October 6, 2022

To: Michele Mavor – Project Leader, <u>Michele.Mavor@usda.gov</u> CC: Kurt Steele – Flathead Forest Supervisor, <u>Kurtis.Steele@usda.gov</u> Chris Dowling – Swan Lake District Ranger, <u>Christopher.Dowling@usda.gov</u>

Comments Re: Holland Lake Lodge Facility Expansion Project

Project Leader Mavor:

I wish to incorporate by reference the comments submitted by the Center for Biological Diversity, Kristine Akland, and all comments submitted by the Alliance for the Wild Rockies, Michael Garrity. Also, please see attached questions that were submitted to you prior to October 4th meeting, but were not addressed at the meeting. I would like them submitted to the record. Thank you.

Dear Forest Supervisor Steele,

I am writing to add my name to the thousands of American people who are in OPPOSITION to the Holland Lake Lodge Facility and Expansion Project.

On October 4th at the Seeley Lake Public Meeting, I respectfully asked you a question, "Who do you work for?" You answered, "I work for the United States Forest Service."

Do you know why I asked you that question? I asked it because it appears that you are not working for the American people. It appears that you are working for a billion-dollar Utah-based Corporation that is attempting to not only defile and profit heavily off Montana's Public Lands, but to steal them as well. Are you and/or POWDR and/or HHL in compliance with the Federal Regulations Act? Please disclose any internal business dealings.

Please answer the following questions:

- Why is there a modular building on the HLL special use permitted land?
- It is in violation of the special use permit. Why has it not been ordered removed?
- Did you authorize it to be there?

On September 23, 2022, I sent the following email to Michele Mavor (project leader) and Chris Dowling (project contact). I never received a response. I am requesting a response to my inquiry.

Hello Mr. Dowling and Ms. Mavor,

Could you please provide me with the proper documentation regarding the Modular trailer that has been placed on the HHL forest-service leased land [special use permit]. It is my understanding that to have such a fixture put on this property that it would have to be permitted by the Forest Service and follow the guidelines of the lease [special use

permit] (which all other leaseholders in the area are required to follow their very strict leases).

If the trailer has not been permitted, then please provide me with an answer as to why it has not been ordered to be moved off the premises? Given that there is a state-wide outcry at the lack of transparency from the Forest Service on this project, it seems in the Forest Service best interest to shed some light onto this modular building, which is registered to a clear cutting operation and which has been confirmed to be housing/office space for construction employees and the tree-felling crew. Given also that the public only found out about this project on September 1st, and that it is under a highly-scrutinized public review process, and the trailer was registered in June, it seems that someone is jumping the gun?? Or has the Forest Service given this logging crew the thumbs up already? Without public knowledge? Without public review?

I look forward to your answers and your ability to shed some light on this very concerning situation. I also look forward to the trailer being removed should it not be permitted as it is in violation of the lease [special use permit].

I am also requesting a schedule of operations for the Logging and Land/Orchard clearing company that has been hired to cut down the 200+ publicly-owned trees. Due to it being Forest Service land, and this publicly-owned land being in your district, I imagine you are aware of that schedule.

- Supervisor Steele, why did you sign an amendment to the HLL special use permit on August 22nd, 2022, along with Christian Wohlfeil and Brian Stewart (President of Parks for POWDR)? You hadn't even notified the public yet about this project, and you were signing amendments to the permit? With an alleged new owner? Without public notice? Without a new permit? When I asked you this at the public meeting, your response was inadequate. You stated something to the effect of not being able to pay attention to everything that comes across your desk.
- This leads me to ask the question: Who owns Holland Lake Lodge?
- At the October 4th public meeting, USFS staff person, Molly, stated that Holland Lake Lodge "hadn't switched owners." In response to the outcry from the crowd, Christian Wohlfeil said that he didn't like to discuss percentages and reluctantly announced that he was "the majority shareholder".
- If Christian is majority shareholder as he states, then why is Brian Stewart (President of Parks for POWDR) signing amendments to the special use permit (on PUBLIC land) before the Public even knows about this expansion project and within the confines of a special use permit that is in obvious violation of its rules?
- Please see two attached public documents—business entity reports via the State of Montana.

- From these business entity reports, it does not appear that Christian is majority shareholder. In fact, the Director and Officer of HHL, Inc are POWDR executives Sibley and Brenwald. There are 5000 shares. It is stated that Christian is a shareholder of 100 of them.
- Who controls the business entity that holds term special use permit SWA456?
- HLL Inc's permit states that any change in control of the business entity "shall result in termination of this permit. The party acquiring control must submit an application for a special use permit. The Forest Service is not obligated to issue a new permit to the party who acquires control. The authorized officer (Forest Supervisor) shall determine whether the applicant meets requirements established by applicable federal regulations." The applicable federal regs are 36 CFR 251.54
- Permit page 3: H. It clearly states: This permit is not assignable or transferable.
- Why have you not terminated the Holland Lake Lodge special use permit? There are obvious violations. POWDR assuming control of Wohlfeil's special use permit through a smoke and mirrors show being the most glaring.
- In your initial scoping/notification letter you state, "all activities would occur within the existing 15 acre permitted area."
- The current Special Use Permit (dated 2017) is for 10.53 acres.
- The proposed project actually *expands* the HLL area by the lake and along the shoreline by 3.63 acres, increasing the Special Use Permit to 14.16 acres with an additional 5.22 acres set aside and planned for wastewater due to the project expansion, making the grand total of land requirements for the project to be 19.38 acres. (As per an April 11, 2022 map by WGM, which was never included in the MDP. Please see Attached overlay graphic by David Roberts for reference.)
- Why have you never told the public that this project requires 19.38 acres of land?
- How is the public even able to comment on this project when you are not providing them with factual information? Isn't this a violation of NEPA?
- Neither the Scoping documents nor Master Development Plan state ANY of these details. On those merits alone, this entire project should be rejected as it is in blatant violation of NEPA. The public has a right to know the facts regarding the land requirements of the MDP, its expansion of land use, and subsequent cumulative impacts of that expansion.
- This discrepancy has not been explained to the public and is not in the scoping package. Your agency has continually been referring to the current Special Use Permit as 15 acres, which is not accurate. Citizens deserve to be told factual information and therefore provided with enough time to further comment on this matter. Even today

citizens are adding public comments to the Forest Service site that reference a 15-acre site that does not exist. You need to start over and include ALL the facts.

- In an October 4th article by Joshua Murdock, it states,
 - "But Steele also admitted mistakes in handling the project. The current proposal covers about 15 acres under a Special Use Permit. Steele said he originally thought that was the same size as the lodge's existing permit and wouldn't be an expansion. He later realized that the lodge's current permit is for 10.53 acres, not 15. And with the inclusion of a wastewater facility POWDR would take over, the proposal balloons to about 19 acres nearly twice the current permit acreage. "We made a mistake and I'm here to own it," he said. "Come to find out it's only 10.53 acres."
- Why did you not know this? You have been given plenty of opportunity to respond to questions regarding this discrepancy in the weeks leading up to the comment deadline.
- I would like to add into my attachments for reference the public comments of David Roberts from both October 6 and October 7:

"A simple examination of the current Special Use Permit (SUP) reveals that the permit is 10.53 acres. The 15-acre number is in the application and has been repeatedly parroted to the public to create an untrue narrative. 15 acres exists nowhere. The applicant is apparently proposing to increase the area under the lease to 19.38 acres. The lakefront area is proposed to increase to 14.16 acres. This is documented on the Proposed Permit Area provided by WGM dated April 11, 2022. The proposed application should be rejected based on this factual misstatement alone. The incorrect current acreage has been repeated to the Public for 34 of the 37-day comment period."

"I urge you to reject the proposed Master Development Plan based on (1) incorrect information submitted by the applicant and (2) the U.S. Forest Service's continued sharing of misinformation to the public until the day before the comment period closed. Note the 15 acre confusion persists in comments added on the afternoon of 10/7/2022"

- At the October 4th Public Meeting, you were asked about the financials of POWDR—had you seen a business plan, what financially did the forest service stand to gain from this development, etc. Your response was inadequate. You said something to the effect of, 'I don't know anything about that yet'. How do you not know what a billion-dollar corporation stands to gain from tearing down historical buildings on public land to then build 32 new luxury ones? Aren't you the permitting officer?
- Why can no one from USFS/POWDR/HHI answer this question: What do you plan to do in the winter months? POWDR exec Hutchinson giggles when addressing these concerns and says there will be no chairlift, no helicopter. But on what land is she speaking? Does she mean on the special use permit? Well of course—there's not much room for that. But neither POWDER nor the Forest Service has ever commented or cleared any

misperception of a ski resort being built on adjacent forest service land. Why else would a billion dollar company invest tens of millions of dollars into Holland Lake Lodge? Not for the 5-dollar beers that Hutchinson promised the public.

- The public deserves a CLEAR ten to twenty-year business plan presented in detail from POWDR. How can the public even comment on this project without knowing POWDR's full-scale business intentions?
- Will POWDR be running this business in Four Seasons? I would like to know the exact projections of occupancy for the 365 days they plan to be open—this includes shoulder seasons.
- I would like to see the full Phase One/EA conducted by WGM on behalf of HHL/POWDR. The MDP states that it is available upon request. As of yet, it has never been made available even through multiple requests by the public.
- I would like to see a full wastewater plan based on the four-season occupancy of the proposed development, including shoulder seasons.
- I would like to see the Army Corp of Engineer's assessment of the wetlands near "honeymoon" point.
- I would like to see a full analysis as to the impacts this project will have on: Canada lynx, bull trout, grizzly bears, loons, and all endangered and threatened species.

As I write this, there are now 6,456 public comments submitted to your office since shortly after Labor Day when word began spreading about Holland Lake Lodge. You initially gave the American people 21 days to respond to a project (of this magnitude and at a beloved lake of high reverence) and which has been in your lap since October 2021 (according to the Holland Lake Lodge 2022 Operating Agreement—which is not available for viewing in the public scoping documents and should be made available to the public).

- Why did you not give the public more time to comment?
- According to September 7 article, "Flathead National Forest Supervisor Kurtis Steele indicated that he would probably use a categorical exclusion to approve the project, because the proposal involves construction on a recreation site that already has buildings on it."
- I request a full EIS. If not, then a full dismissal of this project.

In a September 7th news article in the Missoula Current, you are quoted as saying, "Public comment might not do much to change the project." And then in your September 14th extension notification, you state, "It is important for the public to understand that this process isn't a vote but that your voice does matter," says Kurt Steele. "I would like to be completely transparent through this entire process and the public input is important for me to hear before determining if this proposal is in the best interest of the American People."

Then again, at the Seeley Lake Public meeting on October 4, you emphatically stated to the crowd, "You matter." But when 20 people who had been waiting in line for over an hour weren't given the chance to speak because you shut the meeting down, people wondered if they really did matter. I listened as the woman who was next in line to speak, said to me, "He just told me I mattered, and then he ended the meeting just as it was my turn to ask my question." Tears were brimming in her eyes.

Does the public voice matter to you? How many of us, out of the close to 6500 public comments matter? You say that you are determining if this proposal is in the best interest of the American People. Which American People? Shouldn't those most impacted by this egregious violation of Montana's natural resources be the "American People" that matter the most?

In your scoping documents, you state there is a "NEED", but it is glaringly obvious from the thousands of public comments, that the greatest NEED is to leave the land alone. You have provided no alternatives as is required by you, and you have not offered the "do nothing" alternative. I request a full dismissal of this proposed project.

Mr. Wohlfeil says that to make the Lodge viable to another owner, this expansion must take place. That is a strawman's fallacy. The public is not responsible nor should the public bear the burden for Wohlfeil's poor business decisions. The Forest Service has in its capable hands the ability to return the lodge back to the public and fix what is required.

Please reference public comment by Kristine Akland of the Center for Biological Diversity: "To begin, there are two preliminary matters that must be addressed. First, a modular home or trailer appears to be parked on the Project area, seemingly in anticipation for construction or logging activities associated with the Project. However, no decision has been issued in regards to this Project and the current special use permit (SWA456) does not allow for the presence of additional housing, modular homes, or trailers on the site. Therefore, the current permit holder, Christian Wohlfeil, is in violation of the terms and conditions of the special use permit and thus the Forest Service must revoke and terminate the special use permit. Moreover, for the reasons set forth below, public interest requires the Forest Service to revoke the special use permit and purchase the current Holland Lake Lodge."

In conclusion, I am most concerned that you have not taken into account the interest of the public—most notably the people of Montana and the residents of the Seeley/Swan Valley. You have over 6000 voices in opposition. I stand with every one of them. This project is NOT in the interest of the public.

Please add my email addresses to your project mailing list.

Sincerely,

Cheri Thornton Helena, MT The United States Forest Service's mission:

Public comments that argue the proposed major expansion of Holland Lake Lodge is **NOT** in the public interest may cause the FNF Supervisor to reconsider his determination or at least explain it to the public.

Forest Service regulations for approving a special use permit (36 CFR 251.54(e)(5) require: "An authorized official shall **reject** any proposal if ... the officer determines that ... (ii) the proposed use is not in the public interest."

Has the Flathead National Forest Supervisor determined that a major expansion of Holland Lake Lodge is in the public interest? If so, what is the rationale for this determination? The overwhelming public opposition to the proposed major expansion, and the public concerns about specific potential environmental impacts, strongly suggest it is **NOT** in the public interest. While the proposed major expansion may be in the best interest of the HLL permit holder and POWDR, that does not mean it is in the best interest of the public.

While the proposed major expansion may partially meet an ever-increasing demand for resort accommodations and services, that does not mean that it is in the public interest. The proposed major expansion is **NOT** in the public interest because it will negatively impact many exceptional public values associated with the public lands of the Swan Valley and Holland Lake. The proposed major expansion of Holland Lake Lodge may significantly harm the extraordinary and increasingly rare values of the area, such as:

- the scenic beauty of the lake, its shoreline, and the surrounding landscape;
- an incredible assemblage of native wildlife species that, unlike nearly all other places in the lower 48, has persisted since the time of Lewis & Clark;
- near-pristine water quality;
- relatively secure habitat for threatened, sensitive, and declining species including Grizzlies, Canada Lynx, Fisher, Wolverine, Flammulated Owl, Pileated Woodpecker, and Goshawk;
- adjacent Wilderness areas and the Swan Front-Bud Moore Recommended Wilderness;
- nesting habitat for Common Loons;
- a disjunct population of Bull Trout severely threatened by habitat impairment and invasive Lake Trout; and
- opportunities to enjoy quiet and relative solitude in one of the most beautiful natural settings anywhere.

Diminishing these extraordinary, and increasingly rare, values, and forever changing the essence of one of Montana's special places - the public lands of the Swan Valley, is **NOT** in the public interest.