area residents and tourists. An information center, visitor and guest check-in, and general store would be located in this center outside the entrance.

Rental management and property services would operate permanently onsite at the lodge facility to provide a full service rental and guest management program to all residents, tenants, guests, and visitors. Use rights for all recreational and leisure amenities are incorporated in the "Rental Management Agreement" (See Appendix A). The resort rental offering and recreational use rights would be marketed on a local, regional, and national basis. Maintenance and housekeeping for the rental program would be located in the lodge facility.

Recreational use rights are incorporated into the "Rarity Pointe Membership Plan" (See Appendix A). The membership plan presents varied levels of membership based on community involvement. Property owner members, resort club members, and public access members and related use rights are defined in the Rarity Pointe Rules and Regulations for the Rarity Pointe Club. A "community access" membership classification for local area residents would be available at a reasonable annual fee, offering golf, marina services, spa and fitness programs with access to all dining facilities, and attendance at community events (See Figure 2-3).

Most of the utility infrastructure serving the proposed Rarity Pointe development will be installed by local public utility service providers. Because the applicant is proceeding with the development of the property it already controls, this infrastructure will be built regardless of the TVA decision. A three phase electric power service will be provided by Fort Loudon Electric (Madisonville, TN) overhead via Antioch Church Road and then underground through out the Rarity Pointe "phase-one" development. Eventually the utility will develop a sub station at a location to be determined near the 69 KV line right-of-way adjacent to TVA's 161-kV which runs north to south across Rarity Pointe.

Rarity Pointe will utilize a new 13.5-mile sewer line that TRDA is constructing from the Tellico Area Services System (TASS) wastewater treatment plant located near Vonore, Tennessee. The route for the sewer will follow an existing utility right-of-way (ROW) east along U. S. Highway 411 north to Reservation Boundary Road, east to National Campground Road, north to State Highway 95, and along U. S. Highway 321 which fronts the Rarity Pointe Development. The eight-inch sewer line will consist of both pressure and gravity systems. The sewer line should be completed before the "phase-one" Rarity development experiences build-out. A temporary measure to handle sewer for up to 20 homes will consist of a holding tank and "pump and haul" solution. This application would have to be approved by the Tennessee Department of Environment and Conservation (TDEC). The preliminary agreement is to permit the "pump and haul" disposal process to extend for a period up to one year.

The TASS wastewater treatment plant has a current capacity of 300,000 gallons per day and is estimated to be between 65 to 70 percent capacity. The treatment plant has the capacity to handle the additional load generated from the "phase-one" Rarity development. TASS has near term plans and the property to expand its capacity to one million gallons per day. The additional capacity will also provide service for the Community of Greenback, Foothills Point Subdivision, and additional industrial demand from Niles Ferry Industrial

Park. It will also provide service for any future TRDA development at Wears Bend Peninsula and the Rollins Cemetery property.

Water service is currently available to Rarity Pointe via a TASS water line located along Antioch Church Road. The 6-inch line is fed from a 200,000-gallon water tank located near U. S. Highway 321 and Antioch Church Road. This tank is also supported by water from a one million gallon water tank located near Hackney Chapel Road.

A natural gas line is currently located along U. S. Highway 321 and is serviced by Loudon Utility. This line has the capacity to provide natural gas to Rarity Pointe and is available to serve the entire community.

The widening of the U. S. Highway 321, currently underway, is projected by the State of Tennessee to be completed by 2005. Rarity Pointe "phase-one" construction will likely use the Antioch Church Road to access the commercial facilities and new rental housing until a temporary road can be connected with U. S. Highway 321. Initially, much of the labor and construction materials will gain access to the project via Antioch Church Road which would continue to be the primary access to this site until the construction on US. Highway 321 is completed.

2.2.3. Alternative C – Partial Land Sale with Mitigation

TVA would approve the marina plans with up to 349 wet and 200 dry boat slips, shoreline stabilization and dredge; allow the construction of the par-3 golf course; and modify the current land use plan to allocate part of the requested land (Parcel 8 and the uplands portion of the requested Parcel 9, about 49 acres total) and make it available for development as described under Alternative B, but with enhanced mitigation measures. This would allow Rarity Communities to construct and operate the proposed 18-hole golf course as described under Alternative B but would not allow the residential development as proposed on Parcels 8 and 9.

The mitigation would address the loss of public lands and impacts to terrestrial habitat, aesthetics, public recreation including a greenway and trail (described in the 2000 Land Plan), and other potential environmental impacts. Rarity Communities would provide vehicle and trail access to the remaining TVA public land so that a trail terminal could be established and the greenway designation remain on the balance of the requested portion of Parcel 9. In addition, Alternative C includes provisions for the loss of public land through a land exchange in which Rarity Communities would provide at least 60 acres of property. TVA would approve the sale and allocation change of the Wildcat Rock tract from Industrial use to Cultural, Public Use, and Open Space by TRDA. See Figure 2-4.

2.2.4. Alternative D – Small Golf Course and Marina with No Land Sale

Under Alternative D, TVA would not change the use allocation or sell the land as requested. The land would continue to be managed under the 2000 Land Plan, including, the designation of a greenway and possible design and establishment of a trail system. However, TVA would approve the full service marina plans with up to 349 wet and 200 dry boat slips, shoreline stabilization and dredge: and TVA would allow the construction of the par-3 golf course on TVA land below the 820-foot contour as described in Alternative B. See Figure 2-5.