Montana Fish, Wildlife & Parks

P.O. Box 200701
Helena, MT 59620-0701

March 9, 2010

Dear Interested Citizen:

Attached you will find a **REVISED** Decision Notice for a Montana Fish, Wildlife and Parks Draft Environmental Assessment concerning its proposal to purchase from The Nature Conservancy via fee title certain lands that will be managed as a Wildlife Management Area and State Park in the Fish Creek drainage of the Middle Clark Fork River watershed. This **REVISED** Decision Notice amends the original decision notice dated February 26, 2010.

The **REVISED** Decision Notice proposes to now purchase the Fish Creek property for approximately $17,350,000 and to increase the size of the Fish Creek Wildlife Management Area by 1,462 acres while decreasing the size of the Fish Creek State Park by a corresponding amount.

This **Revised** Decision Notice is available for review in Helena at FWP's Headquarters, the State Library and the Environmental Quality Council. It also may be obtained from the Region 2 FWP Headquarters or viewed on FWP's Internet website at http://fwp.mt.gov ("Recent Public Notices").

There will be an opportunity for public comment on this **Revised** Decision Notice at the FWP Commission meeting on March 10, 2010. That meeting will be held at the FWP Headquarters building beginning at 8:30 am. A second opportunity for public comment will be at the March 18, 2010 meeting of the Board of Land Commissioners. This meeting will be held in Room 137 of the State Capitol Building beginning at 9:00 am.

In consideration of the Draft Environmental Assessment, Decision Notice and **Revised** Decision Notice, FWP will be recommending approval of the Fish Creek Acquisition to both the FWP Commission and Land Board.

Sincerely,

Dave Risley
Administrator, Fish and Wildlife Division

<u>REVISED</u> DECISION NOTICE
For the proposed Land Acquisition: Fish Creek Wildlife Management Area
And Fish Creek State Park

Montana Fish, Wildlife and Parks
Region 2
3201 Spurgin Road, Missoula, MT 59804
406-542-5500

March 9, 2010

This Revised Decision Notice amends Montana Fish, Wildlife and Parks' Decision Notice on the purchase of certain lands in fee title for the Fish Creek Wildlife Management Area and Fish Creek State Park, dated February 26, 2010.

This Revised Decision Notice makes the following changes to the Decision Notice dated February 26, 2010:

(1) The total purchase price for the approximately 40,945 acres is now approximately $17,350,000. This bargain purchase is a $3M increase from the initially proposed purchase price of $14,350,000 but still $4.5M less than the appraised fair market value of $21,864,673.
(2) The acreage of Fish Creek State Park will be reduced by 1,462 acres from the 7,650 acres proposed in the February 26, 2010 Decision Notice to 6,188 acres.
(3) The acreage of the Fish Creek Wildlife Management Area would increase by 1,462 acres from 33,295 acres proposed in the February 26, 2010 Decision Notice to 34,757 acres.
(4) An updated map reflecting these changes in acreage to the State Park and Wildlife Management Area is attached and incorporated into the Revised Decision Notice.

There are no additional changes to the original Decision Notice and the remainder of that Decision Notice dated February 26, 2010, including its analysis of the impacts to the human environment required by the Montana Environmental Policy Act, is hereby incorporated into this Revised Decision Notice.

Explanation of Changes in Revised Decision Notice

- <u>Purchase Price.</u> After the completion of the Decision Notice dated February 26, 2010, Montana Fish, Wildlife and Parks (FWP) agreed to renegotiate the Fish Creek purchase price at the request of The Nature Conservancy (TNC). The proposed $14.35M acquisition price is $7.5M less than the appraised fair market value of $21,864,673, and would amount to approximately a $7.5M donation to the State of Montana. Given the current economic environment, it is difficult for TNC to make that significant a donation.

  After further negotiations, FWP and TNC agreed upon a new purchase price $17,350,000.

The proposed purchase of Fish Creek, even at $17.35M, is a 20% discount from the appraised fair market value of the property. By selling Fish Creek to FWP for $17.35M, TNC will be making approximately a $4.5M donation to the State of Montana. At an average per acre price of less than $423, the Fish Creek acquisition is still a tremendous bargain for FWP.

The $3M increase in the purchase price will be funded by an increase in federal Pittman-Robertson funding matched by state Habitat Montana funding and donated value from TNC.

- Acreage Changes to the State Park and Wildlife Management Area. As described in the EA and February 26, 2010 Decision Notice, when FWP proposed to purchase Fish Creek at $14.35M, State Parks would contribute $2.7M and Fish and Wildlife would contribute $11.65M of the overall purchase price. Now that FWP proposes to purchase the property at $17.35M, the $3M increase in the purchase price will be paid by funding sources that are earmarked for wildlife habitat. As a result, the acreages of the Wildlife Management Area and State Park must be adjusted to reflect the percentage of funding they each contribute to the acquisition as a whole. The Fish Creek Wildlife Management Area will increase in size by approximately 1,462 acres while the State Park will decrease in size by approximately 1,426 acres. By reducing the acreage of the State Park, FWP also responds to a number of public comments that called for a smaller State Park.

The remainder of the February 26, 2010 Decision Notice is incorporated as the full and complete analysis of the impacts on the human environment of the proposed project in compliance with the Montana Environmental Policy Act. Because of the minor impacts of the proposed project, even at the increase in purchase price, FWP will suggest approval of the project to the Commission and the Board of Land Commissioners as suggested above. The Commission and the Board of Land Commissioners will allow public comment at those regularly scheduled meetings.