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Project Number: 2021-1

FINDING OF NO SIGNIFICANT IMPACT

TENNESSEE VALLEY AUTHORITY

ECONOMIC DEVELOPMENT GRANT PROPOSAL FOR NORTH ETOWAH INDUSTRIAL PARK McMinn County, TN (Etowah)

An integral part of Tennessee Valley Authority's (TVA) mission is to promote economic development within the TVA service area. TVA provides financial assistance to help bring to market new/improved sites and facilities within the TVA service area and position communities to compete successfully for new jobs and capital investment. TVA proposes to provide an economic development grant through InvestPrep funds to McMinn County Economic Development Authority (MCEDA) to assist with the development of the North Etowah Industrial Park. The area of potential effect (APE) for TVA's proposed action (hereafter referred to as the Project Area) comprises approximately 118.4 acres of the total 271 acres of the North Etowah Industrial Park located between County Road 561 and North Industrial Park Drive, approximately 3.5 miles north of the City of Etowah, Tennessee (TN) in McMinn County. There would be minor impacts as a result of the Proposed Action. The entirety of the 118.4-acre Project Area could experience future industrial development following implementation of the Proposed Action.

The proposal is the subject of an Environmental Assessment (EA) prepared by TVA, which is incorporated herein by reference. In the EA, TVA evaluated potential impacts of the Proposed Action (i.e., the Action Alternative) as well as the alternative of not implementing the action (i.e., the No Action Alternative). Under the No Action Alternative, TVA would not provide TVA InvestPrep funds to the MCEDA. TVA would not be furthering its mission of promoting economic development by assisting the local community to compete successfully for new jobs and capital investment through the Proposed Action. The MCEDA may seek alternate funding to combine with their existing funds to develop the site. Success in obtaining alternate funding would result in similar impacts and benefits as the Action Alternative. If the MCEDA were not able to secure the funding for the proposed actions, the land use at the site would likely remain unchanged, no environmental impacts would be anticipated, and the economic benefits associated with the Action Alternative would not be realized. Under the Action Alternative, TVA would provide InvestPrep funds to the MCEDA, facilitating the improvement of the Project Area within the North Etowah Industrial Park. TVA funds would be used for the clearing of approximately 14.2 acres of trees, 5,260 linear feet of fence removal, the rough grading of a 35acre dirt building pad, construction of three temporary sediment basins totaling 8.2 acres, construction of a gravel access road extending for 1,692 linear feet, and draining and grading of a 1.6-acre isolated farm pond.

Implementation of the Action Alternative would result in disturbance of the Project Area in preparation for industrial use. The MCEDA or its contractors are expected to implement appropriate measures, such as best management practices (BMPs), to minimize or reduce negative potential environmental impacts of the Action Alternative to insignificant levels. These practices include, but are not limited to, installation of sediment and erosion controls (silt fences, sediment traps, etc.); management of fugitive dust; and a restriction allowing work during

daytime work hours only. They are also expected to obtain all required permits and follow all permit conditions.

TVA has determined that the Proposed Action, subsequent to TVA's selection of the Action Alternative, would have no impact on archaeology and historic structures and sites, solid and hazardous wastes, floodplains, land use and prime farmland, or natural areas (including recreation). The Proposed Action would also not result in impacts from the creation of solid and hazardous wastes.

Implementing the Action Alternative would result in minor impacts to air quality and climate change, groundwater, surface water, wetlands, aquatic ecology, terrestrial zoology and botany. Implementation of the Action Alternative could create potential impacts to the human environment, including visual effects, noise, socioeconomics and environmental justice, and transportation issues.

A May 2017 environmental survey conducted by a Tennessee Qualified Hydrologic Professional (TN-QHP) of the North Etowah Industrial Park identified two streams, one wet-weather conveyance, two isolated ponds, and three herbaceous wetlands. Only one of the isolated ponds (hereafter referred to as Pond 1) is located within the Project Area. Pond 1 appears to have no surficial hydrologic inflows or outflows and is assumed to be non-jurisdictional under the 2020 Navigable Water Protection Rule (NWPR) and not subject to Section 404 Clean Water Act (CWA) permitting with the United States Army Corps of Engineers (USACE) Nashville District and alteration would also not require an Aquatic Resource Alteration Permit (ARAP) from the Tennessee Department of Environment and Conservation (TDEC). If Pond 1 is deemed a jurisdictional Waters of the United States (WOTUS), consultation would be required with the USACE for dredge and fill activities under Section 404 CWA and TDEC for an ARAP which would also serve as the Section 401 Water Quality Certification.

A December 2020 environmental survey of the Project Area identified summer roosting habitat (trees) for Indiana bat and northern long-eared bat (NLEB). No winter bat habitat was observed within the Project Area. Foraging habitat for both species occurs over, alongside, and through the forest fragment, the two streams, the wet-weather conveyance, and the two ponds in the Project Area. A number of activities associated with the Action Alternative, including tree removal and burning, were addressed in TVA's programmatic consultation with the USFWS on routine actions and federally listed bats in accordance with ESA Section 7(a)(2) and completed in April 2018. For those activities with potential to affect bats, TVA committed to implementing specific conservation measures. These activities and associated conservation measures are identified on page 5 of the TVA Bat Strategy Project Screening Form (Attachment 2 of EA) and must be reviewed/implemented as part of the Action Alternative. With implementation of these conservation measures, no significant impacts are expected to federally listed bats.

A Phase I cultural resources investigation was performed in December 2020 that included both an assessment of standing structures as well as archaeological survey of the Project Area. The architectural survey identified 33 newly recorded structures of over 50 years in age. Of the 33 newly identified structures only one is considered eligible for listing on the National Register of Historic Places (NRHP), the L&N Railroad. TVA recommends the L&N Railroad eligible for the NRHP under Criterion A for its importance in the economic development of the region. The proposed undertaking would not change the physical features within the resource's setting that contribute to its historic significance under Criterion A. Therefore, TVA finds that the L&N Railroad would not be adversely affected by the proposed undertaking. The archaeological survey excavated a total of 514 shovel tests on a 30 meter grid across the entire breadth of the

Project Area. None of these shovel tests yielded any cultural material. No archaeological artifacts or resources were identified as a result of the Phase I survey. No further archaeological work is recommended in the Project Area. TVA consulted with the Tennessee State Historic Preservation Office (SHPO) in a letter dated February 22, 2021 regarding TVA's findings and recommendations. In a letter dated February 22, 2021 the Tennessee SHPO concurred with TVA's findings of no effect. Pursuant to 36 CFR 800.3(f)(2), TVA also consulted with federally recognized Indian tribes regarding properties that may have religious and cultural significance to their tribe and be eligible for the NRHP and and only one response was received, indicating no objection to the project.

Mitigation

To minimize or reduce the environmental effects of site activities associated with the Action Alternative, the MCEDA or its contractors are expected to ensure all clearing and grading activities conducted are in compliance with stormwater permitting requirements and utilize applicable BMPs to minimize and control erosion and fugitive dust during these actions. Should onsite burning activities occur, these would be conducted in compliance with local burn permits, the requirements in Tennessee APC Rule Chapter 1200-03-09, and conservation measures identified on page 5 of the TVA Bat Strategy Project Screening Form (Attachment 2 of EA).

Operations involving chemical or fuel storage or resupply and vehicle servicing are expected to be handled outside of riparian areas and in such a manner as to prevent these items from reaching a watercourse. Earthen berms or other effective means are expected to be installed to protect nearby surface waters from direct surface runoff. Servicing of equipment and vehicles is expected to be done with care to avoid leakage, spillage, and subsequent surface or ground water contamination. Oil waste, filters, and other litter are expected to be collected and disposed of properly.

If determined jurisdictional, unavoidable impacts to Pond 1 may require a CWA Section 404 permit and a CWA Section 401 authorization (an ARAP from TDEC), which would include mitigation measures and possibly compensatory mitigation (e.g., purchase of mitigation credits or implementation of a permittee responsible mitigation plan).

In order to avoid impacts to the great horned owl, disturbing activities must be avoided within 660 feet of the large nest near the southern border of the project site when it is active, typically January-mid May for great horned owl. If this restriction cannot be adhered to, USFWS would be contacted by MCEDA for guidance and minimization measures.

Specific avoidance and conservation measures would be implemented as a part of the Action Alternative to reduce effects to Indiana bat and NLEB. These measures are identified in the TVA Bat Strategy Project Screening Form (Attachment 2 of EA).

Conclusion and Findings

Based on the findings listed above and the analyses in the EA, we conclude that the Proposed Action of TVA funding the improvement of the Project Area within the North Etowah Industrial Park would not be a major federal action significantly affecting the environment. This finding is dependent on implementation of the mitigation measures described above. Accordingly, an environmental impact statement is not required.

March 25, 2021

Dawn Booker Date Signed

NEPA Manager

Federally Mandated Environmental Compliance

Tennessee Valley Authority