



October 5, 2022

Kurtis Steele, Forest Supervisor  
c/o Shelli Mavor  
Flathead National Forest  
650 Wolfpack Way  
Kalispell, MT 59901

Re: Holland Lake Lodge Facility Improvement and Expansion

Submitted electronically via: <https://cara.fs2c.usda.gov/Public//CommentInput?Project=61746>

Dear Supervisor Steele

Please accept these comments on behalf of Wild Montana (formerly Montana Wilderness Association) and our members in response to the public comment period for the Holland Lake Lodge Facility Improvement and Expansion proposal.

## **I. Organizational Background**

Since 1958, Wild Montana has been uniting and mobilizing people across Montana, creating and growing a conservation movement around a shared love of wild public lands and waters. We work at the local level, building trust, fostering collaboration, and forging agreements for protecting the wild, enhancing public land access, and helping communities thrive. Wild Montana routinely engages in public land-use planning processes, as well as local projects such as habitat restoration and timber harvest proposals, recreational infrastructure planning, oil and gas lease sales, and land acquisitions. Wild Montana and our more than 3,500 members are invested in the ecological integrity and quiet recreation opportunities on public lands across Montana, as well as the impact of climate change on Montana's wild places.

## **II. Categorical Exclusion Applicability**

We are very concerned that the Flathead National Forest intends to categorically exclude the significant expansion of Holland Lake Lodge.<sup>1</sup> Holland Lake is a unique forest lake on the border of the Swan Front Recommended Wilderness and serves as a gateway to the Bob Marshall

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<sup>1</sup> *Scoping Notice Holland Lake Lodge Facility Expansion*, Forest Service (Sept. 1, 2022) ("Based on a preliminary assessment, intentions are to categorically exclude the proposed project from documentation in an environmental impact statement or an environmental assessment...").



Wilderness. This privately operated resort expansion project appears ineligible for a Categorical Exclusion (CE) at the outset. However, even if the proposal can be considered for the use of a CE, the Forest Service should still conduct a more substantial environmental analysis due to extraordinary circumstances.

**A. The proposal is ineligible for the use of a Categorical Exclusion under the language of the regulation.**

The use of the CE referenced in the scoping notice is only applicable to “facilities located at recreation sites managed by the Forest Service and those managed by concessioners under a special use authorization.”<sup>2</sup> Holland Lake Lodge is not “managed by the Forest Service,” nor does it appear to be managed under a concessioner’s “special use authorization.”

We received a copy of the Holland Lake Lodge Special Use Permit, and it is a "Resort/Marina Term Special Use Permit." Concessioner special use permits are generally issued under the Granger-Thye Act,<sup>3</sup> whereas term resort/marina special use permits, like this one, are issued under the Term Permit Act.<sup>4</sup> Neither the Holland Lake Lodge’s Master Development Plan nor the Forest Service’s Scoping Notice document refers to the Lodge as a concessioner in any context.

Further, the CE regulations continue by providing examples of the type of facilities where this exclusion is intended.<sup>5</sup> While some examples, like “constructing or reconstructing a parking area or trailhead,” apply to less substantial individual aspects of the Holland Lake Lodge proposal, the project taken as a whole to include 32 new buildings and extensive development would not fall into this CE.

We would appreciate an explanation from the Forest Service as to if concessioners permits and resort/marina special use permits are equivalent and how the proposal qualifies under 36 C.F.R. § 220.6(e)(22).

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<sup>2</sup> 36 C.F.R. § 220.6(e)(22).

<sup>3</sup> 16 U.S.C. 580d.

<sup>4</sup> 16 U.S.C. 497.

<sup>5</sup> 36 C.F.R. § 220.6(e)(22)(i–ix) (“Constructing, reconstructing, or expanding a toilet or shower facility; constructing or reconstructing a fishing pier, wildlife viewing platform, dock, or other constructed feature at a recreation site; installing or reconstructing a water or waste disposal system; constructing or reconstructing campsites; disposal of facilities at a recreation site; constructing or reconstructing a boat landing; replacing a chair lift at a ski area; constructing or reconstructing a parking area or trailhead; and reconstructing or expanding a recreation rental cabin”).



**B. Even if the proposal is eligible for a Categorical Exclusion, using one is not appropriate under the circumstances.**

However, even if the proposal is eligible for CE consideration as a concessioner, a CE is still inappropriate for a project of this scale. CEs are intended for projects which do not individually or cumulatively have a significant effect on the environment and therefore do not require full environmental analysis and additional public involvement.<sup>6</sup> “[CEs], by definition, are limited to situations where there is an insignificant or minor effect on the environment.”<sup>7</sup> To qualify for a CE, the Forest Service must take into account any extraordinary circumstances.<sup>8</sup> If an extraordinary circumstance is present, the Forest Service may only use a CE for the proposed project “if the agency determines that there are other circumstances that lessen the impacts or other conditions sufficient to avoid significant effects.”<sup>9</sup> The regulations list resource conditions that should be considered in determining whether an extraordinary circumstance exists, including the presence of federally listed endangered or threatened species, Forest Service sensitive species, critical habitat, flood plains, designated wilderness, and potential wilderness areas.<sup>10</sup>

The Holland Lake Lodge expansion proposal will have individual and cumulative environmental effects, and the project area and nearby lands likely contain all of the above extraordinary circumstances. Further, the Scoping Notice and Master Development Plan offer no other circumstances that would lessen the impacts or be sufficient to avoid significant effects. The permit area and nearby Forest Service lands are within lynx, grizzly bear, and bull trout habitats. Other listed species or Forest Service sensitive species may also be present in the area adjacent to the permit lands. The permitted property at issue and Holland Lake are in close proximity to the Bob Marshall Wilderness and Swan Front Recommended Wilderness areas. These are all extraordinary circumstances that would prohibit the use of a CE and require further environmental analysis of resource conditions.

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<sup>6</sup> 40 C.F.R. § 1508.4.

<sup>7</sup> *Sierra Club v. Bosworth*, 510 F.3d 1016, 1027 (9th Cir. 2007) (quoting *Alaska Ctr. For Env't v. U.S. Forest Serv.*, 189 F.3d 851, 859 (9th Cir. 1999)).

<sup>8</sup> 36 C.F.R. 220.6 (a), (b).

<sup>9</sup> 40 C.F.R. § 1501.4(b).

<sup>10</sup> 36 C.F.R. 220.6 (a), (b).



In addition to the above extraordinary circumstances, a full environmental analysis would examine other direct, indirect, and cumulative effects from the proposal.<sup>11</sup> The analysis must address potential impacts from the actual development as well as the change in operations. This would include considering, among other things, impacts regarding water quality, wilderness character, wildlife habitat, wetlands, increased visitor use and traffic, wildfire risk, and noise and visual changes. The Scoping Notice and Holland Lake Lodge Master Development Plan suggest that the lodge may change from being solely open in the summer to operating year-round.<sup>12</sup> Wild Montana would like to see any plans for winter operations and an analysis of how the change in operating conditions and visitor use may impact the area.

Therefore, we request that the Forest Service conduct a robust environmental analysis for this proposal. It is likely that an environmental assessment will conclude a full environmental impact statement is required for an expansion of this scale. Either an environmental assessment or environmental impact statement process will also allow for critical public engagement and transparency.

### **III. Forest-Wide Recreation Planning**

The Holland Lake Lodge expansion proposal provides an additional example of why the Forest Service must conduct forest-level recreation planning. Over the past few years, Wild Montana and our partners have seen a trend in increasing special use requests on the Flathead National Forest. We encourage the Forest Service to create a recreation plan and corresponding environmental impact statement for how the Forest Service will manage growing recreation concerns forest-wide. This would allow for comprehensive sustainable planning instead of a piecemeal approach which likely omits cumulative impacts.

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<sup>11</sup> 40 C.F.R. § 1508.1 (g).

<sup>12</sup> *Holland Lake Lodge Master Development Plan*, Forest Service (Apr. 15, 2022), at 11 (“Operating Season. Holland Lake Lodge will initially be operated during the summer season... However, all new buildings will be winterized in the anticipation that there may be sufficient demand to operate a winter season as well.”).



#### IV. Conclusion

Thank you for considering these comments. Holland Lake Lodge is a cherished part of Montana's history. Wild Montana is not necessarily opposed to improvements to the Lodge however, it is critical that the Forest Service conducts a rigorous environmental review analyzing all potential indirect, direct, and cumulative effects. Please keep us informed of any developments in this project, and do not hesitate to contact us if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "Maddy Munson".

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