

## State Board of Land Commissioners Open Meeting Checklist

Meeting Date: February 19, 2019

### Regular Meetings

2/1/19	Notice of Meeting posted in prominent place in IDL's Boise Headquarters office five (5) or more calendar days before meeting.
2/1/19	Notice of Meeting posted in prominent place in IDL's Coeur d'Alene Headquarters office five (5) or more calendar days before meeting.
2/1/19	Notice of Meeting posted in prominent place at meeting location five (5) or more calendar days before meeting.
2/1/19	Notice of Meeting emailed/faxed to list of media and interested citizens who have requested such notice five (5) or more calendar days before meeting.
2/1/19	Notice of Meeting posted electronically on IDL's public website <a href="http://www.idl.idaho.gov">www.idl.idaho.gov</a> five (5) or more calendar days before meeting.
2/15/19	Agenda posted in prominent place in IDL's Boise Headquarters office forty-eight (48) hours before meeting.
2/15/19	Agenda posted in prominent place in IDL's Coeur d'Alene Headquarters office forty-eight (48) hours before meeting.
2/15/19	Agenda posted in prominent place at meeting location forty-eight (48) hours before meeting.
2/15/19	Agenda emailed/faxed to list of media and interested citizens who have requested such notice forty-eight (48) hours before meeting.
2/15/19	Agenda posted electronically on IDL's public website <a href="http://www.idl.idaho.gov">www.idl.idaho.gov</a> forty-eight (48) hours before meeting.
12/19/18	Annual meeting schedule posted – Director's Office, Boise and Staff Office, CDA and IDL's public website <a href="http://www.idl.idaho.gov">www.idl.idaho.gov</a>

### Special Meetings

	Notice of Meeting and Agenda posted in a prominent place in IDL's Boise Headquarters office twenty-four (24) hours before meeting.
	Notice of Meeting and Agenda posted in a prominent place in IDL's Coeur d'Alene Headquarters office twenty-four (24) hours before meeting.
	Notice of Meeting and Agenda posted at meeting location twenty-four (24) hours before meeting.
	Notice of Meeting and Agenda emailed/faxed to list of media and interested citizens who have requested such notice twenty-four (24) hours before meeting.
	Notice of Meeting and Agenda posted electronically on IDL's public website <a href="http://www.idl.idaho.gov">www.idl.idaho.gov</a> twenty-four (24) hours before meeting.
	Emergency situation exists – no advance Notice of Meeting or Agenda needed. "Emergency" defined in Idaho Code § 74-204(2).

### Executive Sessions *(If only an Executive Session will be held)*

	Notice of Meeting and Agenda posted in IDL's Boise Headquarters office twenty-four (24) hours before meeting.
	Notice of Meeting and Agenda posted in IDL's Coeur d'Alene Headquarters office twenty-four (24) hours before meeting.
	Notice of Meeting and Agenda emailed/faxed to list of media and interested citizens who have requested such notice twenty-four (24) hours before meeting.
	Notice of Meeting and Agenda posted electronically on IDL's public website <a href="http://www.idl.idaho.gov">www.idl.idaho.gov</a> twenty-four (24) hours before meeting.
	Notice contains reason for the executive session and the applicable provision of Idaho Code § 74-206 that authorizes the executive session.

*Renée Miller*

Recording Secretary

February 15, 2019

Date



## Idaho State Board of Land Commissioners

Brad Little, Governor and President of the Board

Lawrence E. Denney, Secretary of State

Lawrence G. Wasden, Attorney General

Brandon D Woolf, State Controller

Sherri Ybarra, Superintendent of Public Instruction

Dustin T. Miller, Secretary to the Board

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# NOTICE OF PUBLIC MEETING FEBRUARY 2019

The Idaho State Board of Land Commissioners will hold a Regular Meeting on Tuesday, February 19, 2019 in the **Boise City Council Chambers, Boise City Hall, 3rd Floor, 150 N. Capitol Blvd., Boise**. The meeting is scheduled to begin at 9:00 AM (Mountain).

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*Please note meeting location.*

*Directions: Enter City Hall from Capitol Blvd.; take the Capitol Boulevard elevators to the 3rd floor; Council Chambers are directly across from the elevators.*

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First Notice Posted: 2/1/2019-IDL Boise; 2/1/2019-IDL CDA

This notice is published pursuant to § 74-204 Idaho Code. For additional information regarding Idaho's Open Meeting law, please see Idaho Code §§ 74-201 through 74-208.



## Idaho State Board of Land Commissioners

Brad Little, Governor and President of the Board  
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State Board of Land Commissioners Regular Meeting  
February 19, 2019 – 9:00 AM (MT)  
Final Agenda  
Boise City Council Chambers, Boise City Hall, 3rd Floor, 150 N. Capitol Blvd., Boise

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***Please note meeting location.***

***Directions: Enter City Hall from Capitol Blvd.; take the Capitol Boulevard elevators to the 3rd floor; Council Chambers are directly across from the elevators***

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### 1. Department Report

#### Endowment Transactions

- A. Timber Sales – December 2018/January 2019
- B. Leases and Permits – December 2018/January 2019

#### Status Updates

- C. Land Bank Fund
- D. Legislative Summary
- E. Resource Protection and Assistance Bureau

### 2. Endowment Fund Investment Board Report – *Presented by Chris Anton, EFIB Manager of Investments*

- A. Manager's Report
- B. Investment Report

### Consent—Action Item(s)

- 3. **Proposed Stormwater Treatment Facility on City of McCall's Central Idaho Historical Museum Property** – *Staffed by Ryan Montoya, Bureau Chief-Real Estate Services, and Nathan Stewart, Public Works Director, City of McCall*
- 4. **Hancock Easement Transaction** – *Staffed by Lawson Tate, Program Manager-Right of Way*
- 5. **Approval of Minutes** – December 18, 2018 Regular Meeting (Boise)

### Regular—Action Item(s)

None

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State Board of Land Commissioners  
Final Agenda  
Regular Meeting (Boise) – February 19, 2019  
Page 1 of 2

## Information

### 6. Commercial Recreation Lease M500031, Request for Audience

*Testimony will be limited to 3 minutes per individual or group representative.*

*Interested persons must complete a sign-in sheet at the meeting.*

## Executive Session

- A. Idaho Code § 74-206(1)(f) - to communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated. [Topic Lease M500031]





# Idaho Statutes

## TITLE 74 TRANSPARENT AND ETHICAL GOVERNMENT

### CHAPTER 2 OPEN MEETINGS LAW

74-206. EXECUTIVE SESSIONS -- WHEN AUTHORIZED.[EFFECTIVE UNTIL JULY 1, 2020] (1) An executive session at which members of the public are excluded may be held, but only for the purposes and only in the manner set forth in this section. The motion to go into executive session shall identify the specific subsections of this section that authorize the executive session. There shall be a roll call vote on the motion and the vote shall be recorded in the minutes. An executive session shall be authorized by a two-thirds (2/3) vote of the governing body. An executive session may be held:

(a) To consider hiring a public officer, employee, staff member or individual agent, wherein the respective qualities of individuals are to be evaluated in order to fill a particular vacancy or need. This paragraph does not apply to filling a vacancy in an elective office or deliberations about staffing needs in general;

(b) To consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent, or public school student;

(c) To acquire an interest in real property which is not owned by a public agency;

(d) To consider records that are exempt from disclosure as provided in [chapter 1, title 74](#), Idaho Code;

(e) To consider preliminary negotiations involving matters of trade or commerce in which the governing body is in competition with governing bodies in other states or nations;

(f) To communicate with legal counsel for the public agency to discuss the legal ramifications of and legal options for pending litigation, or controversies not yet being litigated but imminently likely to be litigated. The mere presence of legal counsel at an executive session does not satisfy this requirement;

(g) By the commission of pardons and parole, as provided by law;

(h) By the custody review board of the Idaho department of juvenile corrections, as provided by law;

(i) To engage in communications with a representative of the public agency's risk manager or insurance provider to discuss the adjustment of a pending claim or prevention of a claim imminently likely to be filed. The mere presence of a representative of the public agency's risk manager or insurance provider at an executive session does not satisfy this requirement; or

(j) To consider labor contract matters authorized under section 67-2345A [\[74-206A\]](#)(1)(a) and (b), Idaho Code.

(2) The exceptions to the general policy in favor of open meetings stated in this section shall be narrowly construed. It shall be a violation of this act to change the subject within the executive session to one not identified within the motion to enter the executive session or to any topic for which an executive session is not provided.

(3) No executive session may be held for the purpose of taking any final action or making any final decision.

#### History:

[74-206, added 2015, ch. 140, sec. 5, p. 371; am. 2015, ch. 271, sec. 1, p. 1125.]

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**STATE BOARD OF LAND COMMISSIONERS**

February 19, 2019  
Endowment Transactions

**Timber Sales**

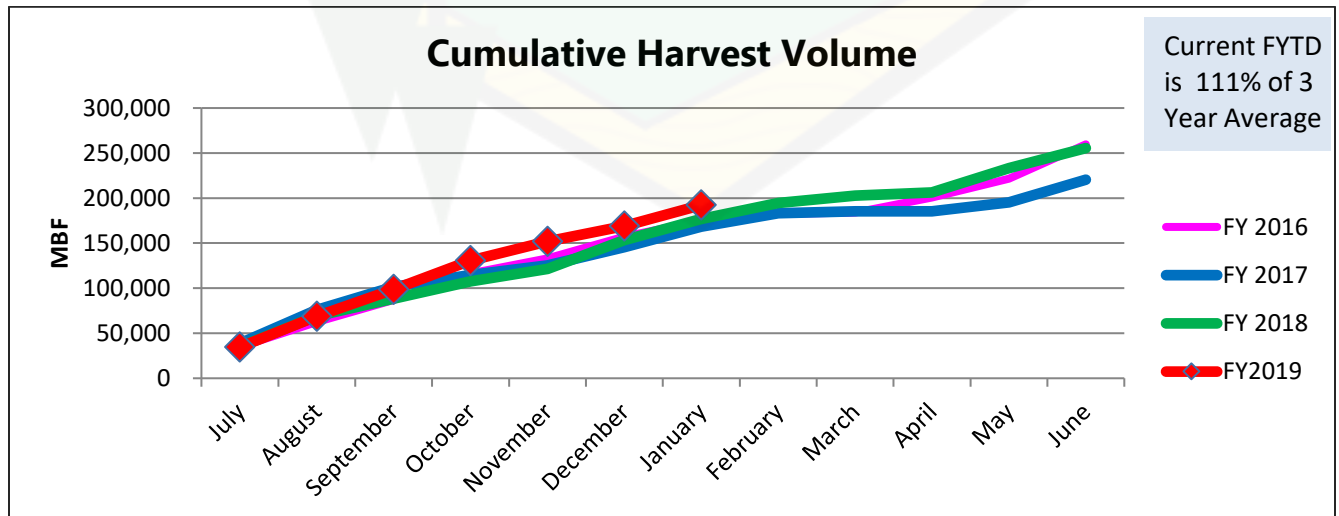
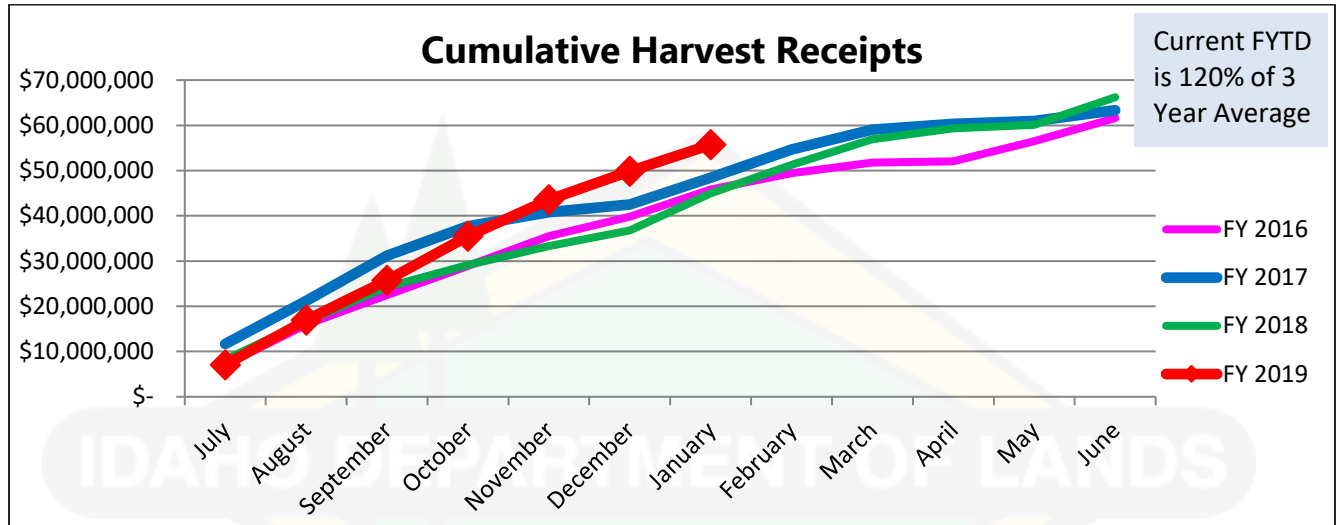
Due to soft lumber markets and full log yards, the Idaho Department of Lands did not sell any timber sales in December 2018 or January 2019. The Department sold the High Forks Ton GNA, located on the Boise National Forest, on February 4, 2019, for the gross appraised value of \$878,554.53. The successful bidder was IFG Timber LLC.

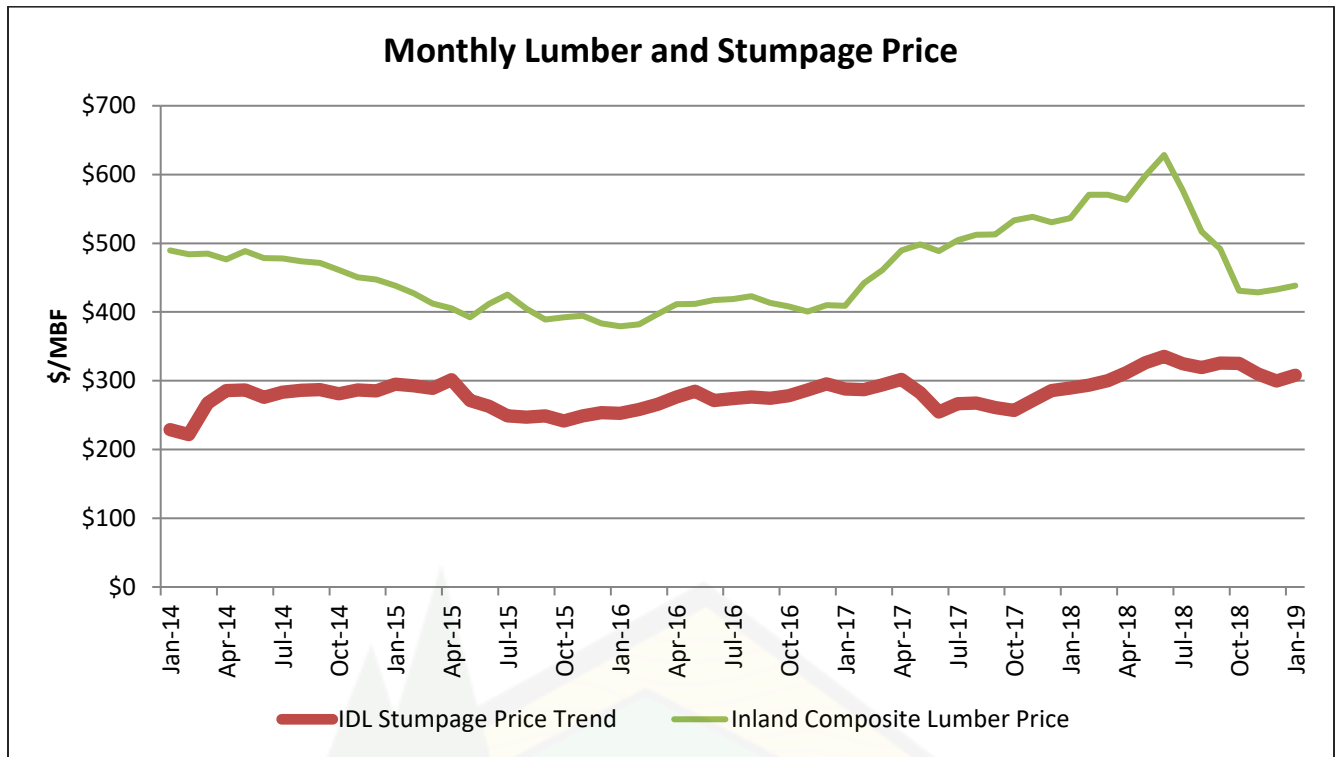
<b>PROPOSED TIMBER SALES FOR AUCTION</b>				
<b>North Operations</b>				
Sale Name	Volume MBF	Advertised Net Value	Area	Estimated Auction Date
Shot Gap	2,770	\$ 593,166	POL	2/25/2019
BK Broiler	2,215	\$ 372,804	POL	2/25/2019
Smith West Ton	2,250	\$ 501,802	POL	3/4/2019
Westwood	3,220	\$ 614,108	MICA	3/7/2019

<b>VOLUME UNDER CONTRACT as of January 31, 2019</b>			
	<b>Total</b>	<b>Public School</b>	<b>Pooled</b>
Active Contracts	162		
Estimated residual volume (MBF)	387,267	241,625	145,642
Estimated residual length (LF)	233,945	233,945	0
Estimated residual weight (Ton)	506,576	340,217	166,359
Total Residual MBF Equivalent	480,748	304,748	175,999
Estimated residual value	\$ 145,906,886	\$ 91,985,844	\$ 53,921,042
Residual Unit Value (\$/MBF)	\$ 303.50	\$ 301.84	\$ 306.37

<b>TIMBER HARVEST RECEIPTS</b>					
	<b>January</b>		<b>FY to date</b>	<b>February Projected</b>	
	<b>Stumpage</b>	<b>Interest</b>	<b>Harvest Receipts</b>	<b>Stumpage</b>	<b>Interest</b>
<b>Public School</b>	\$ 2,827,166.02	\$ 284,595.10	\$ 30,575,451.34	\$ 2,861,486.48	\$ 313,127.38
<b>Pooled</b>	\$ 2,481,631.87	\$ 261,436.37	\$ 25,140,967.83	\$ 3,115,587.63	\$ 365,121.54
<b>General Fund</b>	\$ 0.15	\$ 0.00	\$ 690.07	\$ 0.15	\$ 0.00
<b>TOTALS</b>	\$ 5,308,798.04	\$ 546,031.47	\$ 55,717,109.24	\$ 5,977,074.26	\$ 678,248.92

STATUS OF FY 2019 TIMBER SALE PROGRAM						
	MBF Sawlog			Number Poles		
	Public School	Pooled	All Endowments	Public School	Pooled	All Endowments
Sold as of January 31, 2019	65,029	42,693	107,721	5,191	7,947	13,138
Currently Advertised	6,311	924	7,235	0	0	0
In Review	18,925	9,280	28,205	0	3,000	3,000
Did Not Sell	9,224	7,736	16,960	0	0	0
<b>TOTALS</b>	99,489	60,633	160,121	5,191	10,947	16,138
FY-2019 Sales Plan			256,000			20,000
Percent to Date			63%			81%





IDL Stumpage Price Line is a 6 month rolling average of the net sale price.



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# STATE BOARD OF LAND COMMISSIONERS

February 19, 2019  
Endowment Transactions

## Leases and Permits

During December and January, 44 grazing leases were issued that expired during 2018 and went through the application process for a new lease. The December military lease authorizes Idaho Army National Guard to operate military vehicles on endowment land near Mountain Home. Two recreational leases were issued in the Payette Lakes Area, one for buildings that support the Middle Fork Lodge and a second to Idaho Fish & Game for a Boy Scout fishing pond. The third recreational lease issued in December is for the operation of the Shoshone Ice Caves located along Hwy 75 north of Shoshone.

<b>FISCAL YEAR 2019 – LEASING &amp; PERMITTING TRANSACTIONS BY MONTH – through January 31, 2019</b>													
ACTIVITY	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD
<b>SURFACE</b>													
Agriculture	-	-	-	-	2	-	1						3
• <i>Assignments</i>	-	-	1	-	-	-	-						1
Communication Sites	1	1	1	1	-	-	-						4
• <i>Assignments</i>	-	1	-	1	-	-	-						2
Grazing	2	10	1	11	51	26	18						119
• <i>Assignments</i>	-	2	1	2	-	1	1						7
Residential	-	1	2	1	3	-	-						7
• <i>Assignments</i>	1	1	-	-	3	-	-						5
Alternative Energy	-	-	-	-	-	-	-						0
Industrial	-	-	-	-	1		-						1
Military	2	-	-	-	-	1	-						3
Office/Retail	-	-	-	-	-	-	-						0
• <i>Assignments</i>	1	-	-	-	-	-	-						1
Recreation	-	-	-	-	-	3	-						3
• <i>Assignments</i>	-	-	-	-	-	1	-						1
Conservation	1	-	-	1	-	1	-						3
Geothermal	-	-	-	-	-	-	-						0
Minerals	-	-	7	6	-	2	2						17
• <i>Assignments</i>	-	-	1	-	-	-	-						1
• <i>Exploration</i>	5	-	-	-	3	-	-						8
Non-Commercial Recreation	-	-	-	-	-	-	-						0
Oil & Gas	-	-	-	-	-	-	-						0
Land Use Permits	6	8	7	5	-	-	4						30
<b>TOTAL INSTRUMENTS</b>	<b>19</b>	<b>24</b>	<b>21</b>	<b>28</b>	<b>63</b>	<b>35</b>	<b>26</b>						<b>216</b>

## Real Estate

The Idaho Department of Lands (IDL) acquired 14 deeds in the months of December and January. The deeds acquired in December were the result of IDL's acquisition of the Molpus and Walton properties. The acquisitions total 32,273 acres of timberland. In January, IDL closed on the purchase of 33 acres of land adjacent to the endowment property west of the Triumph Mine's lower tailing pile. Purchasing this property gives IDL options to address environmental concerns associated with the Triumph Mine. Four easements were issued in January. Three of the four were submerged land easements and one easement was granted for a driveway into private property.

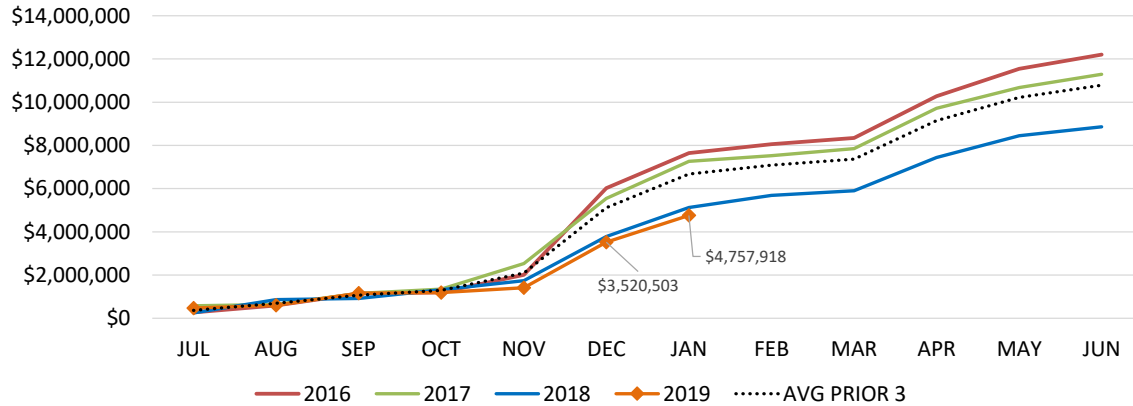
FISCAL YEAR 2019 – REAL ESTATE TRANSACTIONS BY MONTH – through January 31, 2019													
ACTIVITY	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	YTD
Deeds Acquired	1	-	-	-	-	13	1						15
Deeds Granted	8	1	14	30	6	-	-						59
Deeds Granted - Surplus	-	-	-	-	1	-	-						1
Easements Acquired	-	-	2	-	-	-	-						2
Easements Granted	1	1	2	-	-	-	4						8

LANDS AND WATERWAYS DIVISION 2019 FYTD GROSS REVENUE through January 31, 2019	
ACTIVITY	REVENUE
<b>SURFACE</b>	
Agriculture	\$343,277
Communication Sites	\$850,457
Grazing	\$330,103
Residential	\$1,190,859
<b>COMMERCIAL</b>	
Alternative Energy	\$18,448
Industrial	\$87,869
Military	\$98,346
Office/Retail	\$810,416
Recreation	\$371,084
<b>OTHER</b>	
Conservation	\$175,240
Geothermal	\$5,120
Minerals	\$38,613
Non-Commercial Recreation	\$96,288
Oil & Gas	\$6,375
RE/Buyer's Premium	\$335,423
<b>TOTAL FYTD REVENUE</b>	<b>\$4,757,918</b>



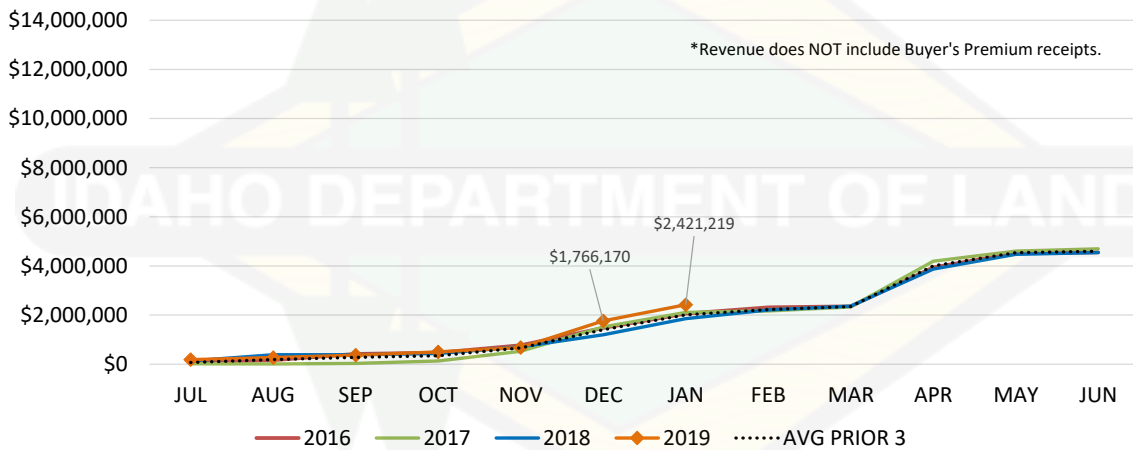
Cumulative L&W Program Receipts - Earnings Reserve  
ALL PROGRAMS  
FY16 - FYTD19

Current FYTD is  
71% of 3 Year  
Average



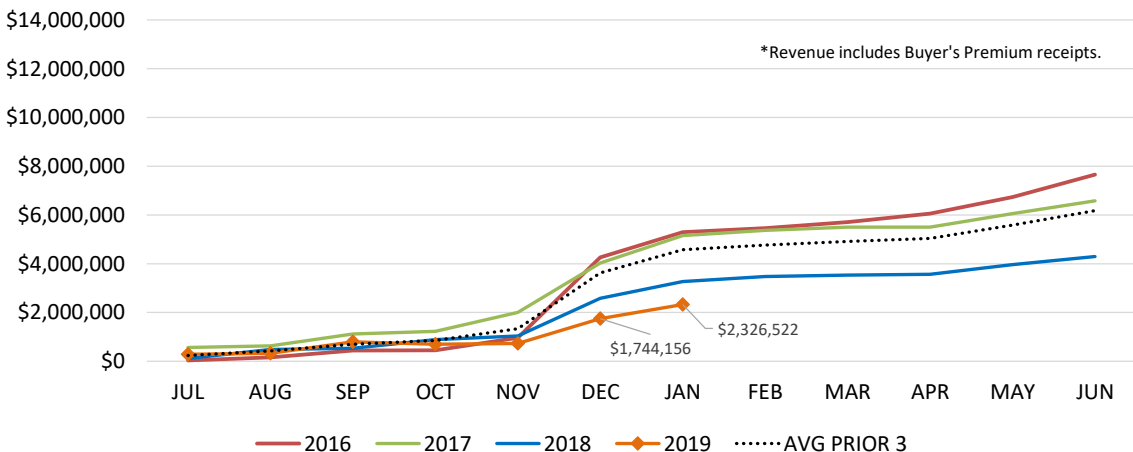
Cumulative L&W Program Receipts - Earnings Reserve  
NO COMMERCIAL RETAIL OR RESIDENTIAL REVENUE\* INCLUDED  
FY16 - FYTD19

\*Revenue does NOT include Buyer's Premium receipts.

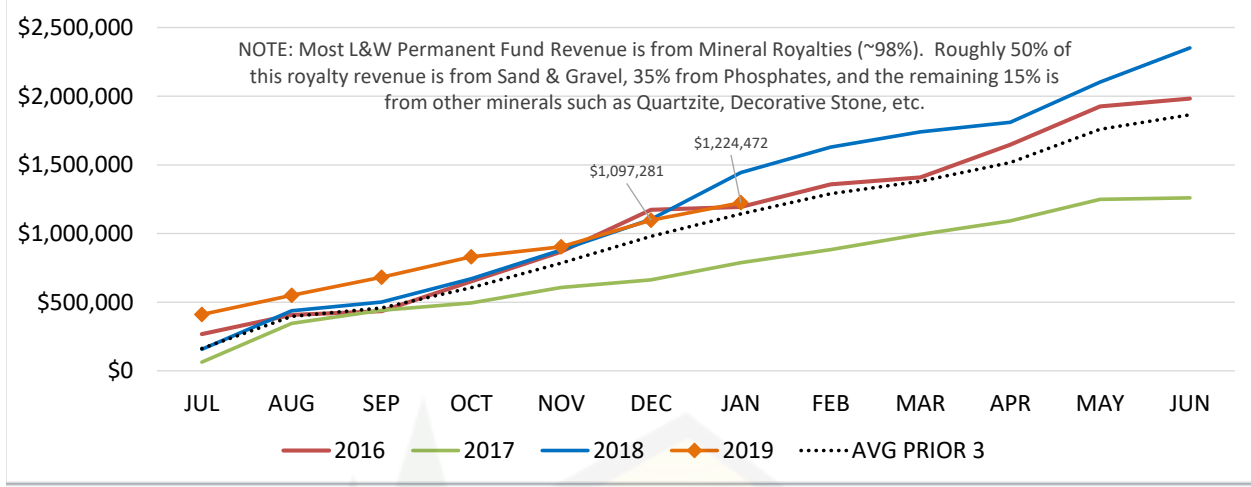


Cumulative L&W Program Receipts - Earnings Reserve  
ONLY COMMERCIAL RETAIL AND RESIDENTIAL REVENUE\* INCLUDED  
FY16 - FYTD19

\*Revenue includes Buyer's Premium receipts.



**Cumulative L&W Permanent Fund Revenue/Royalties**  
 (Does NOT include Land Bank Revenue)  
 FY16 - FYTD19



**STATE BOARD OF LAND COMMISSIONERS**

February 19, 2019

<b>LAND BANK AGING REPORT</b>						
<b>Current Remaining Principal Balance By Quarter Received - as of December 31, 2018</b>						
<b>FY Quarter IN</b>	<b>Public School</b>	<b>Normal Schools</b>	<b>State Hospital South</b>	<b>University of Idaho</b>	<b>All Endowments</b>	<b>FY Quarter EXPIRES</b>
2017-02	\$ 3,161,364	\$ 2,161,239	\$ 9,515,432	\$ -	\$ 14,838,035	2022-02
2017-03	\$ 5,766,250	\$ 10,431,970	\$ 1,593,780	\$ -	\$ 17,792,000	2022-03
2017-04	\$ -	\$ 25,100	\$ -	\$ -	\$ 25,100	2022-04
2018-01	\$ -	\$ 3,331,000	\$ 4,439,000	\$ -	\$ 7,770,000	2023-01
2018-02	\$ 27,869,832	\$ -	\$ 125,500	\$ -	\$ 27,995,332	2023-02
2018-03	\$ -	\$ 2,000,712	\$ 829,888	\$ 5,659,400	\$ 8,490,000	2023-03
2018-04	\$ 10,500	\$ -	\$ -	\$ -	\$ 10,500	2023-04
2019-01		\$ 2,428,000	\$ 1,442,000		\$ 3,870,000	2024-01
2019-02	\$ 25,136,124				\$ 25,136,124	2024-02
<b>TOTAL PRINCIPAL REMAINING</b>	<b>\$ 61,944,070</b>	<b>\$ 20,378,021</b>	<b>\$ 17,945,600</b>	<b>\$ 5,659,400</b>	<b>\$ 105,927,091</b>	

<b>LAND BANK CASH BALANCE (with Interest)</b>	<b>\$ 64,071,809</b>	<b>\$ 20,928,112</b>	<b>\$ 18,628,570</b>	<b>\$ 5,746,713</b>	<b>\$ 109,375,204</b>
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## STATE BOARD OF LAND COMMISSIONERS

February 19, 2019  
2019 Legislative Summary

Status of legislation monitored by the Department of Lands

### **IDL Pending Rules**

[IDAPA 20.03.01–Dredge and Placer Mining Operations in Idaho](#). Allows submission of documents electronically; adds new abbreviations; and references water quality standards.

**Status:** House Resources and Conservation Committee - Approved; Senate Resources and Environment Committee - Approved.

[IDAPA 20.03.02–Rules Governing Exploration, Surface Mining, and Closure of Cyanidation Facilities](#). Deletes outdated bonding requirements; increases maximum reclamation bond amount to \$15,000 per acre to match statute; and requires operators within the 100-year floodplain to describe measures to be implemented to keep surface waters from entering mining operations.

**Status:** House Resources and Conservation Committee - Approved; Senate Resources and Environment Committee - Approved.

[IDAPA 20.03.04–Rules for the Regulation of Beds, Waters, and Airspace Over Navigable Lakes in the State of Idaho](#). Allows submission of documents electronically; allows existing permitted boat garages to be maintained or replaced at their current size and height; requires float homes to comply with the 2003 Uniform Plumbing Code and the 2008 National Electrical Code; requires that a notice of application for non-navigational encroachments be published in the local newspaper; and clarifies that the Department shall provide notice to anyone who may be in violation of the rules.

**Status:** House Resources and Conservation Committee - Approved; Senate Resources and Environment Committee - Approved.

[IDAPA 20.04.01–Rules Pertaining to Forest Fire Protection](#). Implements new fire protection standards for forest operation activities on forest lands to include on-site water supply, fire watch service, and operation area fire prevention practices.

**Status:** House Resources and Conservation Committee - Approved; Senate Resources and Environment Committee - Approved.

## **IDL Legislation**

### **Budget**

IDL and EFIB budget presentations were before JFAC on Friday, February 1.

**Status:** JFAC budget setting for EFIB is Tuesday, February 19; budget setting for IDL is Tuesday, February 26.

### **Forest Practices Act**

[H0044–Forest Practices Act Administration](#) – Amends existing law to increase the Forest Practices assessment cap from \$0.10 an acre per year to \$0.20 an acre per year. The assessment rate is set by the Land Board.

**Status:** House passed 44-26-0. Senate Third Reading.

### **Other Legislation Being Monitored**

#### **Administrative Rules**

[H0073–Division of Financial Management](#) – Amends existing law to establish the Office of the Administrative Rules Coordinator in the Division of Financial Management.

**Status:** House Third Reading.

[H0100–Administrative Rules](#) – Amends existing law to require that all pending administrative rules shall be affirmatively approved by both the House of Representatives and the Senate, via a concurrent resolution.

**Status:** House passed 53-16-1. Senate State Affairs Committee.

#### **Off-Highway Vehicles**

[H0074–Recreational Activities](#) – Amends and adds to existing law to clarify that any person may obtain a certificate of number for a snowmobile or off-highway vehicle so long as the person has lawful possession of the machine; to provide that an accident occurring off-road and resulting only in property damage to the user's own property need not be reported to law enforcement; to impose a \$22.50 fee for off-highway vehicles used for commercial (rental) purposes; to allow use of motorbike funds to purchase public access recreation rights on private lands; and to allow the sale of a 2-year sticker, or certificate of number, for snowmobiles and off-highway vehicles.

**Status:** House Transportation and Defense Committee.

[H0075–Recreational Activities](#) – Amends existing law to impose a \$12.00 sticker fee upon non-residents for OHV off-road travel in Idaho.

**Status:** House Transportation and Defense Committee.

[H0090–Recreational Activities](#) – Amends existing law to revise the definitions of "ATV" and "UTV."

**Status:** House Third Reading.

## **Lands**

[H0092–Forest Land Annexation](#) – Amends existing law to prevent land actively devoted to forestry from being annexed without the express written permission of the owner.

**Status:** House Local Government Committee.

[H0104–Federal Land Rights-of-Way](#) – Amends existing law to revise provisions regarding federal land rights-of-way.

**Status:** House Transportation and Defense Committee.

[H0162–Federal Lands](#) – Adds to existing law to provide for the Idaho Council on Federal Lands.

**Status:** House State Affairs Committee.

[HJM005–Federal Lands, Selling](#) – Stating findings of the Legislature and urging Congress to enact federal legislation to require that when private lands are exchanged, purchased, or transferred to the federal government that other federal lands within the county must be sold.

**Status:** House Resources and Conservation Committee.

[S1089–Fish and Game](#) – Amends existing law to add a civil remedy to address violations of intentional access obstruction (i.e. private gates on public roads), to ensure public access while addressing law enforcement constraints.

**Status:** Senate Resources and Environment Committee.

## **Mining**

[H0141–Mines](#) – Amends existing law to more accurately reflect current industry and regulatory practices, including surface impacts of underground mines and actual cost estimation of reclamation and related environmental activities. It includes updating financial assurance methods, requiring financial assurance for reclamation and long-term post closure management activities, requiring reclamation plan and financial assurance reviews, and ensuring that there will be no duplication in financial assurances between government agencies.

**Status:** House Resources and Conservation Committee.

## Miscellaneous

[H0111–Aquatic Resources](#) – Amends existing law to provide compensatory mitigation for impacts on aquatics resources.

**Status:** House Resources and Conservation Committee.

[H0142–Bear Lake](#) – Adds to existing law to provide for lands and water at Bear Lake. This would be a new section in Idaho Code 67-4313. It recognizes the Bear River Compact and the right that Idaho has to use and develop additional water from the Bear River drainage.

**Status:** House Resources and Conservation Committee.

[HCR012–Natural Resource Issues-Study](#) – Stating findings of the Legislature and authorizing the Legislative Council to appoint a committee to undertake and complete a study of natural resource issues. This legislation would authorize the Legislative Council to continue an interim committee to undertake studies of natural resource issues, particularly the water resources of the state.

**Status:** House Resources and Conservation Committee.

[S1045–Correctional Industries](#) – Amends existing law to provide for inmate trainee participation in Idaho Correctional Industries Training Programs; to provide for stipends; and to provide for contracts for agricultural training programs for inmate trainees.

**Status:** Senate Third Reading.



# STATE BOARD OF LAND COMMISSIONERS

February 19, 2019

## Resource Protection and Assistance Bureau Biannual Report

The Resource Protection and Assistance (RPA) Bureau houses the non-endowment regulatory functions within the Division of Lands and Waterways. This includes the Public Trust Program that administers mostly lake encroachment permits and submerged lands leases, and the Minerals Program that administers the surface mining reclamation plans, dredge and placer permits, and abandoned mine land projects. The Public Trust Program is self-supported through a dedicated account, and the Minerals Program is supported through a mixture of general fund and dedicated fund sources.

### Public Trust Program

#### PAST 6-MONTH HIGHLIGHTS

- **Instrument Activity.** Instruments issued FY2014 through first half FY2019:

Table 1: Public Trust Historical Instrument Numbers						
Instrument Type	2014	2015	2016	2017	2018	2019
Encroachment Permits Issued	208	282	327	289	338	139
Active Submerged Land Leases	182	179	185	192	180	152
New Submerged Land Leases	12	26	11	8	36	35
Active Riverbed Mineral Leases	4	3	2	2	2	2
New Riverbed Mineral Leases	0	0	1	0	0	0
Active Exploration Locations	14	10	2	3	4	2
New Exploration Locations	0	2	0	1	2	1
New Submerged Land Easements	13	11	27	6	2	3
New Disclaimers of Interest	9	2	2	1	3	0

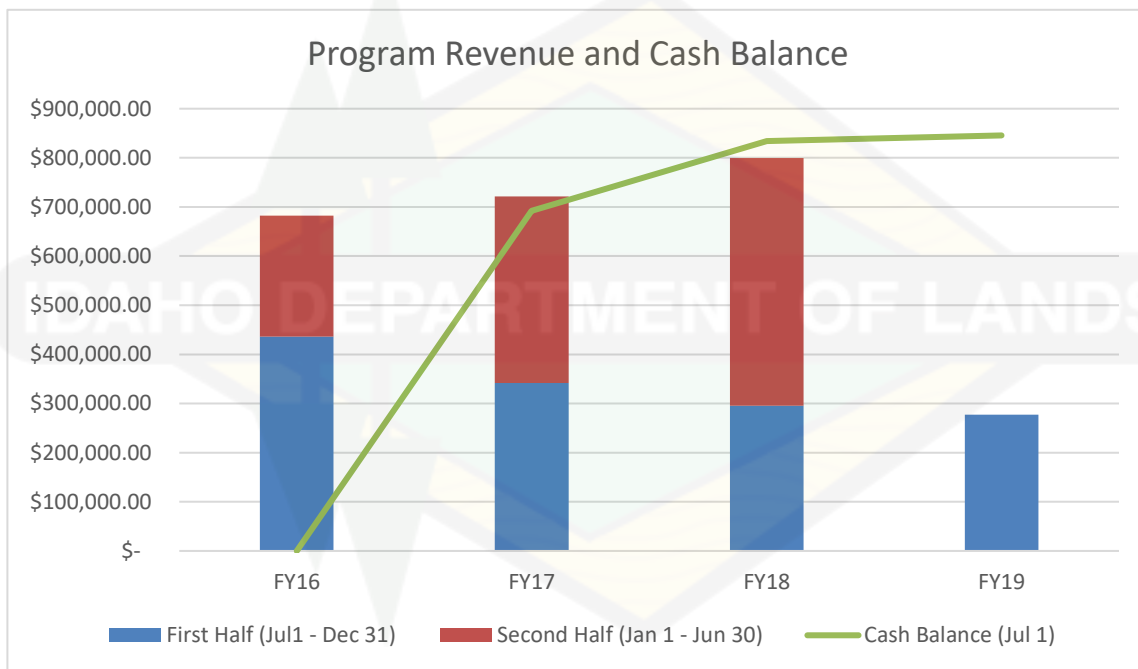
- **Negotiated Rulemaking.** In July 2018, the Department concluded negotiated rulemaking on IDAPA 20.03.04. The House Resources and Conservation Committee and the Senate Resources and Environment Committee approved the pending rule.
- **Buoys on the Spokane River.** Department staff conducted an inspection of the Spokane River on August 30, 2018, and found that all 16 waterfront owners who received a notice of noncompliance had removed their buoys from the river.
- **Administrative Hearings.** The Department held two contested case hearings on encroachment permit applications. One resulted in an order approving the

application in part and the other was dismissed at the applicant's request. Two additional hearings were initiated, but were then vacated prior to the hearings.

#### NEXT SIX MONTHS

- **Administrative Hearings.** Currently, three hearings have been ordered and are expected to be held during the first half of this year.
- **Hearing Process.** The Department will review the hearing process and attempt to simplify it.
- **Budget Analysis.** The Department will explore ways to increase program revenue and more efficiently use program resources. Approximately 75% of revenue comes from submerged lands leases, and permit fees make up most of the remaining revenue.

#### FINANCIAL UPDATE



### Regulatory Minerals Program

#### PAST 6-MONTH HIGHLIGHTS

- **Large Mine Reviews.** Participation continues for the Stibnite Gold Project Environmental Impact Statement (EIS) in the Payette Lakes Area. Baseline data and analysis are still being provided to the agencies while alternatives and potential effects are being drafted. Bond reviews continue for the Thompson Creek Mine in the Eastern Area. Draft EIS's were issued for the Dairy Syncline (comments due 2/13/2019), East Smoky Amendment (comments submitted 12/12/2018), and the

Caldwell Canyon (comments submitted 1/7/2019) phosphate mines in the Eastern Area.

- **Bond Audit.** An internal audit of bond amounts and disturbance is ongoing. This information will be used to update our database, identify mines that need bond updates, and model a potential expansion of participation in the Bond Assurance Fund (BAF).
- **Negotiated Rulemaking for IDAPA 20.03.01 and 20.03.02.** Proposed rules are being presented before the 2019 legislature.
- **Abandoned Mine Land Projects.** Closure of three adits and mine debris removal at the East Hypothek Mine near an RV campground south of Pinehurst, and closure of a shaft at the Afterthought Mine east of Silver City.

#### LOOKING FORWARD

- **Negotiated Rulemaking for IDAPA 20.03.03.** Develop recommendation for potential changes to the Bond Assurance Fund rules, and present to the Land Board. If approved, proceed with negotiated rulemaking.
- **Landfolio Planning.** Modules will be developed for Abandoned Mine Land (AML) projects, surface mining, and dredge and placer mining.
- **Draft Business Plan.** Needed to establish priorities and identify program needs.
- **Develop Procedures for ITD and County Review of Reclamation Plans.** The Department currently oversees approximately 600 Reclamation Plans that are held by Idaho Counties or the Idaho Transportation Department. The Department is developing procedures for Landfolio to ensure regulation of these permits while avoiding duplicative efforts by government employees.
- **Garfield Bay Abandoned Mine Land Project.** Contract issued last fall to close 2 adits and one shaft, but construction will wait until lake levels and weather permits construction.
- **Two Abandoned Mine Land Projects in Development.** Contracts are being written for two mine openings in the Silver Valley, and nine mine openings in the Gilmore District of Lemhi County.

#### TOTAL PERMITS AND BONDING

The Department currently regulates 1,554 mine sites covered by reclamation plans and 26 covered by a dredge and placer permit. The mines are presented in Table 3 by area and category, and Table 4 has historical plan numbers.

Table 3: Current Mine Permit Categories by IDL Supervisory Area				
IDL Area	Sand and Gravel Mines (IDAPA 20.03.02.069)	Hardrock, Phosphate & Complex Industrial (IDAPA 20.03.02.070)	Cyanidation Mines (IDAPA 20.03.02.071)	Dredge and Placer Permits (IDAPA 20.03.01)
Clearwater	33	-	-	-
Eastern	717	21	-	1
Maggie Creek	65	1	-	2
Mica	33	-	-	7
Payette Lakes	110	2	-	2
Pend Oreille Lake	138	-	-	-
Ponderosa	55	2	-	-
Priest Lake	17	-	-	-
Southwest	294	2	-	1
St. Joe	64	-	-	13
<b>TOTAL</b>	<b>1,526</b>	<b>28</b>	<b>-</b>	<b>26</b>

Table 4: Regulatory Minerals Historical Instrument Numbers								
Instrument Type	2012	2013	2014	2015	2016	2017	2018	2019**
<b>Surface Mining</b>								
New Reclamation Plans	36	20	20	25	36	24	18	23
Retirements	23	7	17	14	36	15	22	9
Total Reclamation Plans	1,496	1,536	1,537	1,528	1,530	1,542	1,540	1,554
<b>Dredge and Placer</b>								
New/Amended Dredge and Placer Permits	4	1	0	1	3	3	1	0
Retirements	-	-	-	-	-	2	0	1
Total Dredge and Placer Permits	24	25	25	25	25	26	27	26
<b>Note:</b> Inspections, Amendments, and Non-compliance are not currently tracked but will be with the implementation of the Land Information Management System (LIMS) **Results reported through first half of FY 2019								

For reclamation plans and dredge and placer permits, operators are eligible to provide bonding through traditional methods or the BAF. Tables 5 and 6 list the acres and bond amounts currently in place for different types of mining operations. Created in 2006, the BAF provides another reclamation bonding option for small operators. Participation in the BAF is limited to disturbance equivalent to 40 acres or \$100,000 in liability. This is a dedicated account with revenue from annual fees of approximately \$140,000 per year. Billings are mailed in September with a November 1 due date. Table 7 has revenue from the 2018

billing. Figure 1 illustrates the revenue, expenditures, and balance for this fund.

<b>Table 5: Bonding for Sand and Gravel, Light Industrial, and Placer Permits</b>								
	<b>Reclamation Plans (IDAPA 20.03.02.069)</b>				<b>Dredge and Placer Permits (IDAPA 20.03.01)</b>			
	<b>Plans</b>	<b>Acres</b>	<b>Total Bond</b>	<b>Bond/Acre</b>	<b>Permits</b>	<b>Acres</b>	<b>Total Bond</b>	<b>Bond/Acre</b>
Traditional Bond <sup>1</sup>	312	15,895	\$11.8 Million	\$742	22	861	\$941K	\$1,093
Bond Assurance Fund	620	31,815	n/a	n/a	8	241	n/a	n/a

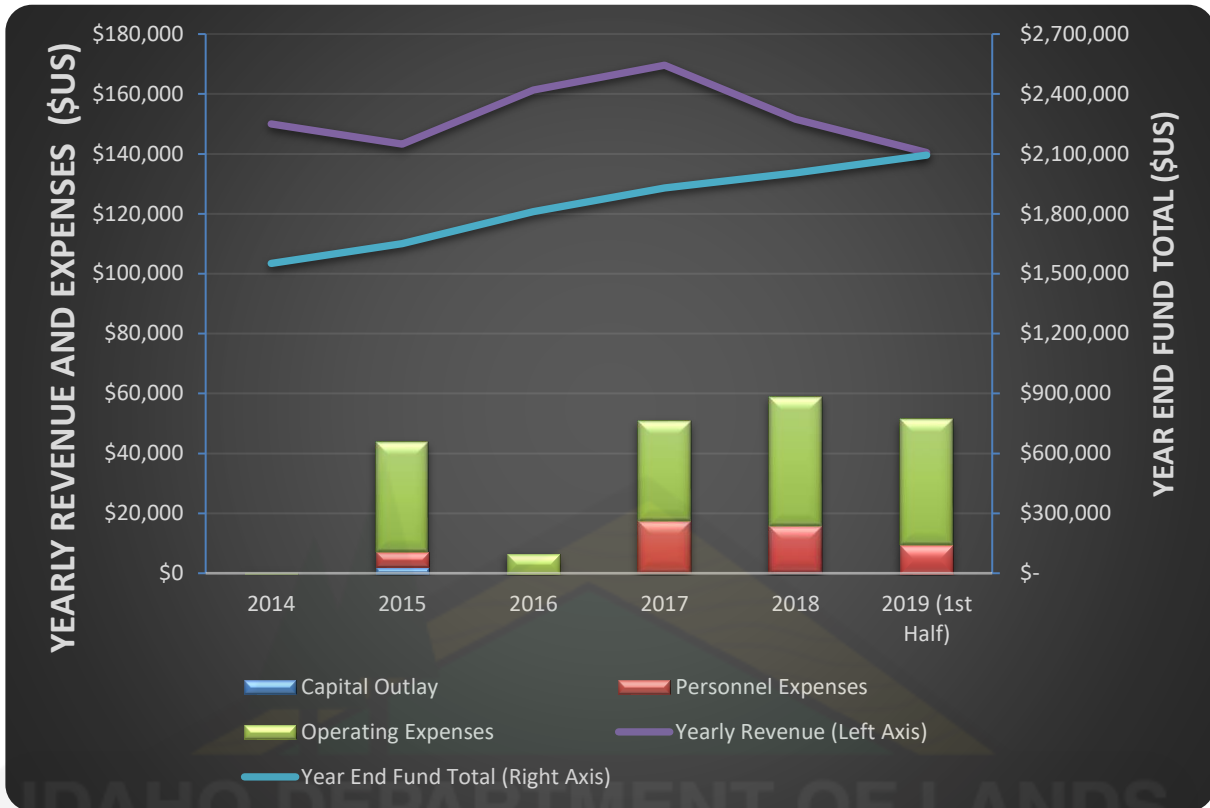
<sup>1</sup> Surety Bond, Letter of Credit, Certificate of Deposit, or Cash

<b>Table 6: Bonding for Hardrock, Phosphate &amp; Complex Industrial</b>				
	<b>Reclamation Plans (IDAPA 20.03.02.070)</b>			
	<b>Permits</b>	<b>Permitted Acres</b>	<b>Total Bond</b>	<b>Bond/Acre</b>
Traditional Bond <sup>1</sup>	28	18,981	\$101 Million	\$5,373

<sup>1</sup> Surety Bond, Letter of Credit, Certificate of Deposit, or Cash

<b>Table 7: Bond Assurance Fund 2018 Billing</b>			
<b>Disturbance (ACRES)</b>	<b>Annual Fee (\$)</b>	<b>Total</b>	<b>Total Annual Fee (\$)</b>
Mineral Leases	\$100	2	\$200
2 acres or less	\$100	176	\$17,440
> 2 acres ≤ 5 acres	\$200	175	\$34,645
> 5 acres ≤ 10 acres	\$250	130	\$31,745
> 10 acres ≤ 15 acres	\$300	71	\$20,025
> 15 acres ≤ 20 acres	\$350	30	\$10,200
> 20 acres ≤ 25 acres	\$400	26	\$9,330
> 25 acres ≤ 30 acres	\$450	15	\$6,800
> 30 acres ≤ 35 acres	\$500	12	\$5,600
> 35 acres ≤ 40 acres	\$550	9	\$4,450
<b>TOTAL</b>		<b>646</b>	<b>\$140,435</b>

**Figure 1: Bond Assurance Fund - Revenue, Expenditures, and Fund Balance**



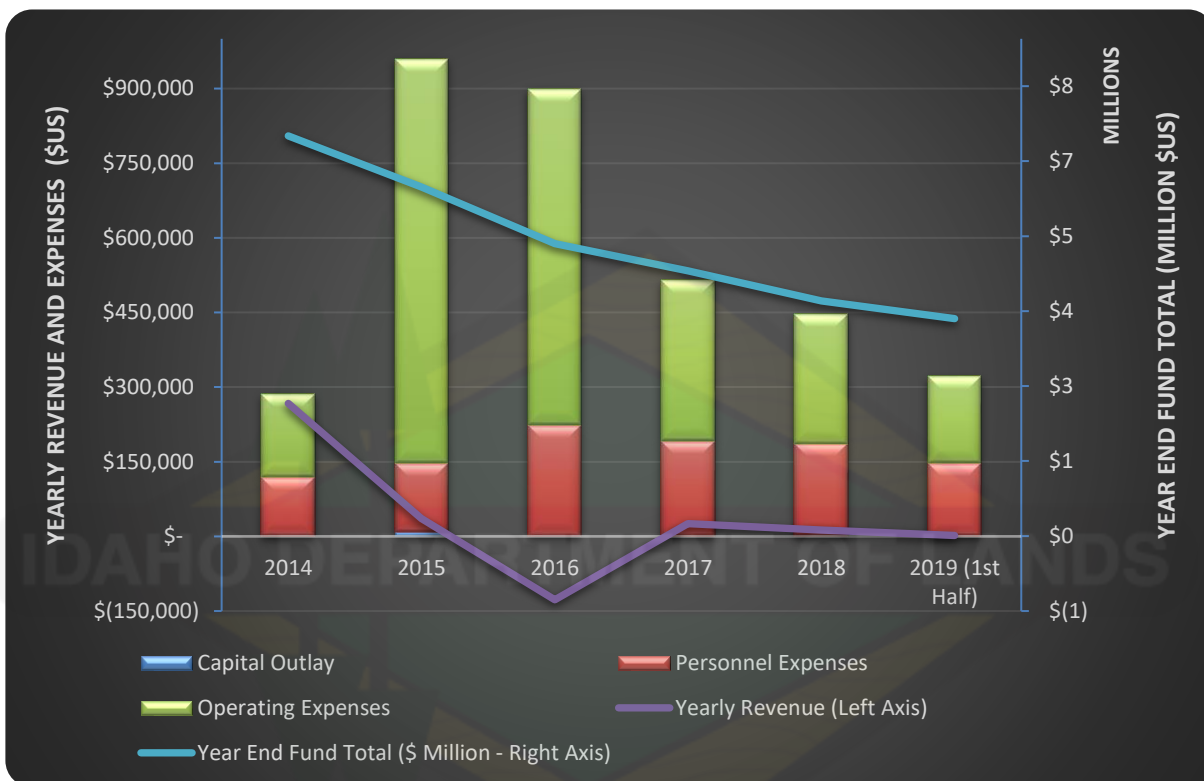
**ABANDONED MINE LANDS**

The abandoned mine lands (AML) program is funded through 34% of Idaho's Mine License Tax, a 1% net tax of Idaho's mining industry (excluding sand and gravel as described in Idaho Code § 47-1205). To date, the last three years are among the five lowest revenue years of the fund's existence. IDL's share of income for the first half of FY19 was \$ 1,872.56. Table 8 lists the projects worked on in the last half of calendar 2018. Figure 2 illustrates the revenue, expenditures, and balance for this fund.

<b>Project Name</b>	<b>Project Description</b>
Triumph Mine	Seeding, storm water inspection, discharge evaluation, property acquisition, Settlement Agreement, NPDES permitting.
Idaho Geological Survey	AML information compilation and digitization. Task 5 signed.
Hypothek Mine	3 adits closed with gates.
Afterthought Mine	Shaft closure with gated culvert.

Table 8: Abandoned Mine Lands Projects July through December, 2018	
Project Name	Project Description
Garfield Bay Closures	Contract issued for closing 2 adits and 1 shaft with gates.
Real Estate Acquisitions	Assisted Real Estate Bureau with identifying potential AML sites and hazards at targeted acquisitions.

**Figure 2: AML Fund - Revenue, Expenditures, and Fund Balance**



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M. Dean Buffington :: Chairman  
Jerry F. Aldape            Irving Littman  
Neil A. Anderson        Gary L. Mahn  
Warren R. Bakes        Richelle A. Sugiyama  
Gavin M. Gee            Chuck Winder  
  
Chris J. Anton :: Manager of Investments

## Monthly Report to the Board of Land Commissioners

### Investment performance through January 31, 2018

*Month: 6.3%      Fiscal year: -0.2%*

Domestic and foreign equities experienced a sharp drop in December, but rebounded in January. The December equity decline was the worst since the Great Depression, driven by concerns about trade friction with China, a moderating Chinese economy, Brexit, declining oil prices, slowing GDP and profit growth in the U.S. and weakness in interest sensitive sectors like housing and autos. The Fed provided the financial markets with some relief by indicating it was delaying further interest rate increases until the data was more compelling. China and Europe are providing fiscal stimulus. We are likely to continue to experience volatility in the capital markets, but the U.S. economy continues to operate at full employment and there are few signs we will enter a recession in 2019.

### Status of endowment fund reserves

Distributions for FY2019 and FY2020 are well secured. Estimated reserves as of December 2019, were 5.5 years for public schools and 6 or more years for the other endowments based on anticipated FY2020 distributions.

### Significant actions of the Endowment Fund Investment Board

The EFIB Board plans to review the status of its relationship with Systematic Financial, mid-cap value equity manager, at the board meeting on February 13, 2019. Systematic's portfolio manager is taking a leave of absence and is unlikely to return.

### Compliance/legal issues, areas of concern

**Material deviations from Investment Policy or compliance guidelines for investment managers:** None.

**Material legal issues:** None.

**Changes in board membership or agency staffing:** None.

### Upcoming issues/events

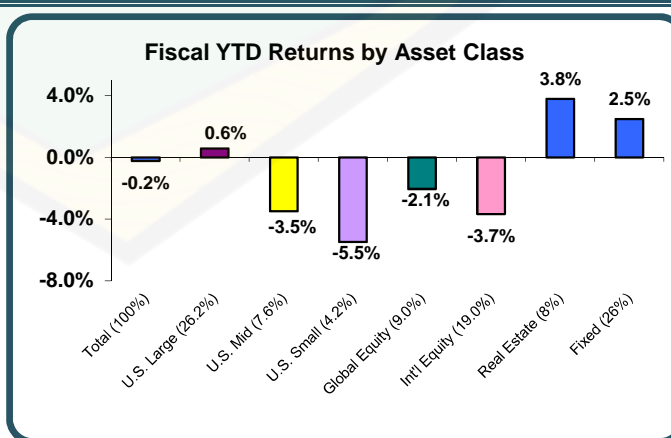
None.

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	<u>Month</u>	<u>FYTD</u>
Beginning Value of Fund	2,057,969,839	2,189,851,992
Distributions to Beneficiaries	(6,517,200)	(45,620,400)
Land Revenue net of IDL Expenses	9,888,294	37,735,618
Change in Market Value net of EFIB Expenses	<u>118,424,202</u>	<u>(2,202,075)</u>
Current Value of Fund	<u>2,179,765,135</u>	<u>2,179,765,135</u>

<u>January-19</u>	<u>Fiscal Year to Date</u>	<u>Last Five Years</u>
<b>Total Fund</b> <i>38% R3 19% Ax 9% AC 26% BB 8% OD</i>	<b>6.3%</b> <i>38% R3 19% Ax 9% AC 26% BB 8% OD</i>	<b>Total Fund 6.5%</b> <i>38% R3 19% Ax 9% AC 26% BB 8% OD</i>
<b>Total Fixed</b> <i>85% BB Agg, 15% TIPS</i>	<b>1.3%</b> <i>85% BB Agg, 15% TIPS</i>	<b>Total Fixed 2.4%</b> <i>85% BB Agg, 15% TIPS</i>
<b>Total Equity</b> <i>38% R3 19% Ax 9% AC</i>	<b>9.0%</b> <i>38% R3 19% Ax 9% AC</i>	<b>Total Equity 7.9%</b> <i>38% R3 30% Ax 9% AC</i>
<b>Domestic Equity</b> <i>Russell 3000 (R3)</i>	<b>10.1%</b> <i>8.6% Russell 3000 (R3)</i>	<b>Domestic Equity 9.9%</b> <i>Russell 3000 (R3) 10.4%</i>
<b>Global Equity</b> <i>MSCI ACWI (AC)</i>	<b>8.1%</b> <i>7.9% MSCI ACWI (AC)</i>	<b>Global Equity 5.1%</b> <i>MSCI ACWI (AC) 6.7%</i>
<b>Int'l. Equity</b> <i>MSCI ACWI ex-US (Ax)</i>	<b>7.4%</b> <i>7.6% MSCI ACWI ex-US (Ax)</i>	<b>Int'l. Equity 4.1%</b> <i>MSCI ACWI ex-US (Ax) 3.1%</i>
<b>Real Estate</b>	<b>3.8%</b>	

	<u>Mkt Value</u>	<u>Allocation</u>
<b>Domestic Equity</b>	<b>\$ 842.3</b>	<b>38.6%</b>
Large Cap	577.4	26.5%
Mid Cap	169.6	7.8%
Small Cap	95.2	4.4%
<b>Global Equity</b>	<b>198.5</b>	<b>9.1%</b>
<b>Int'l Equity</b>	<b>415.7</b>	<b>19.1%</b>
<b>Fixed Income</b>	<b>521.5</b>	<b>23.9%</b>
<b>Real Estate</b>	<b>186.4</b>	<b>8.5%</b>
Cash	<u>15.4</u>	<u>0.7%</u>
<b>Total Fund</b>	<b><u>\$ 2,179.8</u></b>	<b><u>100.0%</u></b>

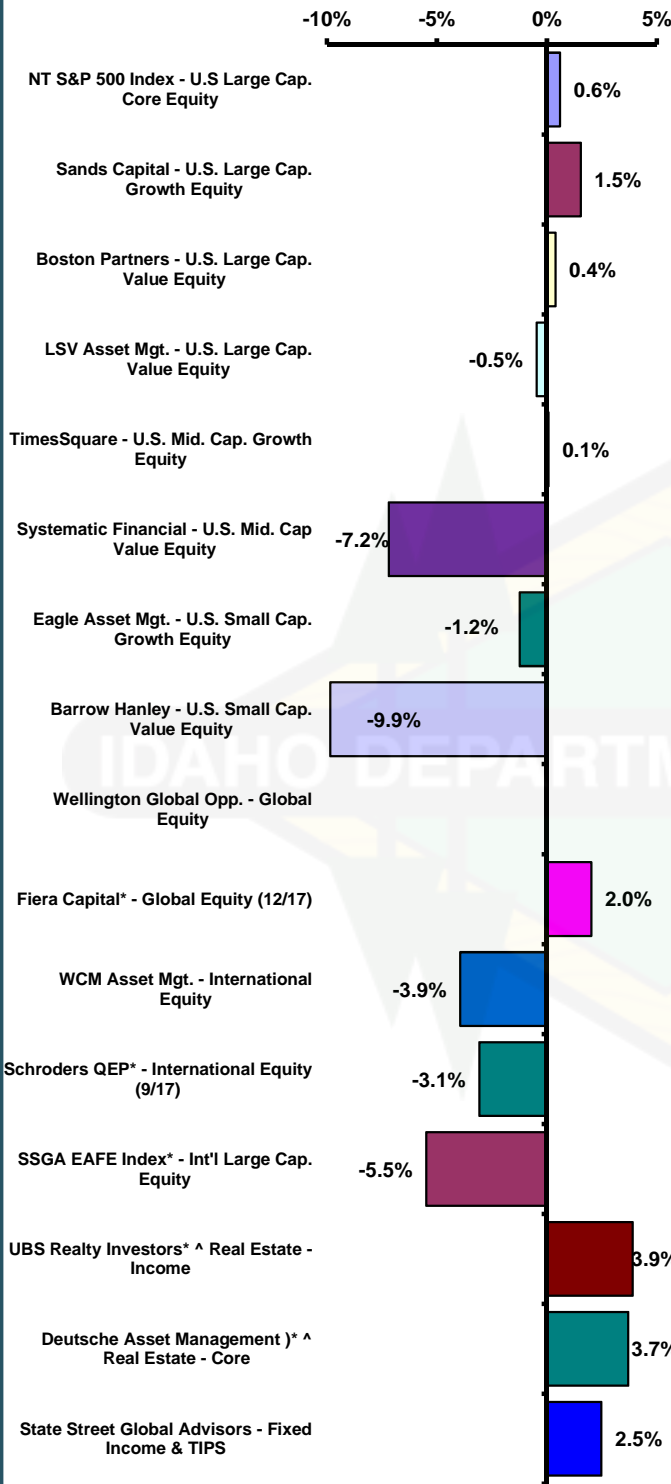


### Endowment Fund Staff Comments:

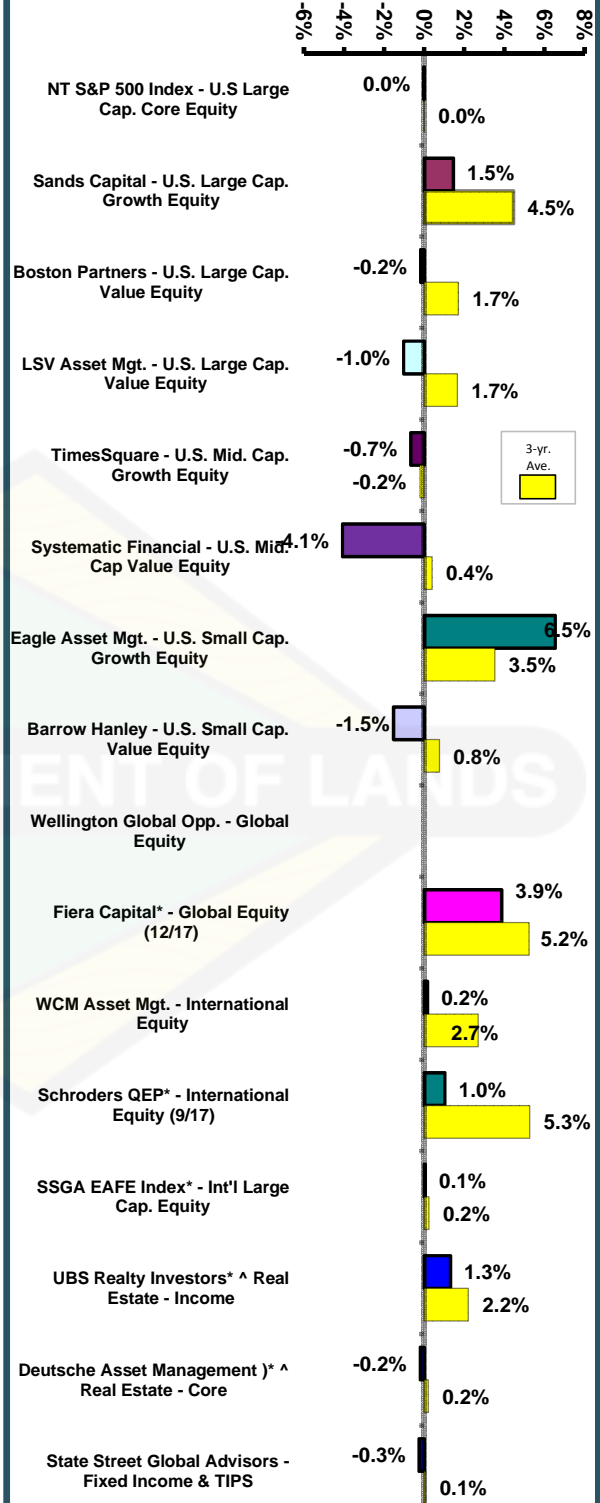
The fund was up 6.3% for the month, 0.6% over the benchmark. The Russell 3000 index was up 8.6%, Russell Midcap up 10.8% and Russell 2000 (small cap) up 11.3%. International equities (MSCI ACWI ex-US) were up 7.6%. Growth outperformed Value, while Domestic equity outperformed International equity. Bonds, as measured by the BBC Aggregate index, were up 1.1% and TIPS were up 1.4%. 10 of 13 active managers beat their benchmark this month. On a FYTD basis, the fund is down 0.2%, 0.4% under benchmark, and 6 of 13 active managers beat their benchmark.

# INVESTMENT REPORT

## FYTD Manager Returns



## Manager Relative Returns Fiscal YTD and 3-Yr Ave. Annualized\*



\* ITD return used when manager has less than 3 years. ^ Most recent valuation.

# STATE BOARD OF LAND COMMISSIONERS

February 19, 2019

Consent Agenda

## Subject

State Board of Land Commissioner approval of proposed stormwater treatment facility located on the City of McCall's Central Idaho Historical Museum property.

## Background

The City of McCall (City) owns the property that houses the Central Idaho Historical Museum (CHIM). This property is directly adjacent and east of St. Luke's McCall Hospital. The CHIM property was deeded to the City by State of Idaho Deed No 13003 (Attachment 1). The deed provides that "[t]his conveyance is upon the express condition that the land and improvements shall be used for public purposes including but not limited to the Central Idaho Interpretive Museum and Visitors Center and that the property shall be used so as to maintain the buildings and include activities on the site consistent with properties listed in the national register of historic places."

## Discussion

The City has been working with St. Luke's McCall on the redevelopment of the hospital and adjoining city roads and public infrastructure (water, sewer, stormwater, and pathways). As part of the civil design hospital and roadway improvements, new and updated stormwater facilities are proposed. These include new storm sewers along State Street and treatment facilities located within State Street and dry extended treatment basin to be located on the CHIM property.

The new stormwater facilities will not only convey and treat runoff from the adjoining city roads and portions of the hospital property, they will also collect, store and treat stormwater runoff from the CHIM property. Currently runoff from the CHIM's existing parking lots and buildings is released into the City's storm sewer without any onsite pretreatment and is conveyed directly into Payette Lake. The proposed new stormwater facilities located in State Street and on CHIM property will bring the CHIM property into compliance with the City's drainage management guidelines, and they will provide a regional stormwater treatment facility that will significantly reduce stormwater pollution to Payette Lake.

Additionally, the project is proposing to construct a 6-foot gravel multi-modal pathway along the northern CHIM property boundary that would parallel State Highway 55/W. Lake Street. This pathway is identified on the City's pathway and transportation master plans. It will improve pedestrian safety in the area as well as increase accessibility and connectivity to the CHIM property.

Due to the restricted uses prescribed in the deed, the City wants to ensure any use outside of its current use would not adversely affect those conditions in the deed. As such, the City has provided details of the improvements and construction to the Idaho State Historic Preservation Office (SHPO). SHPO has responded that the proposed project will have "no adverse effect" to the historic properties (Attachment 2). The City has also provided the Idaho Department of Lands (IDL) with details of the improvements and construction (Attachment 3). IDL inquired about the possibility of alternative sites and the educational component. The City has evaluated alternative sites including the performance of percolation tests and determined this is the best location. The City also provided examples of the interpretive panels that will be installed to educate and convey the importance of such infrastructure in the urban environment (Attachment 4).

### **Recommendation**

Approve the City of McCall and St. Luke's McCall proposed stormwater treatment facility and multi-modal pathway on City-owned CHIM property.

### **Board Action**

### **Attachments**

1. State of Idaho Deed 13003
2. SHPO letter dated January 17, 2019
3. City letter to IDL dated November 1, 2018 (including construction plans)
4. Sample interpretive educational panels

**STATE OF IDAHO DEED**

**DEED NO. 13003  
(SITPA PROPERTY)**

**THIS INDENTURE made this 30th day of March, 1995, between State of Idaho, Southern Idaho Timber Protective Association, 1001 State Street (P.O. Box 1003), McCall, Idaho 83638, by and through the State Board of Land Commissioners, the party of the first part (Grantor); and CITY OF McCALL, P.O. Box 1065, McCall, Idaho 83638, the party of the second part (Grantee);**

**WITNESSETH, that the Grantor, for adequate and valuable consideration does grant, bargain, sell, convey, and confirm unto the Grantee, its heirs and assigns, forever, all the following described property located in Valley County, State of Idaho, to-wit:**

**A tract of land located within Government Lot 6 of Section 8, Township 18 North, Range 3 East, B.M., more particularly described as follows:**

**Commencing at the southeast corner of said Government Lot 6, said corner marked by an iron pin; thence South 89° 53'00" West, 660.00 feet along the south line of said Government Lot 6 to a point, said point being the REAL POINT OF BEGINNING; thence North 0° 03'00" West, 589.00 feet to the centerline of State Highway 55; thence North 80° 41'00" West, 303.10 feet along said centerline; thence South 0° 03'00" East, 638.70 feet to a point on the south boundary of said Government Lot 6; thence North 89° 53'00" East, 300.00 feet along said south boundary of said Government Lot 6 returning to the real point of beginning, the above described area containing 4.23 acres, more or less.**

**TO HAVE AND TO HOLD the said premises and parcel of land above particularly described, with the appurtenances thereon, unto the said CITY OF McCALL, their heirs and assigns, in fee simple forever, subject to the provisions of Section 58-604, Idaho Code, as amended by Chapter 44, 1951 Sessions Laws; which grants over all lands belonging to the State a right of way for ditches and canals constructed by authority of the United States.**

**State of Idaho**  
**Deed No. 13003**  
**Page 2 of 3**

**The State reserves the right to all coal, oil, oil shale, gas, phosphate, sodium, asbestos, gold, silver, lead, zinc, copper, antimony and all other minerals or deposits of minerals of whatsoever kind or character, including sand, gravel and pumice pursuant to Sec. 47-701, Idaho Code; also reserved to the State are geothermal resources, including associated by-products.**

**This parcel is subject to all easements and rights-of-way existing or of record.**

**This property is registered on the National Register of Historic Places established under the National Historic Preservation Act, 16 USCA 470, et seq.**

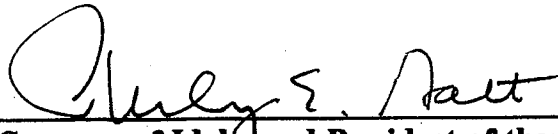
**This conveyance is upon the express condition that the land and improvements shall be used for public education purposes including but not limited to the Central Idaho Interpretive Museum and Visitors Center and that the property shall also be used so as to maintain the buildings and include activities on the site consistent with properties listed in the national register of historic places. In the event it is used for any other purposes, the title to this land and improvements shall revert to the State of Idaho together with all the tenements, hereditaments and appurtenances thereunto belonging.**

**This property conveyance was approved by the State Board of Land Commissioners on July 7, 1992.**



State of Idaho  
Deed No. 13003  
Page 3 of 3

IN WITNESS WHEREOF, I, PHILIP E. BATT, the Governor of the State of Idaho, have hereunto signed my name and caused the Great Seal of the State of Idaho and the Seal of the State Board of Land Commissioners to be hereunto affixed, this 30th day of March, 1995.



Governor of Idaho and President of the  
State Board of Land Commissioners

COUNTERSIGNED:



Secretary of State





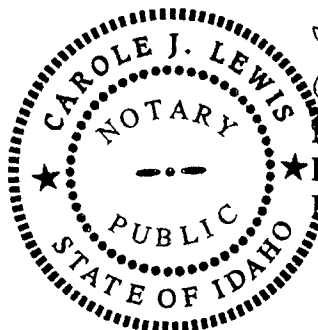
Director, Department of Lands

STATE OF IDAHO )

( ss.

County of Ada )

On this 30th day of March, in the year 1995, before me, a Notary Public in and for said State, personally appeared PHILIP E. BATT, known to me to be the Governor of the State of Idaho and PETE T. CENARRUSA, known to me to be the Secretary of State of the State of Idaho, and STANLEY F. HAMILTON, known to me to be the Director of the Department of Lands of the State of Idaho, who executed said instrument and acknowledged to me that such State of Idaho executed the same.





Notary Public

Residing at Boise, Idaho

My Bond expires: 3-26-96

ACCEPTANCE OF DEED

This is to certify that on April 13<sup>th</sup>, 1995, the City of McCall by action of its Mayor and Council accepted the foregoing deed.

Dated: 4-24-95

Dean A. Martens  
Dean Martens,  
Mayor

Attest: James H. Henderson  
James H. Henderson,  
City Clerk



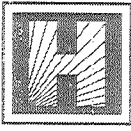
IDAHO DEPARTMENT OF LAND

REQUESTED BY City of McCall  
RECORDED

'95 MAY 15 AM 11 38

TYPE: Deed H10  
LELAND HEINRICH  
VALLEY COUNTY RECORDER  
BY: [Signature]  
FEE: 12.00

210954



17 January 2019



**Brad Little**  
Governor of Idaho

**Janet Gallimore**  
Executive Director  
State Historic  
Preservation Officer

**Administration:**  
2205 Old Penitentiary Rd.  
Boise, Idaho 83712  
208.334.2682  
Fax: 208.334.2774

**Idaho State Museum:**  
510 Julia Davis Dr.  
Boise, Idaho 83702  
208.334.2120

**Idaho State Archives  
and State Records  
Center:**  
2205 Old Penitentiary Rd.  
Boise, Idaho 83712  
208.334.2620

**State Historic  
Preservation Office:**  
210 Main St.  
Boise, Idaho 83702  
208.334.3861

**Old Idaho Penitentiary  
and Historic Sites:**  
2445 Old Penitentiary Rd.  
Boise, Idaho 83712  
208.334.2844

HISTORY.IDAHO.GOV

Nathan Stewart  
Public Works  
City of McCall  
216 East Park Street  
McCall, Idaho 83638

Re: Stormwater and Pathway Upgrades at SITPA / SHPO# 2019-279

Dear Mr. Stewart:

Thank you for consulting with our office on the above referenced project. We understand the scope of work includes stormwater upgrades and pedestrian pathway improvements at the Southern Idaho Timber Protective Association (SITPA) complex, located at 1001 State Street in McCall, Valley County, Idaho.

Pursuant to 36 CFR 800, we have applied the criteria of effect to the proposed undertaking. Based on the information received 4 January 2019 and updated 17 January 2019, we concur the proposed project actions will have **no adverse effect** to historic properties.

In the event that cultural material is inadvertently encountered during implementation of this project, work shall be halted in the vicinity of the finds until they can be inspected and assessed by the appropriate consulting parties.

If you have any questions or the scope of work changes, please contact me via phone or email at 208.488.7468 or [matt.halitsky@ishs.idaho.gov](mailto:matt.halitsky@ishs.idaho.gov).

Sincerely,

**Matthew Halitsky, AICP**  
**National Register Coordinator**  
**Idaho State Historic Preservation Office**

CENTRAL IDAHO HISTORICAL MUSEUM

February 15, 2019

City of McCall  
216 East park Street  
McCall, ID 83638

RE: Central Idaho Historical Museum / Stormwater Drainage

To Whom It May Concern:

This letter is in regards to the proposed storm water system to be located at the Central Idaho Historical Museum (1001 State Street, McCall, ID). Due to the existing topography and drainage at the site, as well as the broader neighborhood and land uses, the board of directors is aware of the current and future issues of the storm water. The Central Idaho Historical Museum Board of Directors met with City of McCall representatives – Mr. Kurt Wolf and Mr. Nathan Stewart – multiple times at the museum property in 2018 to review the proposed storm water improvements. Additionally, the board was provided a copy of a letter dated January 17, 2019 from Matthew Halitsky (National Register Coordinator) with the Idaho State Historic Preservation Office stating, “[T]he proposed project actions will have no adverse effect to historic properties.” Based on the provided information from Mr. Wolf and Mr. Stewart, along with the above referenced letter from the Idaho State Historic Preservation Office, the board of directors approved the proposed storm water improvements.

Best Regards,



Amy N. Pemberton,  
Director, Central Idaho Historical Museum

DEPT. OF LANDS  
2019 FEB 19 AM 7:35  
BOISE, IDAHO



City of McCall

PUBLIC WORKS

[www.mccall.id.us](http://www.mccall.id.us)

216 East Park Street  
McCall, Idaho 83638

Phone 208-634-5580

Main 208-634-7142

Fax 208-634-4170

November 1, 2018

Scott Corkill  
Idaho Department of Lands  
555 Deinhard Lane  
McCall, ID 83638

**RE: Proposed Stormwater and Pathway Improvements on SITPA Property Deed No 13003**

Dear Scott,

This letter provides information pertaining to the City and St. Luke's McCall's proposed improvements to the former SITPA Property (RPM0000087500) that was deeded to the City of McCally by the State Board of Land Commissioners on 3/30/95 and is now the location of the Central Idaho Historical Museum. St. Lukes McCall, as part of their hospital expansion project, has been in the process of implementing various public infrastructure improvements (roads, sidewalks, sewer, water, stormwater) improvements along State, Forest, and Hewett Streets which are adjacent and nearby this property. Included in this work are proposed improvements to the Museum site property as described below.

The existing topography and drainage infrastructure for both the City's streets, St. Lukes McCall property and the Museum Property direct all stormwater runoff to the intersection of State and Lake Streets. From there, this runoff is routed across E. Lake Street and directly into Payette Lake. St. Lukes McCall is proposing to construct a regional stormwater improvement that will serve this upslope area (approximately eight (8) acres). None of the affected properties (including the 4.23 acre Museum property) currently have adequate stormwater facilities to meet current standards and prevent impacts to the Lake. The proposed stormwater facility will bring this area (including the Museum site property) into compliance with stormwater regulations.

The proposed stormwater system employs a Dry Extended Treatment Basin (proposed to be located on the "Museum Property") to capture sediment and pollutants carried by stormwater from the most-frequent storm events. This facility will have the appearance of a lowered, vegetated area with an armored bottom to allow for proper maintenance and snow storage during the winter. Specialized plantings will be selected that work well in periodically wetter soils. The system will be landscaped and to mimic the historic character of the site and annually maintained to ensure functionality and proper aesthetics by both St. Lukes McCall and the City. Interpretive panels will be installed to educate and convey the importance of such infrastructure in the urban environment.

The basin functions by slowing down the flow of stormwater from upstream areas, allowing time for transported sediment and other pollutants to settle out of the water. The vegetation also provides stormwater filtering. Upstream of the basin is proposed a mechanical stormwater filter (located within the State Street ROW) to pre-treat stormwater entering the basin, providing a combined system to significantly improve stormwater quality entering Payette Lake from this area of McCall and the museum site.

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Attached are the following:

1. Plan view rendering: this aerial view shows the location of the proposed facility on the Museum site, its relative size and the location of additional landscaping, interpretive signage and pathways
2. Civil Plan C324: this draft civil plan shows the stormwater piping within State street and how the stormwater will be routed into the dry extended treatment basin and then out of the basin and into the adjoining storm sewer within the E. Lake/SH-55 ROW.

Additional improvements to the Museum site property include a north/south pedestrian pathway that parallels E. Lake Street and interpretive signage that would be placed along the pathway to explain how the stormwater facility treats runoff from the upslope properties, including the Museum site as well as its importance in protecting water quality in Payette Lake.

The City feels that the proposed improvements on the Museum property are consistent with the provisions outlined in Deed No. 13003 (also attached). In addition to the bringing the property into compliance with current stormwater regulations, they will also enhance the educational components and pedestrian access to the property.

It is our request that the Idaho Board of Land Commissioners provide confirmation that the proposed work does comply with the deed provisions. Pending Board approval, St. Lukes and the City intend to commence construction in Spring/Summer 2019 with completion by Fall 2019. Please feel free to contact us directly with any questions or concerns.

Respectfully,



Nathan Stewart, P.E.  
McCall Public Works Director

Cc:

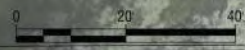
Kurt Wolf – McCall Parks Director  
Richard Holm – Central Idaho Historical Museum  
Matthew Kaiserman – St. Lukes McCall  
Jason Densmer – Project Engineer, The Land Group



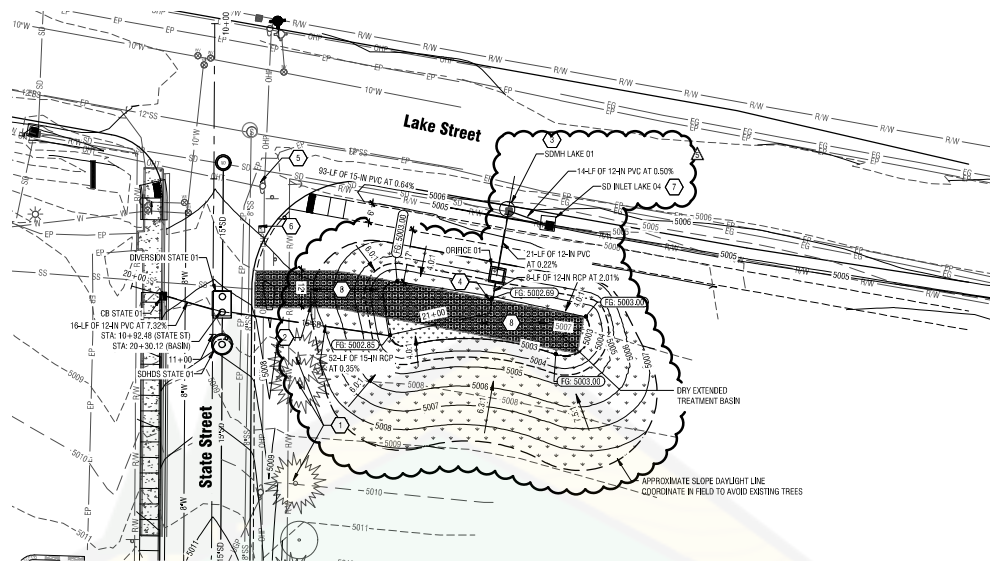


# Storm Drain Basin - Dry Extended Treatment System

HORIZONTAL SCALE: 1" = 20'



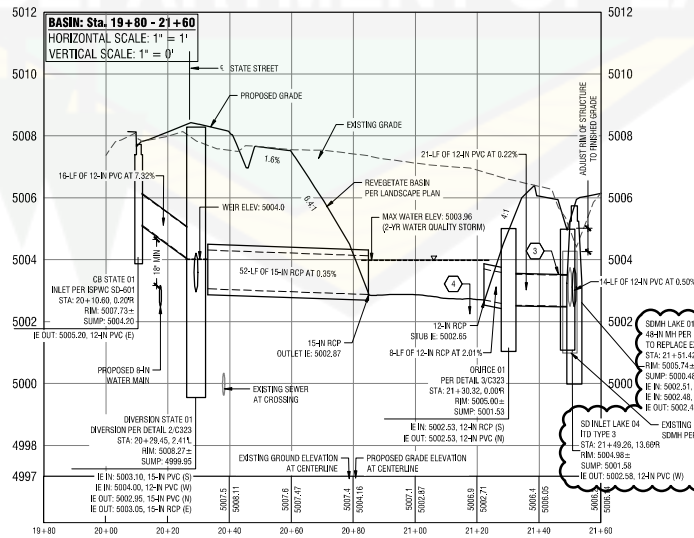
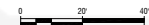
DRAWN		DATE
<p><b>MCCALL MEDICAL CENTER - PHASE 1 ROADWAYS</b>          1000 STATE STREET,  <b>THE LAND GROUP, INC.</b>  <small>1000 State Street, Suite 100          Boise, Idaho 83725          Phone 208.335.4441  <a href="http://www.landgroupinc.com">www.landgroupinc.com</a></small></p>		
<p><b>St Luke's</b>          #15-323</p>		
PROJECT 110038.00	DATE	
DRAWN TLG	CHECKED JED	
REVISED		
SHEET TITLE		
SHEET		
<p><b>L1.00</b>  <b>A</b></p>		



- Sheet Notes:**
- COORDINATE INSTALLATION OF ELECTRICAL AND IRRIGATION CONDUIT AND SLEEVES WITH RESPECTIVE CONTRACTORS.
  - THE CONTRACTOR SHALL VERIFY ALL DIMENSIONS DISTANCES AND GRADES IN THE FIELD AND BRING ANY DISCREPANCIES TO THE ATTENTION OF THE OWNER'S REPRESENTATIVE FOR A DECISION PRIOR TO COMMENCING WITH THE WORK.
  - COORDINATE WITH LANDSCAPE PLANS FOR REVEGETATION OF DISTURBED AREAS AND RESTORATION OF SPRINKLER IRRIGATION.
- Keynotes:**
- PRESERVE AND PROTECT EXISTING TREES
  - REMOVE AND RELOCATE EXISTING SIGN. COORDINATE RELOCATION IN FIELD WITH CITY AND ST. LINES
  - REMOVE EXISTING INLET AND REPLACE WITH SOMH PER ISWPC SD-613. SEE PROFILE FOR CONNECTING PIPE SIZES AND ELEVATIONS.
  - TO ADDRESS POTENTIAL NUISANCE WATER AT PIPE INLET, EXCAVATE 6-FT X 5-FT AREA TO FREE DRAINING SOIL. BACKFILL WITH CLEAN PIT-RUN TO WITHIN 18-IN OF FINISHED GRADE. BACKFILL FINAL 18-IN WITH ASTM C-33 FILTER SAND TO SUBGRADE OF TURFSTONE SECTION.
  - COORDINATE LOCATION OF UTILITY POLE WITH GHAH POWER.
  - COORDINATE RELOCATION OF UTILITY DEVICE WITH FRONTIER COMMUNICATIONS.
  - INSTALL CATCH BASIN TYPE 3 PER ITO STANDARD DRAWING 605-00. MATCH RIM TO PROPOSED SWALE. E. OUT=5002.58, SUMP=5001.58.
  - CONSTRUCT 18-FT WIDE MAINTENANCE ACCESS FROM EDGE OF ASPHALT ON STATE ST. THROUGH BOTTOM OF BASIN AS INDICATED. MAINTENANCE ACCESS SHALL BE TURFSTONE PER DETAIL 1, THIS SHEET OR EQUAL.

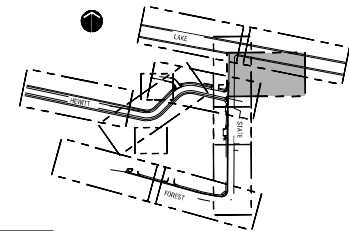
**Storm Drain Basin - Dry Extended Treatment System**

HORIZONTAL SCALE: 1" = 20'



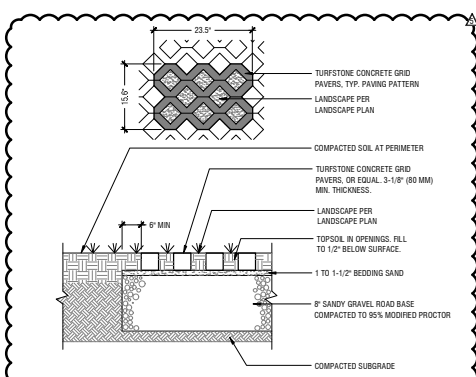
Entire Sheet

Keymap



**Profile - Storm Drain System**

VERTICAL SCALE: 1" = 2'



- NOTES:**
- INSTALL TURFSTONE IN ACCORDANCE WITH MANUFACTURER'S SPECIFICATIONS.

**1 TurfStone - Maintenance Access Detail & Section**

Scale: NTS



McCCall MEDICAL CENTER - PHASE 1 ROADWAYS  
 1000 STATE STREET, MCCALL, IDAHO  
 THE LAND GROUP, INC.  
 497 S. Oak Street, Suite 100  
 Boise, ID 83721  
 www.thelandgroup.com

<b>St. Luke's</b>	
#15-323	
PROJECT 116038.00	DATE 09-05-2018
DRAWN TLG	CHECKED JCD
REVISION 1. ADDRESSUM 01	05-29-18
2. CITY COMMENTS	09-13-18
3. CITY COMMENTS	09-28-18
4. CITY COMMENTS	09-05-18
5. CITY COMMENTS	01-09-19

SHEET TITLE  
**ROADWAY  
 STORM DRAIN  
 BASIN**

SHEET  
**C324**





# STORMWATER RUNOFF

## A Bioswale Can Reduce Harmful Runoff Pollutants

**Tiger Swallowtail**  
*Papilio glaucus*



**Viceroy**  
*Linusis archippus*



**Painted Lady**  
*Vanessa cardui*



### WILDLIFE WELCOME!

The native plants in this bioswale create a prairie in miniature. Prairie plants have root systems that extend far down into the soil. Deep roots help the plants grow taller and absorb more water and nutrients from the soil. They also offer habitat for small wildlife like butterflies, dragonflies, amphibians and songbirds.



**Big Bluestem**  
*Andropogon gerardi*

This native prairie grass towers above most other plants, reaching 4-8 feet. It is also called "Turkey Foot" because its seed spikes often branch to resemble a bird's foot.

For more information, visit:  
[www.csparks.org](http://www.csparks.org)



**Prairie Cord Grass**  
*Spartina pectinata*



**Shreezeweed**  
*Helenium autumnale*



**Blue Vervain**  
*Verbena hastata*



**Grass-Leaved Goldenrod**  
*Euthamia graminifolia*

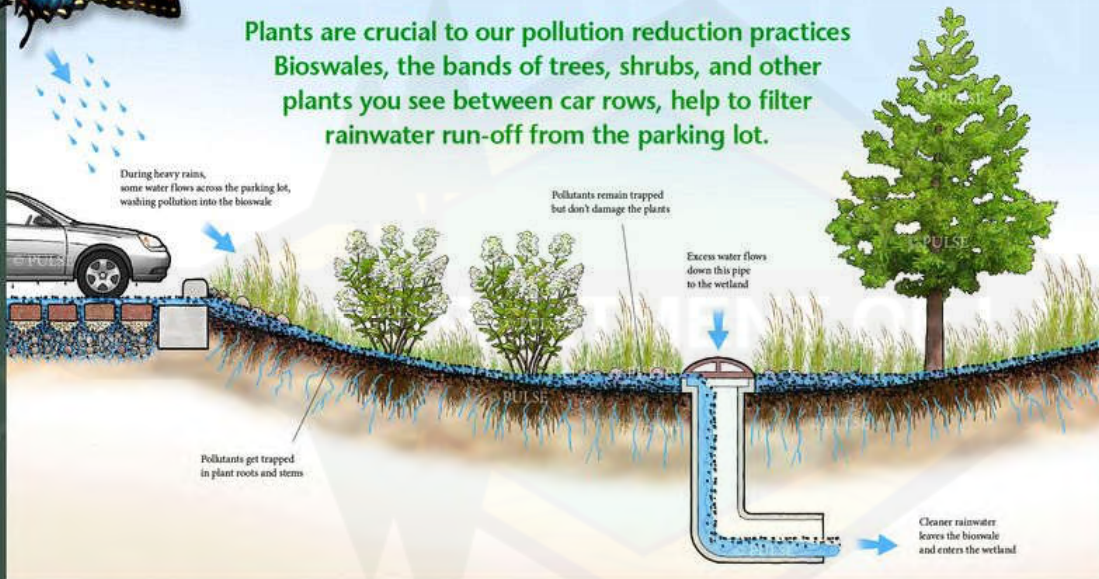


**Switch Grass**  
*Panicum virgatum*



**Red Bulrush**  
*Scirpus pendulus*

Plants are crucial to our pollution reduction practices. Bioswales, the bands of trees, shrubs, and other plants you see between car rows, help to filter rainwater run-off from the parking lot.



### BIOSWALE = CLEANER POND

The planted area in the center of this parking lot is known as a "bioswale." It was put here to help keep our neighboring wetland pond cleaner and healthier. Every time it rains, grime, oil, grass clippings and fertilizers are washed off the parking lot. The plants catch and filter out these water contaminants rather than funneling them straight through a storm pipe and into the lake. Deep-rooted plants eat up excess algae-growing nutrients and help water to be re-absorbed back into the soil. The result is a cleaner, healthier wetland for you to enjoy.

**Eastern Bluebird**  
*Sialia sialis*



**Red Milkweed Beetle**  
*Tetraopes tetranychus*



**Small Milkweed Bug**  
*Lycoris kalmii*





# SUSTAINABLE STORMWATER MANAGEMENT

The landscaped area before you is actually an engineered system for treating **stormwater runoff**. This area, called a **rain garden** or **bioretention area**, collects stormwater runoff from both the parking lot and building roof. Runoff is treated as it **filters** through the specially-selected vegetation and **soaks** into the ground. Drain lines buried in the rain garden (the **underdrain system**) collect the treated water and send it through the City's storm drain system to Brisbane Lagoon and out into the **Bay**.



The rain garden uses a special soil mixture that helps runoff soak into the ground and plants that do well in wet conditions.



The bioswale along Valley Drive also collects and treats stormwater runoff.



The underdrain system beneath the rain garden carries treated stormwater runoff to Brisbane Lagoon and out to the Bay.



During very heavy storms, runoff ponds up and eventually overflows into the storm drain inlet to prevent flooding.

Another stormwater treatment system, called a **bioswale**, is located on the opposite side of City Hall along Valley Drive. In this system, parking lot and roof runoff is treated as it gradually flows along the length of the bioswale, being **filtered** by the grass and **soaking** into the ground before reaching the City's storm drain system and flowing to Brisbane Lagoon and out into the **Bay**. These treatment systems help keep pollutants from our cars out of the **Bay**.



This project, completed in early 2009, was funded in part by a "Sustainable Green Streets and Parking Lots" grant from the San Mateo Countywide Water Pollution Prevention Program, a program of the City/County Association of Governments of San Mateo County. To learn more about what you can do to keep stormwater clean, visit the Countywide Program's website at [www.flowstobay.org](http://www.flowstobay.org).

# STATE BOARD OF LAND COMMISSIONERS

February 19, 2019

Consent Agenda

## Subject

Approval to sell 23.7 miles of easement to Hancock Natural Resources Group.

## Background

As cited in the Idaho Board of Land Commissioners' Statement of Investment Policy, updated July 17, 2018, the Director of the Idaho Department of Lands (Department) has the authority to approve access acquisitions (easements) under \$500,000. However, IDAPA 20.08.03.020.07 limits the Director's authority to sell or grant easements in excess of \$25,000.

The Department and Hancock Natural Resources Group (Hancock) have been engaged in discussions regarding access needs across their ownerships, and the purchase and sale of easements necessary to assure long-term legal access. Both parties consider access to its land critical to land management needs.

Negotiations involved Hancock's General Manager and Operations Manager, and the Department's Deputy Director and Division Administrator of Forestry and Fire. In July 2018, the easements' terms and related documents were reviewed by the appropriate Department executive staff and legal counsel. The discussions involved both parties agreeing to terms of the easements and price. The price was set on a per acre basis.

Over the past six months, the Department worked on preparing its package for acquisition and arrived at the need to purchase 42 miles of easement to access over 6,600 acres of endowment lands. The 42 miles were valued at \$369,556.<sup>1</sup> The Department provided its package to an approved Land Investment Advisor, Mason Bruce and Girard, Inc. (MBG) for review. MBG provided an analysis reviewing the proposed easement acquisition (Attachment 1). The analysis supported the transaction and indicated the easements would provide substantial benefit to the Department. The analysis also confirmed the value was appropriate for the transaction.

Accordingly, the Department completed its acquisition portion and is now requesting authority to proceed with the granting of easements requested by Hancock.

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<sup>1</sup> The review and analysis prepared by Mason Bruce and Girard, Inc. indicates the total mileage as 39 for the total value of \$345,893.52. The Department discovered additional access was needed, and increased the total transaction to 42 miles valued at \$369,556.



## Discussion

Hancock is now pursuing its portion of the transaction for the purchase of 23.7 miles of easement. The easements are on existing forest roads, across endowment lands in five northern Idaho counties. The easements allow for traditional and customary land and resource management activities, and specifically timber management activities. The easements do not allow placement of utilities or residential developments. The easements are perpetual and appurtenant to the lands owned by Hancock's seven clients. The value of the easements total \$208,567 and are identified as easements 1-7 as follows:

No.	Easement Sold No.	Total
1	ES200048	\$53,118.00
2	ES200049	\$8,571.52
3	ES200050	\$24,152.80
4	ES200051	\$254.24
5	ES200052	\$5,230.08
6	ES200053	\$78,124.32
7	ES200054	\$39,116.64
<b>Total Revenue</b>		<b>\$208,567.60</b>

<b>Revenue by Endowment Totals</b>	
Public School	\$201,957.36
School of Science	\$4,703.44
University of Idaho	\$508.48
Penitentiary	\$1,398.32
	<u>\$208,567.60</u>

## Recommendation

Direct the Department to grant easements 1-7 to Hancock.

## Board Action

## Attachments

1. Mason Bruce and Girard Analysis, dated January 14, 2019

# Mason, Bruce & Girard, Inc.

Natural Resource Consultants Since 1921

January 14, 2019

Mr. Lawson Tate  
Right of Way Program Manager  
Real Estate Services Bureau  
Idaho Dept. of Lands  
VIA EMAIL

Dear Mr. Tate,

You asked me to review and provide my opinion on the reasonableness of a proposed rights-of-way agreement with Hancock Natural Resource Group. By the agreement, Hancock has agreed to sell 39.28 miles of perpetual, recorded easement on forest roads, comprised of 65 individual road segments, to the Department. The agreed upon sale price is \$345,893.52, or \$8,805.84 per mile of easement. The easements will provide legal access to approximately 6,600 acres of endowment lands located in Bonner, Kootenai, Benewah, and Shoshone Counties. These lands at present have no legal access. All easements are across existing woods roads – native surface or gravel. No new road construction is involved.

Legal access is a key component of the bundle of rights held in real estate and lack of well-established legal access affects both the marketability and market value of a property. Title companies refuse to insure against lack of legal access and it also affects the ability of buyers to secure mortgages or loans against the property. Further, it can create significant operational issues if intervening landowners refuse access across their properties. In discussing the impact on market value of a lack of legal access with several area brokers and appraisers for a prior project, I found that as a general rule of thumb, lack of legal access reduces the market value of a typical property by 40% or more. Clearly, there are many good reasons for the Department to secure perpetual easements where no legal access exists.

The general question you asked me to address is whether, in my opinion, the agreed upon sale price is reasonable. Below, I attempt to provide an answer to this question from a variety of perspectives.

## **1. Cost/Benefit Ratio**

First, does the benefit of establishing legal access to the endowment lands exceed the proposed purchase price? The answer to this question is clearly yes. I estimate the ratio of benefit to cost to be in the neighborhood of 9:1.

I have not appraised the benefitted endowment lands but from my general appraisal experience in the northern Idaho timberland market, commercial timberlands sell for roughly \$900/acre and up, depending on timber inventory and other factors. A property that is heavily-stocked with mature timber can sell for \$5,000/acre or more. Most large properties of industrial timberland transact in the range of \$1,200 - \$1,500/acre. I'll use \$1,200/acre as a conservative ballpark value, assuming legal access is present. Without legal access, the value would be 40% or so less, which would drop it to \$720/acre.



707 SW Washington Street, Suite 1300, Portland, Oregon 97205  
503-224-3445 • FAX 503-224-6524  
www.masonbruce.com

ATTACHMENT 1

The agreed upon purchase price of the easement amounts to \$52.41 per benefitted acre and the resulting benefit in terms of increase in market value is \$480 per acre (\$1,200 - \$720). This results in a benefit cost ratio of about 9.2:1 ( $\$480/\$52 = 9.2$ ).

Again, these are using ballpark numbers but they would have to be way off to change the conclusion that the benefit of the easement far outweighs the cost.

## 2. Avoided Costs

Another way to look at the question is to estimate the hypothetical cost of construction of a parallel road system to provide equivalent legal access to the endowment lands. I recognize that it would very likely be impossible to construct new roads from a public road to the endowment lands without crossing intervening lands owned by someone else, thus requiring an easement or road use agreement be established. Thus, this is purely hypothetical. But it does demonstrate the value of gaining access the existing road network vs. what is essentially a replacement cost for the road system.

Woods road construction costs vary tremendously, of course, depending on terrain and other factors. A reasonable range for cost of construction is probably \$300 to \$1,000 per station (100-ft) of road, which translates to \$15,840 - \$52,800 per mile. Main haul roads or roads requiring full bench construction or rock blasting can be more, but let's be conservative.

The proposed easement cost of \$8,806/mile is half the cost, or less, of replacement road construction, assuming it were even feasible. The easement cost equates to \$167/station, or roughly the cost of a road through a desert. By this measure, the easement price is a bargain.

## 3. "Market Price"

Even given the high B/C ratio and value in terms of avoided cost, it is reasonable to ask how the proposed easement sale price compares to what others are paying for similar easements.

Market evidence in the form of comparable sales gleaned from public records would be preferable but since Idaho is a non-disclosure state, sale prices are not listed on recorded documents and most landowners do not disclose sale information.

You provided some examples of easement acquisitions by IDL. Both of these are significantly higher than the proposed Hancock acquisition price of \$8,806/mile.

- In Sept 2015, the IDL purchased a 2.2-mile long easement, 66-ft wide, in Bonner County from the USDA Forest Service (the "Granit Plantation Easement"). The sale price was \$50,545 or \$22,975 per mile.
- The IDL is currently acquiring a 1.42-mile easement for the Boise National Forest that requires new road construction ("High Valley Project"). The Dept. is being charged \$17,045 for the R-O-W (\$12,004/mile) plus 50% of the road construction cost of \$59,901 (50% = \$21,092/mile) for a total cost to the IDL of \$33,095/mile for the easement. In this case, the IDL happened to own 50% of the tributary acreage, which is the rationale for the 50% cost split.

These are just two examples, and they may not be typical. So, I also contacted the Washington DNR's Asset Manager for the agency's Northeast Region office in Colville. He provided background on how the DNR charges for easements. Like the Forest Service (and others) their fee is based on a land component and road cost component. The land cost is based on market value of similar land in the area. In Stevens and Pend Oreille Counties, immediately west of northern Idaho, values range from \$1,500 - \$2,000+ per acre. The road component is based on estimated construction cost (even for easements on existing roads). These range widely but he estimated an average of \$550/station in the two counties cited earlier. In addition, the depreciated cost of major capital structures, e.g. bridges, would be factored in as well. The total of this would then be pro-rated based on the area served. For example, if the applicant had 1,000 acres tributary to the easement and the WDNR had a 1,000-acres as well, the cost would be pro-rated by 50%.

As an example (assuming 66-ft ROW width):

LAND: \$1,800/acre x 8 acres/mile = \$14,400  
ROAD: \$550/station x 52.8 sta./mile = \$29,040  
  
TOTAL: \$43,440/mi. x 50% pro-rata use = \$21,720/mile

Obviously, the easement charge would vary widely based on the actual tributary acreage under their methodology. An owner in the same example with 10% of the tributary acreage would pay \$4,344/mile.

I also contacted an area broker with experience in the forest products industry, an appraiser who has appraised easements, and two private sector land management companies and asked questions about how easement values are calculated and what an average cost per mile was. Responses varied.

The broker indicated that industrial ownerships' first choice is to exchange access for access with no dollars changing hands. Failing that, the next approach is to value the underlying land and then add a pro-rata share of the road cost. For larger easements, they may have an appraiser value the easement based on a before/after or "over the fence" approach. Another approach that has been tried, with limited success, is to base the value of the easement on a share of the market value increase of the benefitted property.

My appraiser contact indicated that a common approach is to charge 90% of the fee value of the larger parcel (property being encumbered). Thus, if the average value is \$1,200/acre, the easement charge would be \$1,080/acre or, assuming standard 66-ft width, \$8,640/mile. Note, this is very close to the proposed transaction value.

Of the two land managers, one cited a range of \$9,000 - \$19,000/mile with an average of \$15,000. This varies depending on width and anticipated amount and type of use. Residential use, for example, would be 20% more than forestry uses only, and utilities would be even higher. The other indicated they rarely sell road easements, preferring use of temporary use permits (e.g. for timber hauling). Otherwise, reciprocal easements are preferred with no exchange of dollars. If they were to sell an easement to a private party, the *minimum* charge would be \$3,000 to \$5,000 per mile. However, since they note that they normally do not sell easements, this may not be the best evidence of actual sale prices.

**CONCLUSION**

In my opinion, the agreed upon sale price of \$345,893.52, or \$8,805.84 per mile of easement is justifiable and reasonable given the benefits versus costs and the available market evidence. The benefit/cost ratio and avoided cost analysis clearly show the proposed easement price is justifiable in that the benefit of legal access far exceeds the proposed price. From what I am able to determine in my review of available market evidence, the agreed upon easement cost per mile appears to be well within the range, and likely below the average of the market.







## **Idaho State Board of Land Commissioners**

C. L. "Butch" Otter, Governor and President of the Board  
Lawrence E. Denney, Secretary of State  
Lawrence G. Wasden, Attorney General  
Brandon D Woolf, State Controller  
Sherri Ybarra, Superintendent of Public Instruction  
Dustin T. Miller, Secretary to the Board

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*Be it remembered, that the following proceedings were had and done by the State Board of Land Commissioners of the State of Idaho, created by Section Seven (7) of Article Nine (IX) of the Constitution.*

Draft Minutes  
State Board of Land Commissioners Regular Meeting  
December 18, 2018

Prior to the meeting, a student choir from Capital High School entertained Land Board members with Christmas carols in the 2nd floor Capitol rotunda. Following the music, Land Board members presented the students with a check to Idaho's Public Schools in the amount of \$50,325,600, representing FY2019 distributions from the endowment trust to public schools. Land Board members, students and others in attendance then moved to the scheduled meeting room.

The regular meeting of the Idaho State Board of Land Commissioners was held on Tuesday, December 18, 2018, in the Capitol, Lincoln Auditorium, Lower Level, West Wing, 700 W. Jefferson St., Boise, Idaho. The meeting began at 9:02 a.m. The Honorable Governor C. L. "Butch" Otter presided. The following members were present:

Honorable Secretary of State Lawrence Denney  
Honorable Attorney General Lawrence Wasden  
Honorable State Controller Brandon Woolf  
Honorable Superintendent of Public Instruction Sherri Ybarra

For the record, Governor Otter recognized the presence of all Board members.

Director Dustin Miller observed that this was the last meeting for calendar year 2018, and the final meeting for Governor Otter. Director Miller recognized a number of Department employees in the audience from around the state; some new to the Department attending as part of employee onboarding, and some attending a Land Board meeting for the first time. Director Miller introduced several special guests: U.S. Department of Agriculture Undersecretary Jim Hubbard; U.S. Forest Service Region 1 Forester, Leanne Marten, and U.S. Forest Service Region 4 Forester, Nora Rasure. Director Miller noted that Undersecretary Hubbard, Ms. Marten and Ms. Rasure would be presenting on the Good Neighbor Authority and Shared Stewardship agenda item. Director Miller added that following that presentation, the Forest Service, Governor Otter, Governor-elect Little, and the Department would be signing the first-ever shared stewardship agreement. Director Miller added that refreshments will be served in the legislative dining room following the meeting, and invited everyone to come enjoy.

Director Miller remarked that the first item today is the Department's annual year-in-review video, created by Emily Callihan, Public Information Officer, and that this will be Ms. Callihan's final project

for the Department as she is leaving for another career opportunity. Prior to start of the video, Attorney General Wasden invited the Capital High choir students into the auditorium to find a seat and more comfortably watch the video. As the students were being seated, Governor Otter commented that they put on a great performance.

### **Department of Lands' Year-in-Review Video**

Department of Lands' staff presented a video of 2018 Year-in-Review accomplishments.

At the conclusion of the video, Director Miller mentioned that the Department has a presentation not on the agenda, and asked Governor Otter to join him and Deputy Director David Groeschl at the front of the room. Director Miller and Mr. Groeschl presented Governor Otter with a mounted Pulaski, a special tool used in wildland firefighting. Director Miller shared that during Governor Otter's twelve years of service on the Land Board, he helped generate nearly \$700 million to the endowments. Governor Otter has been a staunch supporter of the Department's forestry and fire programs; he helped jump-start programs like rangeland fire protection associations and Good Neighbor Authority. Director Miller read the inscription on the plaque: *Presented to Governor C.L. Butch Otter from the employees at Idaho Department of Lands with gratitude for your 12 years of service as Chairman of the State Board of Land Commissioners and to your commitment to stewardship of Idaho's natural resources.* Governor Otter thanked Land Board members, Director Miller, Mr. Groeschl, and the Department.

## **1. Department Report**

### **Endowment Transactions**

#### **A. Timber Sales – November 2018**

**Discussion:** Superintendent Ybarra asked if any of the Department's active timber contracts are at risk of default. Director Miller said that he is not aware of any. Deputy Director Groeschl affirmed that there are no contracts at risk right now.

#### **B. Leases and Permits – November 2018**

**Discussion:** None.

### **Status Updates**

#### **C. Land Transaction Report**

**Discussion:** None.

## **2. Endowment Fund Investment Board Manager's Report – Presented by Chris Anton, EFIB Manager of Investments**

#### **A. Manager's Report; and**

#### **B. Investment Report**

**Discussion:** Mr. Anton began by sharing a letter from Chairman Dean Buffington, Endowment Fund Investment Board, thanking Governor Otter for his outstanding service. Mr. Anton read from the letter, which was included in the Board materials. Governor Otter thanked Chairman Buffington and Mr. Anton.

Mr. Anton reported that the Fund has experienced a bit of a rocky period. The month of November was fairly solid; the Fund was up 1.4%, leaving fiscal year-to-date at -1.4%. Mr. Anton remarked that through yesterday, however, the Fund was down -5.8%. Mr. Anton noted that both the equity and fixed income markets did rebound late during the month, as Federal Reserve Chairman Jerome Powell indicated that interest rates were approaching a neutral level. Mr. Anton stated that interest rates have been going up throughout the year and those interest rate increases have affected certain areas of the markets. For example, housing starts have slowed as mortgage rates have gone up; Director Miller's timber report showed that lumber prices have come down. Mr. Anton mentioned the same thing in the auto industry—sales have slowed as loan rates have gone up.

Mr. Anton commented that oil prices have dropped, inflation seems to be under control, and the economy is moderating a bit. There is hope that the Federal Reserve will slow, if not halt, future rate increases. The financial markets are certainly optimistic that there has been enough of the interest rate increases. Mr. Anton said the other big variable that has affected the markets is the trade war with China. Shortly after the end of the month, U.S. and China announced that there was a trade truce. Under the terms of the truce, tariff rates are held at 10%, to provide the U.S. and China 90 days to try to work out a resolution. While there is considerably more work to be done, it appears that the President is trying to aggressively reach a constructive solution. Mr. Anton observed that it is a very complicated matter; it is less about tariffs and more about how intellectual property is managed, and how China opens up its markets to others. There is expectation that a resolution will be reached to allow the market to relax and have some certainty moving forward. Overall, the economy seems to be strong, profits are strong, and evaluations seem to be much more attractive now with this pullback in the market.

Mr. Anton reported that earnings reserves are strong. In the last couple weeks there has been a dent in the reserves as the endowments dropped a bit but they are still in a very healthy position. Mr. Anton noted that during the Investment Board meeting on November 20th, the Investment Board approved providing investment management services for the Department of Lands' Forest Legacy Fund, subject to Land Board approval. Craig Foss will present that item later during this meeting. Mr. Anton mentioned that the Endowment Fund Investment Board will welcome a new fiscal officer in January, Kathy Van Vactor, and staff is excited to have her join the team.

### **Consent—Action Item(s)**

#### **3. Forest Legacy Program Stewardship Fund Investment** – *Staffed by Craig Foss, Division Administrator-Forestry and Fire*

**Recommendation:** Authorize the Department to transfer the Forest Legacy Program Stewardship Fund from the Idaho State Treasurer's Office to the Endowment Fund Investment Board for long-term investment management.

**Discussion:** Attorney General Wasden inquired if the Department knows of any opposition to this transfer. Mr. Foss replied he has not heard of any opposition to this proposed transaction. The Department did reach out to all the landowners who have agreements and that have contributed to that stewardship fund; all are in agreement with this transition. Governor Otter surmised that most of these funds are expressed in terms of equities, stocks, bonds, or something similar.

Governor Otter asked when the transfer from the Treasury's office to the Endowment Investment Board is made, can those instruments of investments be transferred instead of having to sell them from one to transform them to another; will there be a cost in transferring the funds. Mr. Foss said the Department met with the Treasurer's office, and deputy attorneys general for both, to review any ties to the monies invested and make sure there were no restrictions in transitioning from the Treasurer's Office to the Endowment Fund Investment Board. Mr. Anton explained the legacy funds are currently held in the idle pool at the Treasurer's office, which is a short-term, fixed-income investment with daily liquidity. The Department does have the ability to move the cash to the Endowment Fund for investment at no charge.

Secretary Denney asked if transferring the funds affects the liquidity. Mr. Anton noted his understanding is that all but the interest portions of the legacy fund will be moved out of the Treasurer's office. The interest will remain there and be used to fund activities for fiscal years 2018 and 2019. The principle will be moved to the Endowment Fund. By leaving the interest, it permits some time at the Endowment Fund to build up a cushion, in terms of the fund. Secretary Denney then asked about any effects on liquidity in the long term. Mr. Anton replied the investments can be sold or traded and go to cash in one day if needed.

Controller Woolf inquired if Idaho Code § 58-136, as referenced in the memo, authorizes the Land Board to make this change without any statutory changes needed. Mr. Foss said that is correct.

Superintendent Ybarra asked for confirmation that the money being contemplated for transfer in this request is not endowment funds. Mr. Foss confirmed that none of the funds in this request are endowment funds.

**4. Disclaimer DI600293-Kevin Rich, Boise River** – Staffed by Andrew Smyth, Program Manager-Public Trust

**Recommendation:** Direct the Department to issue a disclaimer of interest for the parcel totaling 39.754 acres of the former bed of the Boise River, and require Mr. Rich to pay the remaining processing fee of \$300 or actual cost, whichever is greater, to the Department for this transaction.

**Discussion:** Governor Otter asked if this disclaimer is expressed in terms of means and bounds, or is it just 25 feet off the high water mark. Governor Otter said the reason for his question is if this disclaimer is for a river bed, and the river changes and meanders, as long as the disclaimer is expressed in means and bounds does it mean that if 25 feet go away from what appears would be the north bank, or the north side of the river, that the 25 feet does not then ascend to the next 25 feet. Mr. Smyth replied, yes, this disclaimer is identified in means and bounds and corroborated the Governor's interpretation.

**5. Disclaimer DI600296-City of Payette, Payette River** – Staffed by Andrew Smyth, Program Manager-Public Trust

**Recommendation:** Direct the Department to issue a disclaimer of interest for the parcel totaling 0.87 acres of the former bed of the Payette River, and require the City of Payette to pay the remaining processing fee of \$300 or actual cost, whichever is greater, to the Department for this transaction.

**Discussion:** None.

**6. Approval of Minutes – November 20, 2018 Regular Meeting (Boise)**

For the record, Attorney General Wasden offered Christmas greetings to Board members, and noted that in Governor Otter's twelve years of service on the Land Board, the Governor and Attorney General have participated in over 150 Land Board meetings together. Attorney General Wasden thanked Governor Otter for his service and leadership on the Land Board.

**Consent Agenda Board Action:** A motion was made by Attorney General Wasden that the Board adopt and approve the Consent Agenda. Controller Woolf seconded the motion. The motion carried on a vote of 5-0.

**Regular—Action Item(s)**

None

**Information**

*Background information was provided by the presenters indicated below. No Land Board action is required on the Information Agenda.*

- 7. Good Neighbor Authority (GNA) and Shared Stewardship** – Presented by David Groeschl, Deputy Director and State Forester; Nora Rasure, Regional Forester-Intermountain Region, U.S. Forest Service; Leanne Marten, Regional Forester-Northern Region, U.S. Forest Service; and special guest Jim Hubbard, Under Secretary of Natural Resources and Environment, U.S. Department of Agriculture

**Discussion:** The audio recording of this agenda item is available by request to the Department of Lands, Attn: Land Board Recording Secretary, PO Box 83720, Boise, Idaho 83720-0050 or by email to [public\\_records\\_request@idl.idaho.gov](mailto:public_records_request@idl.idaho.gov).

**Executive Session**

None

Director Miller reminded the audience that signing of the shared stewardship agreement would take place following meeting adjournment.

There being no further business before the Board, at 10:40 a.m. a motion to adjourn was made by Attorney General Wasden. Controller Woolf seconded the motion. The motion carried on a vote of 5-0. Meeting adjourned.

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# STATE BOARD OF LAND COMMISSIONERS

February 19, 2019  
Information Agenda

## Subject

Commercial Recreation Lease M500031, Request for Audience

## Attachments

1. Commercial Recreation Lease M500031
2. Givens Pursley Letter (11/16/18) and IDL Response (12/19/18)
3. Comments Received to Date (12/27/18 to current)
4. IDL Response to Comments



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**COMMERCIAL RECREATION LEASE**  
**No M500031**  
**The Grove McCall, LLC.**

**SUMMARY OF LEASE PROVISIONS:**

**Lessor:** STATE OF IDAHO  
 By and through the State Board of Land Commissioners  
 300 North 6<sup>th</sup> Street, Suite 103  
 PO Box 83720  
 Boise ID 83720-0050

**Lessee:** The Grove McCall, LLC.  
 Attn: Colby Rampton  
 PO Box 2481  
 McCall, ID 83638

**Lease Term:** Commencement Date: September 1, 2018  
 Expiration Date: December 31, 2027

**Rent:**  
 The annual rent payment is due on January 1st of each year.  
 Rent terms are more particularly described in *Section 1. Rent* of the Lease Provisions.

Annual Base Rent shall be **FOUR THOUSAND DOLLARS AND NO CENTS (\$4,000)** for the first year of the Lease as outlined below. Developed Rent shall be **FOUR HUNDRED DOLLARS AND NO CENTS (\$400)** for the first year of the Lease as outlined below. Rent for both is adjusted annually by 3%. Rent terms are more particularly described in *Section 1. Rent* of the Lease Provisions.

<u>Use</u> <u>Event Site</u>	<u>Year</u> <u>09/01/18-12/31/18</u>	<u>Annual Base Rent</u> <u>\$4,000</u>
<u>Use</u> <u>Developed Rent</u>	<u>Year</u> <u>09/01/18-12/31/18</u>	<u>Developed Rent</u> <u>Per Acre \$400</u>

**Legal Description of Leased Premises:** Lessor, in consideration of the rent paid and the covenants, conditions and restrictions hereinafter set forth, in the Lease (including all Attachments), does hereby lease and demise unto Lessee the lands described in Attachment B of this Lease for the uses specified herein.

**Use of Leased Premises:** See Attachment B of this Lease.  
Event Site  
 See Section 2. Use of Premises of the Lease Provisions

**Bond:** Bond: **Progressive** bond initially \$5,000, increasing in \$1,000 increments up to \$10,000 for each acre or portion thereof developed beyond the initial development plan, as specified in Section 4. Bond within the Lease Provisions.

**Liability Insurance:** **\$1,000,000** Commercial General Liability  
 See Section 13. Insurance of the Lease Provisions.

**Lease Index:** SUMMARY OF LEASE PROVISIONS  
 LEASE PROVISIONS  
 SIGNATURE PAGE  
 ATTACHMENT A – SPECIAL TERMS AND CONDITIONS  
 ATTACHMENT B – LEGAL DESCRIPTION OF LEASED PREMISES  
 ATTACHMENT C – SITE MAP(S)  
 ATTACHMENT D – REPORTS  
 ATTACHMENT E – EXISTING IMPROVEMENTS

## LEASE PROVISIONS

### 1. Rent.

All rent shall be paid in lawful money of the United States of America directly to the Lessor on or before January 1 of each successive year unless otherwise directed by the Lessor in writing. Lessee shall pay the Lessor, as rent for the Leased Premises, amounts as detailed in this document or any attachments hereto, determined and payable in the manner and at the time set forth herein, without abatement, offset or deduction of any kind unless allowed by this Lease:

- A. **Annual Rent Subject to Modification.** Lessor reserves the right to increase or decrease the annual rent to be paid by the Lessee. Any increase for the year shall be effective as of January 1 and payable by January 1. Lessor shall provide Lessee written notification one hundred and eighty (180) calendar days prior to the increase in the annual rental amount.
- B. **Late Payment Charge.** In the event any rent and gross receipts due hereunder are not paid in full when due, Lessee shall pay, in addition to such rent and gross receipts, a late charge in the first calendar month of such delinquency the amount of Twenty Five Dollars (\$25.00) or one percent (1%) of the unpaid rent and gross receipts, whichever is greater. For each subsequent calendar month of such delinquency, Lessee shall pay an additional late charge equal to one percent (1%) of the then unpaid delinquency. The parties acknowledge and agree that the late charge described herein is a reasonable attempt to estimate and to compensate Lessor for higher administration costs associated with administering such late payments and is not intended as a penalty. By assessing this late charge, Lessor does not waive any right to declare a breach and to pursue any right or remedy available to Lessor by reason of such breach, after expiration of any applicable notice or cure period.
- C. **Extensions of Time to Pay.** Lessee may make application to extend the time for paying rent in accordance with the then existing statutes, rules and policy applicable to state endowment lands. If an extension is requested and approved by Lessor before the deadline for paying rent, then the Lessee shall not be required to pay a late payment charge, but shall be required to pay interest, in addition to such rent, at the then existing rate established by the Lessor.
- D. **Lien.** The amount of the unpaid rent, late charge, and interest shall be a lien on the Lessee's improvements and other property on the Leased Premises.

### 2. Use of Premises.

- A. The Lease Premises shall be used for Event Site. Event Site will be primarily used as a wedding venue, but will be limited to Lessee approved groups or parties of 250 or fewer guests on the Leased Premises at any given time. The total occupancy of Event Site shall not exceed 275 persons including event staff on the Leased Premises at any given time. Amplified sound at Event Site shall be limited to the hours between 8:00 am and 11:00 pm and all sound originating on and emanating from Event Site shall comply with applicable laws and ordinances.
- A. Any new or change of use of the Leased Premises requires Lessor's prior written consent. Any new or additional use by Lessee without the authorization of Lessor is prohibited and is grounds for termination of the Lease as defined herein.
- B. Lessee agrees to not commit, nor permit any damage to or waste upon the Leased Premises or upon any of the improvements, nor permit any unlawful use of the Leased Premises, nor permit any use thereof except for the purposes stated herein.
- C. Lessee shall acquire and maintain all necessary permits and comply with all applicable laws, rules, regulations, or other provisions with the State of Idaho.
- D. **Technical Reports.** When requested by the Lessor, the Lessee will furnish technical information concerning the equipment located on the Leased Premises.

### **3. Lease Terms and Conditions.**

By April 30 of the year of expiration of the Lease, Lessee may apply for another lease term. Lessee understands and agrees that the Lessor has the sole discretion relating to the lease provisions and any special terms and conditions offered in any renewed lease and understands and agrees that the lease provisions and any special terms and conditions in a new lease may be materially different than this Lease. The Lessor will consider a lease renewal(s) only when the Lessee has complied with all of the Lease Provisions and any Special Terms and Conditions of this Lease and fully and faithfully performed all duties and obligations herein. If Lessor and Lessee cannot successfully negotiate the rent and terms of the new lease prior to the expiration date hereof, Lessee agrees to vacate the premises in accordance with the Lease Provisions and any Special Terms and Conditions, and prior to the expiration date, of this Lease.

### **4. Bond.**

Concurrent to the execution of this Lease by the Lessee, the Lessee will furnish a good and sufficient bond in the amount specified in the Summary of Lease Provisions in the favor of the State of Idaho to protect the state against loss due to violation of any clause of this Lease. The period of liability of any bond shall not be determined until all lease terms and conditions have been fulfilled and the bond is released in writing by the Director. Said written release shall occur no later than one year after the expiration of the Lease, unless otherwise agreed.

### **5. Sublease and Assignment.**

- A. **No Sublease or Assignment Without Consent.** Lessee shall not sublease all or any part of the Leased Premises, or sublease all or any part of Lessee's improvements, or assign this Lease, or take out a mortgage or deed of trust without first obtaining the written consent of Lessor.
- B. **Necessary Forms.** Any request for approval of a sublease, assignment, mortgage, or deed of trust must be in writing, on forms provided by the Lessor and accompanied by a processing fee. Any attempt by Lessee to sublease Lessee's interest in all or any part of the land or all or any part of the Lessee's improvements, or to assign this Lease, or to take out a mortgage or deed of trust, without the prior written consent of Lessor, shall be void and shall constitute a breach of this Lease.
- C. **Good Standing Required.** No request for Lessor's approval of any assignment or sublease will be considered unless all rent due, late payment charges, and interest have been paid in full, and Lessee is in good standing under the terms of the Lease.
- D. **Assignment Subject to Terms.** Any assignment shall be subject to all of the terms and provisions of this Lease.
- E. **Specific Transaction Only.** Any consent by Lessor herein contained or hereafter given to any act or assignment, mortgage, pledge, or encumbrance shall be held to apply only to the specific transaction hereby or thereby approved.
- F. **Proof of Assignment.** In cases of assignment due to sale of the Lessee's interest, Lessee must provide to Lessor one copy of the purchase agreement or contract of sale signed and acknowledged by the buyer (Assignee) and seller (Assignor). In the case of assignment without a sale, appropriate documentation must be provided to the Lessor establishing that the Lease should be assigned. This may include, but not be limited to, a letter from Lessee indicating the transfer of the Lease as a gift; a divorce decree; a copy of will or probate order. Lessor may require additional proof as necessary.
- G. **Lessee may sublease, provided that each such sublease shall be subject to all terms of this Lease, including termination of Lessee's interest under this Lease. Any such sublease shall be subject to and subordinate to the rights of the Lessor under this Lease, and any such sublease shall include, but not be limited to, the following:**
  - i. **No sublease shall relieve Lessee of its responsibility to pay and perform all of its obligations under this Lease to Lessor.**
  - ii. **The term of the sublease may not exceed the term of this Lease.**
  - iii. **The Lessor is not liable for acts or omissions of the Lessee.**

- iv. The Sublessee will abide by all terms of this Lease.
- v. The Lessor is not liable for pre-payment, security deposits or other pre-paid charges made to Lessee by sublessees should this Lease be terminated.

The Lessor may impose additional requirements as a condition of approving the sublease request.

**6. Lessee's Compliance with Applicable Laws and Rules.**

- A. **Full Compliance.** Lessee's use of the Leased Premises and all improvements constructed thereon, shall fully comply with all statutes, ordinances, rules, regulations and laws of applicable federal, state and local governmental authorities. Lessee shall comply with all applicable rules and regulations and standards currently in effect or hereafter adopted by Lessor.
- B. **No Waste or Nuisance.** Lessee shall not use the Leased Premises in any manner that would constitute waste, nor shall the Lessee allow the same to be committed thereon. The Lessee shall not do anything or allow any action which will create a nuisance or a danger to persons or property.
- C. **Noxious Weeds.** It is understood and agreed that the Lessee shall take measures to control noxious weeds within the Leased Premises, in accordance with Title 22, Chapter 24, Idaho Code. The Lessee shall cooperate with state and other agencies authorized to undertake programs for control and/or eradication of noxious weeds. Failure to comply will be considered a breach of this Lease and shall be considered a default pursuant to the Lease Provisions, Section 17 herein.

**7. Environmental, Safety, and Sanitary Requirements.**

- A. **Sanitary Requirements.** Lessee shall at all times keep the Leased Premises in a clean and sanitary condition, free of trash, noxious weeds, garbage and litter, so that the Leased Premises is maintained in as nearly natural state as possible. Lessee shall not dispose of sewage except in conformity with applicable federal, state, and local law, rules and regulations pertinent to Lessee's use. The Lessee shall store and dispose of all trash and garbage in conformity with all legal requirements. Lessee is responsible for all costs associated with sewage, garbage and litter disposal.
- B. **Fire and Safety Regulations.** Lessee shall comply with all applicable state laws and the rules for fire protection and prevention of fire. Lessee agrees to keep the Leased Premises free from fire hazards. Lessee is prohibited from burning garbage or household trash. The burning of wood or other debris requires the prior written permission of Lessor and must comply with applicable federal, state, or local law, regulation, rule, or ordinance.
- C. **No Hazardous Materials.** Lessee shall neither use nor permit upon the Leased Premises the use, placement, transport or disposal of any hazardous waste or any other substance that is or is suspected to be a hazardous substance or material except as provided by federal, state or local law, regulation or ordinance of manufacture. Lessee shall be responsible, at its own expense, for removing or taking other appropriate remedial action regarding such wastes, substances, or materials which Lessee may cause to be introduced, in accordance with applicable federal, state, or local law, regulation, or ordinance.

**8. No Warranty of Suitability.**

- A. **No Warranty.** Lessee acknowledges that neither the Lessor, nor any agent or designee of the Lessor, has made any representation or warranty with respect to the Lease Premises or concerning the suitability of the Leased Premises for the uses intended by the Lessee. Lessee acknowledges that it has accepted the Leased Premises in an "AS IS CONDITION," and accepts liability for its condition.
- B. **Quiet Enjoyment.** Lessor agrees that the Lessee, upon payment of the rent and performing the terms of this Lease, may quietly have, hold, and enjoy the Leased Premises during the term hereof.



**9. Payment of Taxes and Assessments.**

On or before any due dates, the Lessee agrees to pay any and all real or personal property taxes, assessment or fees that may be assessed or levied by a governmental authority asserting such authority over the Leased Premises or its improvements. Lessee shall make such payment directly to the taxing authority and hold Lessor harmless from any claim or assessment.

**10. Construction and Improvements.**

- A. **Water Development.** Lessee shall not drill new water wells, use existing water wells, nor develop any use of any water source without first obtaining the prior written consent of the Lessor and the applicable governmental authorities responsible for adjudicating and developing water rights. Lessee agrees that all water rights shall be in the name of the State of Idaho.
- B. **Construction and Repair of Improvements.** No construction of improvements upon or over the Leased Premises is allowed without prior consent of the Lessor.
- C. **Liens or Encumbrances.** Lessee has no authority to and shall not place a lien upon or encumber the Leased Premises, other state land or state owned improvements. The Lessee shall not place a lien upon or encumber the Lease or Lessee owned improvements unless given prior written consent by the Lessor.
- D. **Treatment of Existing Improvements.** Existing improvements, as of the date of execution of this Lease, are attached hereto and incorporated herein in Attachment E. Upon Lease expiration without renewal; Lease termination; or upon default of the Lessee:
- i. Lessor shall have the right to require Lessee to remove all improvements, placed upon the Leased Premises, and to require Lessee to restore the Leased Premises, as nearly as is reasonably practical, to its natural or previous condition, all at Lessee's sole cost and expense.
  - ii. Lessor has the right to enter the Leased Premises and remove any of the improvements, or otherwise dispose of such improvements, and charge the cost of removal and/or disposal and restoration to Lessee. Lessee shall also be responsible for all collection costs, including legal fees and interest.
  - iii. Lessee shall quietly surrender the Leased Premises to Lessor.
  - iv. Lessor shall reserve the right to purchase existing improvements from Lessee at a reasonable market value, as defined in Section 10.F. of the Lease Provisions, as of the date of expiration.
- E. **Treatment of Improvements Upon Abandonment.** If such removal or purchase as described herein, has not occurred by the date that the Lease expires and has not been renewed, has been terminated, or at the date of Lessee default, all rights, title and interest of the Lessee to any of the improvements, shall upon thirty (30) days written notice to Lessee, or at a date determined at the sole discretion of the Lessor but not less than thirty (30) days, be deemed to revert to the State of Idaho, and shall be considered abandoned in place by the Lessee.
- F. **Market Value.** Market value is defined in this Lease as "The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms for which the specified improvement(s) should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest and assuming that neither is under undue duress."
- G. **Disputes arising out of a determination of Market Value of the improvements shall follow these procedures:**
- i. The approved improvements shall be valued by a qualified employee of Lessor or by an independent licensed appraiser hired by and at the cost of the Lessor. All valuations shall be administered and controlled by Lessor, and all appraisers shall use appraisal instructions provided by the Lessor. The Lessor reserves the right to accept or reject any valuation at its discretion. The valuation of the improvements shall be as of the date of the expiration or termination or non-renewal or default of the Lessee.

- ii. The Lessee has sixty (60) days to review said appraisal. If the valuation is not acceptable to the Lessee, the Lessee may, within this timeframe, provide relevant, authenticated information for Lessor's review and consideration that may support a different improvement valuation.
  - iii. The Lessee and Lessor shall meet to review the circumstances and try to resolve the differences in the valuation within 15 business days of the end of the sixty (60) day review period described above.
  - iv. If the differences in this valuation cannot be resolved, then the Lessor may appoint a three (3) person panel to make recommendations to the Director of the Department of Lands. All information shall be reviewed by this panel as to the market value of the improvements. The Lessee is responsible for any additional expenses incurred by the Lessor and the Lessee during the process defined in Section 10.G.i., Section 10.G.ii., Section 10.G.iii. and Section 10.G.iv. of these Lease Provisions.
- H. Treatment of Non-approved Improvements at any time during the Lease and upon Lease expiration without renewal, or termination, or default under the Lease.
- i. Lessor shall have the right to require Lessee to remove all non-approved improvements placed, or caused to be placed upon the Leased Premises, and to require Lessee to restore the Leased Premises, as nearly as is reasonably practical, to its natural or previous condition, all at Lessee's sole cost and expense. If removal as described above has not occurred by the date that the Lease expires and the Lease has not been renewed, has been terminated, or at the date of the Lessee default, all rights to title and interest of the Lessee to any of the non-approved improvements shall upon thirty (30) days written notice to the Lessee, or at a date determined at the sole discretion of the Lessor, but not less than thirty (30) days, be deemed to revert to the State of Idaho, and shall be considered abandoned in place by the Lessee.
  - ii. Any non-approved improvements not removed by the Lessee may be removed by the Lessor at the Lessee's sole cost and expense. Any attorney fees and collection costs incurred by the Lessor shall also be the Lessee's responsibility. Lessor has the right to enter the Leased Premises and remove any of the improvements, or otherwise dispose of such improvements, and charge the cost of removal and/or disposal and restoration to the Lessee. Lessee shall also be responsible for all collection costs including, but not limited to, attorneys fees and interest.

**11. Sale, Exchange or Change in Use of Leased Premises.**

- A. Sale. Lessor may sell all or any portion of the Leased Premises during the term of this Lease. Lessor will notify Lessee that the Leased Premises are being considered for sale at the time the proposed sale is scheduled for submission to Lessor for approval. Lessee will be notified of a scheduled sale at least thirty (30) calendar days prior to sale date. Lessee shall deliver immediate possession of the land sold unto Lessor, or to the person or party as may be specified in writing by Lessor or Lessor's designee, unless the land remains subject to the Lease, or unless Lessee is to be permitted to harvest a growing crop before surrendering possession. When creditable improvements are present, and Lessee delivers possession of the land, Lessor shall value them in accordance with Idaho Code § 58-313, or the then existing applicable statute or rule, and Lessee shall be paid for the improvements by the purchaser on the day of sale. Lessee shall have the rights provided by Section 10 of the Lease Provisions, and the then existing statutes or rules with respect to compensation for permitted improvements placed upon the Leased Premises by Lessee.
- B. Consent To Land Exchange. Lessee acknowledges that the Leased Premises, or any portion thereof, may be the subject of a future land exchange by Lessor, and Lessee hereby consents to the inclusion of any such land, or portion thereof, in any land exchange deemed necessary or appropriate by Lessor. This consent is given in compliance with Idaho Code § 58-138. In the event Lessor chooses to include the Leased Premises, or any portion thereof, in any proposed land exchange in the future, Lessor shall provide Lessee with at least thirty (30) days written notice. Upon the consummation of the proposed land exchange, that portion of lands included within the exchange shall be deleted from this Lease, and Lessee's Lease payment obligation for the ensuing year shall be reduced proportionately. Lessee shall be entitled to continue to use the lands included within any such exchange for the balance of the year in which the exchange occurs unless otherwise notified in writing by Lessor, in which event the Lease payment for such year shall be prorated.
- C. Change in Use. The Lease may be cancelled in whole or in part upon one hundred eighty (180) calendar days written notice by Lessor if the use of the Leased Premises is to be changed to any other use that is incompatible with the use authorized by this Lease, as designated by Lessor. In the event of early

cancellation due to change in land use, Lessee will be entitled to a prorata refund of the premium bid for a conflicted lease.

**12. Relations of the Parties.**

Lessee is not an officer, employee, or agent of the Lessor. Lessee covenants that it will satisfy and hold Lessor harmless against any lien, judgment, or encumbrance filed or made against the Leased Premises at the Lessee's sole and separate cost or expense.

**13. Insurance.**

Lessee shall purchase and keep in force all insurance required by this Lease. Any failure to comply with any of the terms of this section shall be a breach under Term 17 of this Lease.

- A. **Commercial General Liability.** Lessee shall obtain, at Lessee's expense, and keep in effect during the term of this Lease, Commercial General Liability Insurance covering bodily injury and property damage caused by or resulting from the occupancy, use, and operations of any other activity on the Leased Premises carried on by Lessee, its assigns, agents, operators or contractors. This insurance shall include personal injury coverage and contractual liability coverage for the indemnity provided under this lease. Coverage shall be combined single limit per occurrence, which shall not be less than One Million Dollars (\$1,000,000), or the equivalent. Each annual aggregate limit shall not be less than One Million Dollars (\$1,000,000), when applicable.
- B. **Property Insurance.** Lessee shall throughout the term of this Lease at its own expense, keep and maintain in full force and effect, property insurance for what is commonly referred to as "All Risk" coverage, excluding earthquake and flood, on Lessee's improvements and personal property.
- C. **Workers' Compensation.** Lessee shall maintain Workers' Compensation Insurance and Employer's Liability, together with all other coverages required therefor.
- D. **Additional Insured.** The liability insurance coverage required for performance of the Lease shall include the State of Idaho, the Board of Land Commissioners, and the Department of Lands, its officers, agents, and employees as additional insureds, but only with respect to the Lessee's activities (including the activities of Lessee's agents, operators, employees or contractors) relating to this Lease and/or any such activities upon, or related to, the Leased Premises. If the land surface and/or the improvements thereon covered by the Lease have been sold or leased by Lessor, then any such new owner or leaseholder of the surface rights and/or improvements shall also be an additional insured.
- E. **Insurance Policy Requirements.** All policies required under this Section shall be written as primary policies and not contributing to or in excess of any coverage Lessor may choose to maintain. All insurers shall have a Bests' rating of A- or better and be authorized to do business in the State of Idaho. There shall be no cancellation, material change, potential exhaustion of aggregate limits or intent not to renew insurance coverage without thirty (30) days written notice from Lessee and its insurer to Lessor; provided however, that if such prior advanced written notice cannot reasonably be provided, then the Lessee and its insurer shall immediately notify Lessor as soon as either becomes aware of any such cancellation, termination, material change, or intent not to renew. In any event, Lessee shall immediately notify Lessor of any such notice of cancellation, termination, material change, or intent not to renew any policy required by this Lease and shall deliver to Lessor a copy of any such notice upon receipt thereof from any insurer.
- F. **Proof of Insurance.** Prior to taking occupancy or commencing operations or construction, and at least annually thereafter, Lessee shall furnish Lessor with a certificate of insurance executed by a representative of each insurer duly authorized to bind coverage, together with a copy of any applicable policy and policy endorsement showing compliance with all insurance requirements set forth herein including evidencing Lessor as additional insured. Lessee shall provide certified copies of all insurance policies required above within fifteen (15) days of Lessor's written request for certified copies. Failure of Lessor to demand such certificate or other evidence of full compliance with these insurance requirements or failure of Lessor to identify a deficiency from evidence that is provided shall not be construed as a waiver of Lessee's obligation to maintain such insurance.

G. No Limitation of Liability. By requiring insurance herein, Lessor does not represent that coverage and limits will necessarily be adequate to protect Lessee, and such coverage and limits shall not be deemed as a limitation on Lessee's liability pursuant to this Lease.

**14. Indemnification.**

Lessee shall indemnify, defend, and hold harmless the Lessor, the State of Idaho, its officers, agents, and employees from and against any liability, claims, damages, losses, debts, obligations, judgments, expenses or actions, including reasonable attorneys' fees caused by or arising out of any act or omission of Lessee, or Lessee's agents, employees or invitees, or any act or omission arising out of or connected with the use or occupation of the Leased Premises or arising from the Lessee or Lessee's agents, or employees' failure to comply with any applicable law. If it becomes necessary for the Lessor to defend any action seeking to impose any such liability, the Lessee will pay the Lessor all costs of court and attorneys' fees incurred by the Lessor in effecting such defense in addition to all other sums that the Lessor may be called upon to pay by reason of the entry of a judgment against it in the litigation in which such claim is asserted. This indemnification shall survive the termination or expiration of this Lease.

**15. Inspection and Audit Rights.**

- A. Inspection by Lessor. Lessee shall permit Lessor or Lessor's authorized agent or designee to inspect and enter the Leased Premises and any improvements at any reasonable time.
- B. Audit Rights. The Lessor shall have the right to audit, in such a manner, and at all reasonable times as it deems appropriate, all activities of the Lessee arising in the course of its operation under this Lease. Lessee must maintain its books, records, documents, and other evidence of accounting in accordance with generally accepted accounting principles so as to properly reflect its business. At sole discretion of the Lessor an audit of the Lessee's books or the supporting tax documents that have been filed with the Internal Revenue Service or the State Sales Tax Report may be performed by a Certified Public Accountant or agent of the Department of Lands. If gross receipts is applicable under this Lease, and if an audit of gross receipts shows a discrepancy of ten percent (10%) or more of any amounts due under this Lease, any additional rental owed, all late charges calculated from the date the additional rent would have been due and the entire cost of the audit, shall be paid to the Lessor within thirty (30) days written notice to Lessee, unless otherwise agreed upon in writing by Lessor.

**16. Reservations by Lessor.**

The Lessor expressly reserves to itself the following rights:

- A. All timber rights, rights for oil and gas, geothermal rights, mineral rights, easements and rights-of-way, fee title to the Leased Premises, and title to all appurtenances and improvements placed thereon by the Lessor.
- B. The right to grant easements over the Leased Premises, providing said easements do not conflict in a material way with the approved improvements installed and maintained or operated by the Lessee upon the Leased Premises.
- C. The right to require that changes be made to the sanitation or other facilities for the protection of public health, safety or preservation of the Leased Premises.
- D. The right to issue leases for exploration and development of oil, gas, geothermal and mineral resources or any other lease, so long as such other use does not materially interfere with the authorized use under this Lease.
- E. To reserve, as its sole property, any and all water from any source arising on state land and to hold the water rights for any beneficial use that may develop as a result of this Lease.
- F. Right of ingress and egress over and across the herein described premises for itself and its assigns on existing roads or suitable alternative roads provided by the Lessee.



**17. Lessee's Default.**

- A. Lessee's breach of any of the terms of this Lease is a default and is a basis for termination of the Lease. Lessor shall provide Lessee written notice of the breach or violation and, if applicable, the corrective action required of Lessee. The notice shall specify the reasonable time to make a correction or cure the violation or breach. If the corrective action or cure is not taken within the specified time or does not occur, then the Lessor shall cancel the Lease effective on the date specified for the corrective action or cure to have taken place.
- B. Lessee agrees to relinquish possession of the Leased Premises upon cancellation of the Lease with all permanent improvements thereon in good order and condition. In addition to the rights and remedies specifically granted to Lessor under this Lease, Lessor shall have such other rights and remedies as against Lessee as may be available at law or in equity, and Lessor's pursuit of any particular remedy for breach or default shall not, in and of itself, constitute a waiver or relinquishment of any other available claim of Lessor against Lessee.

**18. Notices.**

- A. All notice(s) including, but not limited to, a change in address, given in connection with the Lease shall reference the Lease number, shall be in writing and shall be delivered either by hand or by regular United States Mail to Lessor at the address listed in the Summary of Lease Provisions, and to Lessee at the address listed in Summary of Lease Provisions.
- B. Any notice or correspondence mailed to Lessee at the last identified address shall be deemed effective delivery. It is the Lessee's duty to notify Lessor, in writing, of any change in Lessee's mailing address.

**19. Waiver.**

The waiver by the Lessor of any breach of any term, covenant, or condition of this Lease shall not be deemed to be a waiver of any past, present, or future breach of the same or any other term, covenant, or condition of this Lease. The acceptance of rent by the Lessor hereunder shall not be construed to be a waiver of any term of this Lease. No payment by the Lessee of any amount less than that due and owing, according to the terms of this Lease shall be deemed or construed to be other than a partial payment on account of the most recent rent due, nor shall any endorsement or statement of any check or letter accompanying any payment be deemed to create an accord and satisfaction.

**20. Attorneys Fees and Costs.**

In the event either party to this Lease shall institute a lawsuit of any kind under this Lease or action is taken by either party to obtain performance of any kind under this Lease, the unsuccessful party to such litigation agrees to pay to the prevailing party all costs and expenses, including reasonable attorneys fees, accountants fees and appraisers fees and fees of other experts, incurred therein by the prevailing party, including all such costs and expenses incurred with respect to an appeal and such may be included in the judgment entered in such action.

**21. Officials, Agents and Employees Not Personally Liable.**

In no event shall any official, officer, employee or agent of the State be in any way personally liable or responsible for any covenant or obligation contained in this Lease, express or implied, nor for any statement, representation or warranty made in connection herewith.

**22. Miscellaneous.**

- A. Modification. The Lease Provisions, excluding the rent adjustments, may be modified only by the prior written consent of the authorized representatives of the Lessor and Lessee.
- B. Complete Statement of Terms. No other understanding, whether oral or written, whether made prior to or contemporaneously with this Lease, shall be deemed to enlarge, limit, or otherwise effect the operation of this Lease.
- C. Lessee's Non-Discrimination. Lessee shall not discriminate against any person because of race, creed, religion, color, sex, national origin or disability.

- D. **Paragraph Headings.** The paragraph headings, titles, and captions used in this Lease are not to be construed as interpretations, but are inserted for convenience and reference only.
- E. **Entire Agreement.** This Lease (including the Summary of Lease Provisions, Lease Provisions, Signature Pages and all Attachments) contain the entire agreement between the parties as of the date executed concerning the subject matter hereof and supersedes all prior agreements. The execution of this Lease has not been induced by either party, or any agent of either party, by representations, promises, or undertakings whatsoever between the respective parties concerning this Lease except those which are expressly contained herein.
- F. **Governing Law and Forum.** This Lease shall be construed in accordance with and governed by the laws of the State of Idaho and the parties consent to the jurisdiction of Idaho State Courts located in Ada County in the event of any dispute with respect to this Lease.
- G. **Binding on Heirs and Successors.** It is understood and agreed that all terms, covenants, and conditions hereof shall be binding upon the approved subleases, approved assignees and Lessee's heirs or successors in interest.
- H. **Severability.** In the event any provision of this Lease shall be held invalid or unenforceable according to law, for any reason whatsoever, then the validity, legality or enforceability of the remaining provisions shall not in any way be affected or impaired.
- I. **License/Authorizations.** Lessee shall be responsible for paying any fees for any license or authorizations that may be required from other entities as required in the course of doing business as it relates to this Lease.

The logo for the Idaho Department of Lands is centered on the page. It features a stylized mountain range in shades of blue and green, with a yellow sunburst at the top. A horizontal banner across the middle contains the text "IDAHO DEPARTMENT OF LANDS" in white, uppercase letters.

IDAHO DEPARTMENT OF LANDS

This Lease (including the Summary of Lease Provisions, Lease Provisions, Signature Pages, and all Attachments) is made and entered into by and between the State of Idaho, acting by and through the Lessor, and Lessee.

LESSOR SIGNATURES

COUNTERSIGNED: STATE BOARD OF LAND COMMISSIONERS OF THE STATE OF IDAHO

Lawrence E. Denney  
Secretary of the State of Idaho

C. L. "Butch" Otter  
President of the State Board of Land Commissioners and Governor of the State of Idaho

Livie French  
Director of the Department of Lands - Assistant Director

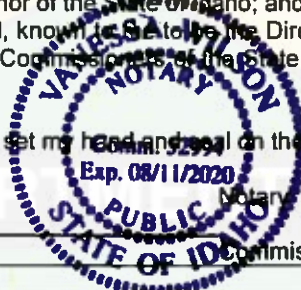


STATE OF IDAHO )  
                                  )S  
COUNTY OF ADA )

On this 4<sup>th</sup> day of October, in the year 2018, before me, a Notary Public in and for said State, personally appeared C. L. "Butch" Otter, known to me to be the president of the State Board of Land Commissioners of the State of Idaho and the Governor of the State of Idaho; and Lawrence E. Denney, known to me to be the Secretary of the State of Idaho and David Groeschl, known to me to be the Director, that executed the within instrument, and acknowledged to me that the State Board of Land Commissioners of the State of Idaho and the State of Idaho executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year last above written.

Vanessa Wilson



Public:

Commission Expiration: 8-11-2020

LESSEE SIGNATURE(S)

x Travis Leonard, Partner x \_\_\_\_\_  
(Lessee/Company) (Lessee/Company)

x C, PARTNER x \_\_\_\_\_  
(Lessee/Company) (Lessee/Company)

STATE OF Idaho ) (SEAL)  
                                  )S  
COUNTY OF Valley )

On this 29 day of September, in the year 2018, before me Kathy A Crowther a Notary Public, personally appeared Travis Leonard, Colby Ruyton proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is (are) subscribed to the within instrument, and acknowledged that he (she) (they) executed the same.

IN WITNESS WHEREOF, I have hereunto set my hand and seal on the day and year last above written.



Notary Public Kathy A Crowther  
Commission expires: 11/2/18

ATTACHMENT A  
**SPECIAL TERMS AND CONDITIONS**

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ATTACHMENT B

LEGAL DESCRIPTION OF LEASED PREMISES

Instrument Number	Township	Range	Section	Legal Description	County	Endowment	Acres
M500031	19N	03E	26	Pts Gov Lot 5	Valley	PS	5.67
M500031	19N	03E	26	Pts Gov Lot 1, Pts Gov Lot 2	Valley	NS	22.40



ATTACHMENT C

Site Map(s)



Problems or comments email us at: [plandep@idaho.gov](mailto:plandep@idaho.gov)

IDTM NAD83 Easting: -12919476 Northing: 5815966

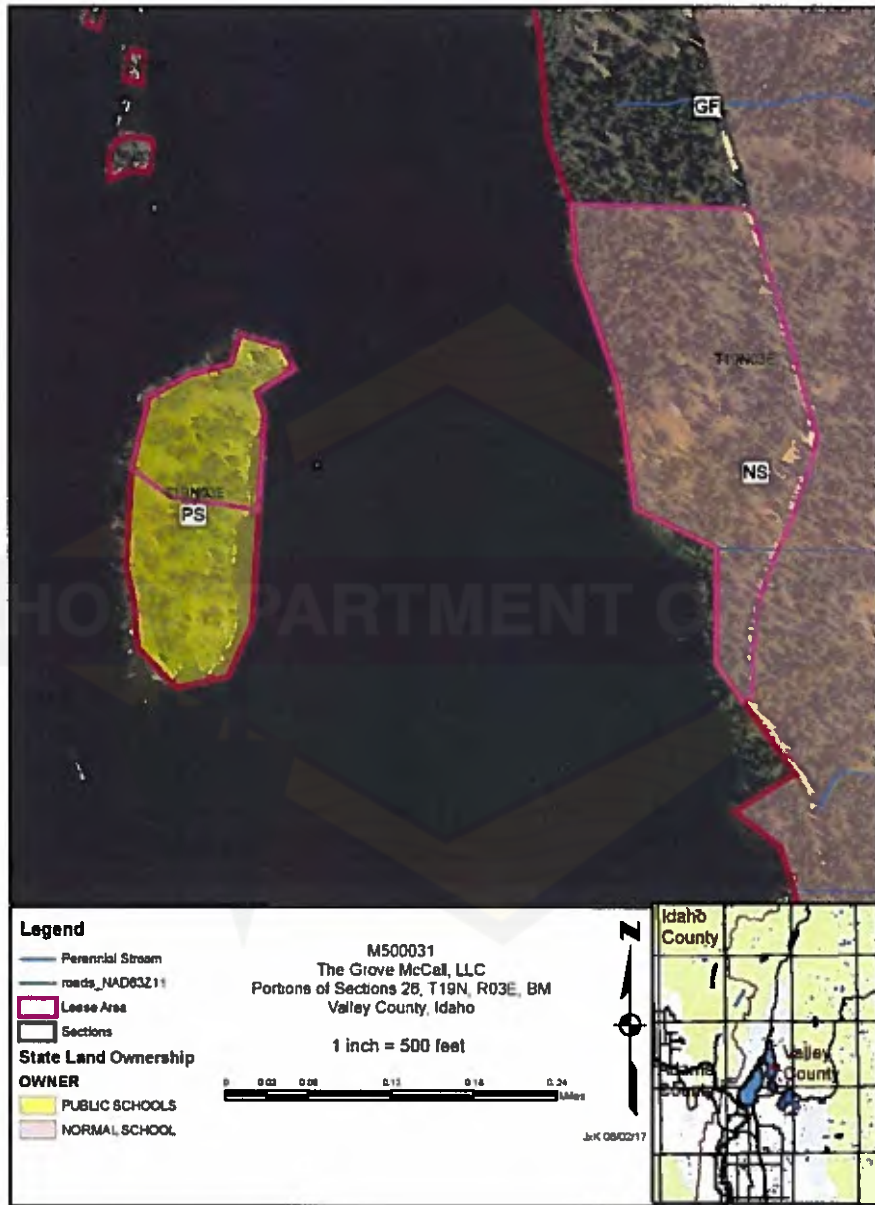


M500031 Proposed Lease Boundary



ATTACHMENT C

Site Map(s)





ATTACHMENT E

**EXISTING IMPROVEMENTS**

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# GIVENS PURSLEY<sub>LLP</sub>

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Preston N. Carter  
Jeremy C. Chou  
William C. Cole  
Michael C. Creamer  
Amber N. Dina  
Bradley J. Dixon  
Thomas E. Dvorak  
Jeffrey C. Fereday  
Martin C. Hendricksen  
Brian J. Holleran  
Kersti H. Kennedy

Neal A. Koskella  
Debra K. Kristensen  
Michael P. Lawrence  
Franklin G. Lee  
David R. Lombardi  
Kimberly D. Maloney  
Kenneth R. McClure  
Kelly Greene McConnell  
Alex P. McLaughlin  
Melodie A. McQuade  
Christopher H. Meyer  
L. Edward Miller  
Patrick J. Miller  
Judson B. Montgomery  
Emily G. Mueller  
Deborah E. Nelson

W. Hugh O'Riordan, LL.M.  
Randall A. Peterman  
Jack W. Relf  
Michael O. Roe  
Jamie Caplan Smith  
P. Mark Thompson  
Jeffrey A. Warr  
Robert B. White

Kenneth L. Pursley (1940-2015)  
James A. McClure (1924-2011)  
Raymond D. Givens (1917-2008)

November 16, 2018

## **VIA HAND DELIVERY**

The Honorable C.L. "Butch" Otter  
Chairman, Idaho Land Board  
300 North 6th Street, Suite 103  
Boise, ID 83702

**Re: Commercial Recreation Lease No. M500031**

Dear Governor Otter:

We write on behalf of the Tamarack Bay Condominium Association, Inc., whose members are very concerned about the current construction of a new event center on state land immediately adjacent to the Tamarack Bay community on Payette Lake. The event center is authorized pursuant to Commercial Recreation Lease No. M500031 ("Lease"), which was recently awarded to The Grove McCall, LLC ("Lessee") for approximately 28 acres of lakefront property for only \$4,000 in annual rent. Tamarack Bay objects to the Lease as unconstitutional and against public policy and seeks your help as Chairman of the Land Board to immediately halt the activities and address the deficiencies in this Lease.

Based on our review of the Lease and the facts we have been able to gather from the Idaho Department of Lands ("IDL") to date, it appears the Lease is unconstitutional under Article IX, § 8 of Idaho's Constitution because it was not publicly bid. The Idaho Supreme Court has determined, in *Wasden v. State Board of Land Commissioners*, 153 Idaho 190, 280 P.3d 693 (2012), that Article IX, § 8 of the Idaho Constitution requires public auctions for leases of endowment lands. Unless a public auction was properly held, the Lease is unconstitutional and void. In fact, Idaho Code § 58-307(11), which provides for commercial leasing of state lands, appears to be facially unconstitutional because it gives IDL discretion to forego the public auction process on commercial leases.

The Lease also fails to secure the maximum long-term financial return to the State as required by Article IX, § 8 of the Idaho Constitution. IDL "must obtain a reasonable rental, based upon fair market value of the state land, throughout the duration of the lease."<sup>1</sup> Rental rates must be "determined through market indicators of comparable land values."<sup>2</sup>

<sup>1</sup> IDAHO CODE § 58-307(11) (2018).

<sup>2</sup> See e.g., IDAPA 20.03.13.001.01 (2018).

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DEPT. OF LANDS

Certainly the leased premises is worth more than \$4,000 a year. A current residential cottage site with only 100 feet of lakefront property on Payette Lake pays annual rent between \$35,000 and \$50,000. Private lakefront property sells for as much as \$20,000 per linear foot of lakefront. The leased premises includes 28 acres and *thousands* of linear feet of lake frontage. The Lessee will profit from this lake access and views, but the State will not.

We have received conflicting and incomplete information from IDL about the basis for the Lease's rent. One explanation IDL offered is that the leased premises was valued based on upland property values instead of lakefront property due to the topography of the property. This was an error. The leased premises includes thousands of feet of lake frontage as well as the northern half of Shellworth Island. Valuing the leased premises as anything other than lakefront property was arbitrary regardless of topography. The property literally straddles Payette Lake, with lakefront on both the mainland and the island. Even taking topography into account, the leased premises benefits from unique views and direct lakefront access not found on upland property. In fact, many current and former cottage sites that are lakefront, and were valued accordingly, are located on steep slopes that require stairs to access Payette Lake. Furthermore, the Lessee is incorporating the waterfront into its commercial enterprise by constructing a path through the site to the lake. The Lessee will be able to charge a significantly higher event fee than if the event center were located on property that truly is upland, without lake access and views. The State is effectively subsidizing these profits by not charging market rent.

Another explanation IDL offered is that the Lease's rent is based on a timber sale. This is even more preposterous. Four thousand dollars for 28 acres amounts to \$143 per acre, which is grossly below any appraised timber pricing. It is difficult to understand how this valuation satisfies IDL's duty to determine rental rates "through market indicators of comparable land values."<sup>3</sup>

In addition to the constitutional conflicts, the Lease is against public policy because it adversely affects the surrounding landowners, the watershed, and the community at large. No arrangements have been made to connect the property to the sewer even though the Lessee is required to follow all laws and regulations. The use will strain public and emergency services given the property's remoteness and narrow road access.

Use of the leased premises as a commercial venue for parties and weddings of up to 275 people will create nuisances because: (i) the Lease permits amplified sound until 11:00 p.m.; (ii) the Lease does not limit the frequency or duration of events; (iii) the Lease does not limit the use of outdoor lighting; and (iv) the Lease does not specify standards for bathroom facilities or disposal of waste. A commercial event center hosting parties and weddings is not compatible with surrounding residential and recreational uses. Tamarack Bay is a residential community less than 1,000 feet from the leased premises. Tamarack Bay property owners purchased their property for the seclusion it offered and to peacefully enjoy Payette Lake. The noise, light, and traffic generated by the Lessee's event center will create future conflicts and nuisances. Noise generated on the leased premises will have a direct path over the water uninhibited by trees or topography to Tamarack Bay.

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<sup>3</sup> See e.g., IDAPA 20.03.13.001.01 (2018).

IDL's policy is to "inform the market" upon receipt of an application "that proposes to use endowment trust land in a way that is considered new for that location."<sup>4</sup> By adopting this policy, IDL acknowledges that changes in the use of state lands can have adverse effects on nearby landowners. The leased premises has not been used as a commercial event venue in the past, yet IDL did not notify the adjacent property owners who will experience the greatest impact from the change of use.

The Lease is titled as a Commercial Recreation Lease, but there is nothing recreational about the Lessee's proposed use. A commercial event venue for parties and weddings is strictly commercial. Other jurisdictions, such as Valley County, do not consider a venue for parties and weddings as a recreational business.<sup>5</sup>

Endowment trust lands are to be preserved and held in trust,<sup>6</sup> and the Lease requires the Lessee to maintain the premises "in as nearly natural state as possible." Yet, the Lessee is harvesting timber, building platforms, and constructing a pathway to the property's lakefront area.

The Tamarack Bay community is very concerned about the construction activities already underway. We request the Land Board's and IDL's immediate attention on this issue. *Specifically, we ask you to call for an immediate stop to the current construction and clearing activities on the property so that we are not forced to seek a temporary restraining order.* We also ask you to immediately terminate this Lease given the deficient process in selecting the Lessee and valuing the market rent. Any lease for this property must follow public auction protocols and include an annual market rent based on lakefront values and, further, should include appropriate restrictions to protect water quality, address sanitation, avoid impacts on night sky, and limit amplified sound both in duration and decibels.

Thank you for your consideration and attention to this important issue.

Sincerely,



Deborah E. Nelson

cc: Idaho State Board of Land Commissioners  
The Honorable Brad Little, Governor-Elect  
Dustin Miller, Idaho Department of Lands Director  
Scott Corkill, Area Manager, Payette Lakes Supervisory Area  
Angela Kaufman, Deputy Attorney General  
Ray Ryan, President, Tamarack Bay Association

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<sup>4</sup> *Leasing Policies*, IDAHO DEP'T OF LANDS, <https://www.idl.idaho.gov/leasing/index.html>.

<sup>5</sup> See Valley Cty. Code § 9-3-1-3-A-5-e (2018).

<sup>6</sup> IDAHO CONST. ART. IX, § 8.

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**DIRECTOR'S OFFICE**  
300 N 6th Street Suite 103  
PO Box 83720  
Boise ID 83720-0050  
Phone (208) 334-0200  
Fax (208) 334-5342



**STATE BOARD OF LAND COMMISSIONERS**  
C. L. "Butch" Otter, Governor  
Lawrence E. Denney, Secretary of State  
Lawrence G. Wasden, Attorney General  
Brandon D Woolf, State Controller  
Sherri Ybarra, Sup't of Public Instruction

December 19, 2018

Ms. Deborah Nelson  
Givens Pursley LLP  
601 W. Bannock Street  
PO Box 2720  
Boise ID 83701

via email: [den@givenspursley.com](mailto:den@givenspursley.com)

Re: Commercial Recreation Lease No. M-500031

Dear Ms. Nelson:

Thank you for your letter dated November 16, 2018 to The Honorable C.L. "Butch" Otter, Chairman of the Idaho Land Board, regarding the Idaho Department of Lands ("IDL") lease with The Grove McCall, LLC ("Lessee"). The following is in response to your concerns regarding the development and issuance of this lease, M-500031 ("Lease"):

#### **Public Auctioning of Leases**

You expressed concern regarding the lack of public action and allege the Lease is unconstitutional, citing *Wasden v. State Bd. of Land Com'rs.*, 153 Idaho 190, 280 P.3d 693 (2012). That assertion is incorrect. Following the Land Board direction and IDL established procedures, all expiring leases are advertised on the IDL website for a minimum of one year and new lease applications, such as the Lease at issue, are advertised on the IDL website for a minimum of 30 days, with the exception of Commercial Office/Retail leases, which are advertised for 14 days. After the advertisement period ends, and if it has received more than one application for a parcel, IDL will review the applications and assess whether the proposed activities would be compatible with each other. If the proposed leasing activities are deemed compatible, IDL will pursue the issuance of two leases at market rates to maximize the revenue generated from that parcel. If the proposed leasing activities are incompatible, IDL will initiate a public auction process to determine which party will be awarded the lease. Auction results are always subject to final Land Board approval. If, however, during the advertising period no additional parties make a timely application, IDL will proceed with the issuance of a lease to the original applicant, because there would be no reason to hold a public auction when there would be only one bidder.

Regarding the Lease at issue, IDL received the lease application on April 26, 2018 and advertised the lease on its website for 30 days, from April 26 through May 27, 2018. IDL did not



receive any additional lease applications and no other party expressed interest, therefore, no lease auction was required or held.

### **Lease Rates**

You also expressed a concern that the Lease fails to secure the maximum long term financial return for the endowment beneficiaries. However, we believe we have met our fiduciary responsibility. In determining the rental rate for the Lease, IDL considered the lease activity proposed, available market comparables, and the land's current asset class in relation to the specified use in the lease application. In this instance, the asset class is Primary Base Timber and the use is Commercial in nature. In the Payette Lakes Area, the closest market comparable for determining Commercial lease rent is Tamarack Resort, which operates a commercial recreation ski resort on state endowment timberlands. Tamarack Resort leases approximately 2,000 acres at a current market rent of approximately \$300,000. This rent to acreage ratio yields approximately \$150 per acre, per year. Equating this value to the 28 acres in the Lease would generate an annual lease rent of \$4,200. The rent in the Lease specifies a base rent of \$4,000 and an additional \$400 per each developed acre or portion thereof. To establish rent for the Lease based on the Residential asset class, and use related Residential market valuations, would be arbitrary as the Lease area is not located in a platted subdivision nor are roads and utilities currently available for such development.

It is worthy to note that 22.4 acres of the land within the boundaries of the Lease at issue were previously, and are currently, under two additional leases - Lease M500021, a Commercial-Recreation lease for trail riding and G500069, a Grazing lease for livestock. As such, this example demonstrates IDL's commitment to securing the maximum long-term financial return to the State on lands within the trust, as required by Article IX § 8 of the Idaho Constitution.

It is also important to note that entering into a lease agreement on this parcel of state endowment lands does not prevent IDL from pursuing future residential planning or development, but does provide additional immediate revenue to the endowment beneficiaries in the interim at the prevailing commercial lease rate.

### **Adjacent Neighbor Impacts**

The Lease area is located farther than one-quarter mile from the nearest residence and oriented in such a manner so as not to direct sound toward residences. The use of sound amplification and light, regardless of time of day, is still subject to the Valley County Ordinance. The Lessee has indicated its commitment to the responsible use of amplified sound and light, realizing that the alternative would potentially result in fines and the loss of the ability to use lights and amplified sound.

Use of the leased area is not limited by frequency of use, but rather by the number of guests and staff on the premises at any given time. Use of the leased area is also limited by the amount of parking available that is located within the leased area. The Lessee is aware that use of the leased area that exceeds the site's limitations will cause undue impact to resources and may result in lease non-compliance and potential termination.

The Lease specifies that the "Lessee shall not dispose of sewage except in conformity with applicable federal, state, and local law, rules and regulations pertinent to the Lessee's use." The Payette Lake Water and Sewer District only requires sewer hookup for commercial and residential structures, which have the potential to produce an established amount of daily sewage. The Lessee does not currently propose the development of any commercial or residential structure and therefore does not require a sewer hookup. As an alternative, the Lessee will employ portable toilets in sufficient quantity to meet the Sanitary Requirement of the Lease.

#### **Adjacent Neighbor Notification**

In November 2018, IDL established a procedure for notifying cities, counties and rural residences when IDL receives an application for a commercial use of endowment land within city limits, area of impact, and within 500' of a rural residential building. This is a courtesy notification that will help us inform our neighbors of a lease application, with the understanding that IDL is held to our Constitutional responsibility and obligation to our endowment beneficiaries. This statewide procedure was not in place on April 27, 2018 when IDL received the application for the Lease within the City of McCall Impact Area. IDL is committed to a courtesy notification on all future commercial use applications under these guidelines.

#### **Lease Activity Description**

The use of the term "recreation" in association with the Lease has no significance beyond a historical use by IDL to categorize commercial leasing into six sub-categories. These commercial lease sub-categories include:

- Office/Retail
- Military
- Industrial
- Communications Sites
- Alternative Energy
- Recreation

Deborah Nelson  
December 19, 2018  
Page 4

Given these six sub-categories within the commercial leasing program, IDL determined that recreation is the sub-category that best fit this particular lease. IDL negotiates and develops commercial leases on an individual basis, assigning a sub-category for each lease as well as lease terms and conditions.

### **Resource Management and Protection**

As the Lease is located on Primary Base Timber land and adjacent to Payette Lake, any land management activities must comply with the Forest Practices Act, Title 38, Chapter 13, Idaho Code, and any encroachments into the lake must comply with the Lake Protection Act, Title 58, Chapter 13, Idaho Code, and the Rules for the Regulation of Beds, Waters and Airspace over Navigable Lakes in the State of Idaho, IDAPA 20.03.04.000 *et seq.* To date, some of the preexisting logging roads were resurfaced with crushed rock, improving access to the site, and reducing the potential of sediment entering into the lake. In addition, ten merchantable trees, a few non-merchantable trees, and several snags or downed logs were removed for which the endowments were compensated at market rates for timber products. The removal of these forest components improved the safety and aesthetics of the site for the proposed use, and did not compromise any future uses of the site nor the ecological condition of the forest. A few downed logs along the beach and over the water were also removed as they posed a navigational hazard to boaters using this portion of Payette Lake. These activities are consistent with other timbered endowment lands surrounding Payette Lake.

Based on the information provided, and IDL's review of the development and issuance of the Lease, IDL maintains that the Lease is consistent with Idaho law, and as long as the lessee is operating according to the terms and conditions of the lease, IDL does not intend to terminate the Lease.

Sincerely,



Dustin T. Miller  
Director

cc: The Honorable C.L. "Butch" Otter  
Idaho State Board of Land Commissioners  
The Honorable Brad Little, Governor-Elect  
Scott Corkill, Area Manager, Payette Lakes Supervisory Area  
Angela Kaufmann, Deputy Attorney General  
Ray Ryan, President, Tamarack Bay Association

Date: December 27, 2018

Re: Party Venue on Payette Lake's Tamarack Bay, McCall

Dear Mr. Miller,

Thank you in advance for your time and consideration. As Secretary of the Land Board, you may be aware of the proposed party venue on Payette Lake's Tamarack Bay. The permit holder, The Grove McCall LLC, was given a sweetheart deal of \$4000 per year for 28 acres of lakefront property, including a large portion of Shellworth Island (lease no. M500031). This property has thousands of feet of shoreline, which if put to the public for bid, would fetch closer to \$35,000 to \$50,000 per year.

Besides the cutting down of hundred-year old trees, the removal of fish habitat below the high water mark, and the loss of public access to the beach, I am incensed by the lack of public notice. When I pressed the McCall branch of the IDL, the onsite staff said the lease was posted on the IDL website for 30 days. When I inquired about the damage to fish habitat, IDL staff said a permit was not required. I kept hearing the sentence "*homeowners are allowed to do the same thing on private property*". But I ask, shouldn't endowment land that the public entrusts to the IDL be held to a higher standard?

When changing the character of our waterways or building on shore, homeowners must obtain dredging permits and/or post building permits on site and visible to the public. Had The Grove McCall LLC been held to this standard during the bidding/permitting process, I would have seen a posted notification and rallied friends of Payette Lake/Tamarack Bay. We could have greatly exceeded the criminally low \$4000 per year, and protected this land from future development. Now, we must look forward to lights and music until 11:00 PM, drunk party-goers driving home on the dark, narrow Eastside Drive, and more. One must ask why the business owner is removing logs from the beach? Why did they lease Shellworth Island? Are there unstated plans to build docks on both sides of the bay, ferrying partiers back and forth to the island?

Tamarack Bay is arguably the prettiest, most pristine spot on Payette Lake, where thousands of people visit each summer to enjoy the osprey chicks, the rocky outcroppings, the beach, and the solitude. I hope you can put a stop to this before we lose this public gem forever – and if not stop it – then make it fair. I believe there are provisions in the lease to increase the rent with 6 months' notice. It seems only right that the business owner pay the fair market rate of \$35,000 to \$50,000 per year to deface this land.

Respectfully,

  
Suzan Ahrens

2635 Eastside Drive, #30

McCall, ID 83638

DEPT. OF LANDS

JAN 02 2019

BOISE, IDAHO

001



January 1, 2019  
RECEIVED

JAN 08 2019

OFFICE OF THE GOVERNOR

Dear Governor Little,

I feel the Idaho Department of Lands has betrayed the people of Idaho – a state known for its spectacular beauty and breathtaking surroundings – by leasing lakefront property on Payette Lake to a wedding and party events center (The Grove McCall, LLC lease# M500031).

My reasons are:

1. Depriving the public of access to 2 beautiful areas on the lake, namely the event center's 22 acres plus 6 acres on Shellworth Island, including the shoreline of both parcels. Gates are in the process of being put up to deny public access to the 22 acres.
2. Banning alcohol in the city's lakefront parks as well as North Beach has been in effect over the past 3 years on the 4<sup>th</sup> of July weekend. IDL is going to put alcohol events on the lake for the entire summer and fall, impacting the lake, forests, roads, and the peacefulness of the area. Amplified sound will be allowed from 8 AM until 11 PM daily.
3. Driving on Eastside Drive is already a challenge in the summer time, as it is very narrow, with hills and blind corners. It has no bike lanes and the shoulders are narrow or non-existent. As a result, people walking 2 to 3 abreast, some with strollers, runners, bicyclists with baby trailers, children and dogs are all on the road itself. Imagine adding drivers and alcohol into the mix.
4. Picturing the scene of just one glowing cigarette butt flicked into the dry forest by someone who has been drinking is frightening, and could be catastrophic.
5. Providing security for these events will certainly overwhelm the sheriff's department as well as impacting their ability to attend to emergency calls from the general population.
6. Knowing the values of land surrounding the lake, it hardly seems possible that the lease on that land and lakefront property could be worth only \$4,000 per year. Based on leased lakefront properties that have recently been auctioned off by IDL, both here and Priest Lake, it is difficult to support the \$4,000 figure.
7. Notifying surrounding property owners of impending bids would be the prudent thing to do. Many owners in this case would be willing to lease the land from IDL, thus avoiding the disturbances, commotion, and problems associated with a party center, in addition to keeping the property open for the enjoyment of all the people from Idaho.

Respectfully,

Ann Hett  
Tamarack Bay  
McCall, ID  
idnvmtg@yaho.com

January 5, 2019

Secretary of the Land Board

IDL Director Dustin Miller

IDL Land Board:

We are sure you have already received letters from our friends and neighbors regarding the party venue taking shape on Payette Lake's Tamarack Bay in McCall, so we will only quickly restate the troubling issues surrounding this enterprise, namely:

1. The close proximity to three youth camps whose children cross this road daily to reach the lake and also hiking trails. (Camp Morrison which is the Boy Scout camp, Camp Ida Haven, and Paradise Point.)
2. Popular road for cyclists, nature lovers, walkers and those walking their dogs.
3. Narrow road cannot support the amount of traffic especially with very little speed control and the steep, narrow, curvy gravel section at the end of the pavement. The posted 25 mph speed limit is very rarely adhered to by current travelers and adding 250 guests plus 25 staff at many events only increases the chance of terrible accidents especially when alcohol is involved.
4. Damage to pristine wilderness that is within East Side Drive's designated scenic route and already many 100 yr old trees have been logged. We have seen no permits.
5. Loss of public access to beaches and the Shellworth Island. How are they transporting people to the island and are docks and boating facilities allowed. Thought there was to be no more docks allowed on the lake.
6. We were told this is endowment land that the public entrusts to the land board. Shouldn't our elected officials demand a fair market amount for our public education fund. The amount of \$4000 dollars per years is unreasonable this certainly does not meet the fair market value of \$35,000 to \$50,000 per 100 feet of lakefront land.

This letter is to officially record our opposition to this party venue and we are asking for your help in putting a stop to 'The Lookout on the Lake'.

Thank you for your time and consideration.

  
Larry Hettinger

  
Carla Hettinger

McCall, Idaho

DEPT. OF LANDS  
2019 JAN -9 PM 1:37  
BOISE, IDAHO



Dear Mr./Ms. Land Board Commissioner

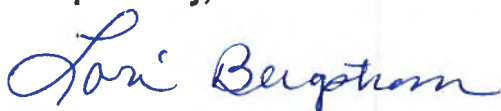
Thank you in advance for your time and consideration. As a Land Board Commissioner, you may be aware of the proposed party venue on Payette Lake's Tamarack Bay. The permit holder, The Grove McCall, LLC, was given a sweetheart deal of \$4000 per year for 28 acres of lakefront property, including a large portion of Shellworth Island (lease no. M500031). This property has easily 500 feet or more of shoreline, which if put to the public for bid, would fetch closer to \$35,000 to \$50,000 per 100' per year.

Besides the cutting down of hundred-year old trees, the removal of fish habitat below the high water mark, and the loss of public access to the beach, I am incensed by the lack of public notice. When I pressed the McCall branch of the IDL, the onsite staff said the lease was posted on the IDL website for 30 days. When I inquired about the damage to fish habitat, IDL staff said a permit was not required. I kept hearing the sentence "homeowners are allowed to do the same thing on private property". But I ask, shouldn't endowment land that the public entrusts to the IDL be held to a higher standard?

When changing the character of our waterways or building on shore, homeowners must obtain dredging permits and/or post building permits on site and visible to the public. Had The Grove McCall LLC been held to this standard during the bidding/permitting process, I would have seen a posted notification and rallied friends of Payette Lake/Tamarack Bay. We could have greatly exceeded the criminally low \$4000 per year, and protected this land from future development. Now, we must look forward to lights and music until 11:00 PM, drunk party-goers driving home on the dark, narrow East Side Drive, and more. One must ask why the business owner is removing logs from the beach? Why did they lease Shellworth Island? Are there unstated plans to build docks on both sides of the bay, ferrying parties back and forth to the island?

Tamarack Bay is arguably the prettiest, most pristine spot on Payette Lake, where thousands of people visit each summer to enjoy the osprey chicks, the rocky outcroppings, the beach, and the solitude. I hope you can put a stop to this before we lose this public gem forever – and if not stop it – then make it fair. I believe there are provisions in the lease to increase the rent with 6 months' notice. It seems only right that the business owner pay the fair market rate to deface this land.

Respectfully,



McCall, ID

DEPT. OF LANDS  
2019 JAN -9 PM 1:43  
BOISE, IDAHO

**Dear Mr./Ms. Land Board Commissioner or Valley County  
Commissioner**

**No doubt you've already received letters from my friends and neighbors regarding the party venue taking shape on Payette Lake's Tamarack Bay in McCall, so I will only quickly restate the troubling issues surrounding this enterprise, namely: noise and light pollution, damage to wildlife and fish habitat, damage to pristine wilderness that falls within East Side Drive's designated scenic route, the loss of public access to beaches, increased traffic on a narrow gravel road, drunk drivers in close proximity to three youth camps whose children cross this road daily.**

**This letter is to officially record my opposition to this party venue and to ask for your help in putting a stop to 'The Lookout on the Lake'.**

**Thank you for your time and consideration,**

*Lori Bergstrom*

**McCall, ID**

DEPT. OF LANDS  
2019 JAN -9 PM 1:43  
BOISE, IDAHO

Dear Mr./Ms. Land Board Commissioner

Thank you in advance for your time and consideration. As a Land Board Commissioner, you may be aware of the proposed party venue on Payette Lake's Tamarack Bay. The permit holder, The Grove McCall, LLC, was given a sweetheart deal of \$4000 per year for 28 acres of lakefront property, including a large portion of Shellworth Island (lease no. M500031). This property has easily 500 feet or more of shoreline, which if put to the public for bid, would fetch closer to \$35,000 to \$50,000 per 100' per year.

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Respectfully,

*Steve*      *stram*

McCall, ID

DEPT. OF LANDS  
BOICE, IDAHO  
2019 JUN -9 P. 1:44

**Dear Mr./Ms. Land Board Commissioner or Valley County  
Commissioner**

**No doubt you've already received letters from my friends and neighbors regarding the party venue taking shape on Payette Lake's Tamarack Bay in McCall, so I will only quickly restate the troubling issues surrounding this enterprise, namely: noise and light pollution, damage to wildlife and fish habitat, damage to pristine wilderness that falls within East Side Drive's designated scenic route, the loss of public access to beaches, increased traffic on a narrow gravel road, drunk drivers in close proximity to three youth camps whose children cross this road daily.**

**This letter is to officially record my opposition to this party venue and to ask for your help in putting a stop to 'The Lookout on the Lake'.**

**Thank you for your time and consideration,**

*Steve Bergstrom*

**McCall, ID**

DEPT. OF LANDS  
2019 JAN -9 PM 1:40  
BOISE, IDAHO

**Dear Mr./Ms. Land Board Commissioner or Valley County  
Commissioner**

**No doubt you've already received letters from my friends and neighbors regarding the party venue taking shape on Payette Lake's Tamarack Bay in McCall, so I will only quickly restate the troubling issues surrounding this enterprise, namely: noise and light pollution, damage to wildlife and fish habitat, damage to pristine wilderness that falls within East Side Drive's designated scenic route, the loss of public access to beaches, increased traffic on a narrow gravel road, drunk drivers in close proximity to three youth camps whose children cross this road daily.**

**This letter is to officially record my opposition to this party venue and to ask for your help in putting a stop to 'The Lookout on the Lake'.**

**Thank you for your time and consideration,**

*Tom Russell*

**McCall, ID**

DEPT. OF LANDS  
2019 JAN -9 PM 1:44  
BOISE, IDAHO



1/7/19

Secretary of the Land Board  
102 Director Dustin Miller  
300 N. 6<sup>th</sup> St. Ste. 103  
Boise, ID 83702

DEPT. OF LANDS  
BOISE, IDAHO  
2019 JAN -9 PM 1:39

Mr. Miller,

I am writing because of my concern over a lease made in Tamatach Bay, McCall. It is my understanding that before the state can sell or lease state land that a public notice (by a local paper) must be given and that a public auction must be held. Neither of these was done so I believe the lease is illegal. This property is proposed to be used for commercial business. Is this the best use of a forest area and is it permissible?

also, to lease 27 acres, including several hundred feet of lake front for \$4,000 per year is totally unrealistic. Our school system deserves and needs better returns.

- If this lease goes thru there will be many problems:
- 1. There is no parking place for a large number of cars.
  - 2. This is a narrow, gravel road that is dangerous to drive on. No access for fire trucks or an ambulance to turn around.





p 2.

3. As they are planning special events, such as weddings, musical groups, bands, the noise will be above approved levels. The new Governor Little in his speech complimented Idaho on its beauty and serene lands.

4. There may be people trying to stop them and probably not smoking. To get the Sheriff out here is very difficult.

5. I presume they will want a dock. When Tamarack Bay applied for new docks the powers that be made it very difficult and it took forever. So how are they going to get to Skullerworth Island, who and who are they going to get permission from along with the special favors they've already received?

Sincerely,

John "Pat" and Barbara Tate  
Unit #298

Tamarack Bay Condominiums

3103 Lakewood Way

Boise, Id. 83704

# SMITHMAN

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**To: Idaho State Board of Land Commissioners**

The Honorable Brad Little, Governor of Idaho and Chairman of the Land Board  
The Honorable Lawrence Denney, Secretary of State  
The Honorable Lawrence Wasden, Attorney General  
The Honorable Sherri Ybarra, Superintendent of Public Instruction  
The Honorable Brandon Woolf, State Controller

**From:**

Lynda C. Smithman & Jay E. Smithman

**Date:** January 8, 2019

**MEMORANDUM**

**Subject: Commercial Recreation Lease No. M500031**

**You are urged to immediately stop construction on this site and to rescind the lease.**

We clearly understand that the Land Board and its management agency, the Idaho Department of Lands (IDL) are constitutionally empowered to manage endowment lands for the benefit of Idaho's public schools.

We also believe this constitutional responsibility does not and should not empower IDL staff to quietly advertise leasing opportunities under a cloud of secrecy nor does it empower IDL staff to approve a business plan which is contrary to community norms (rural residential zoning and scenic corridor status), which will violate environmental standards and cause lasting financial damage to neighboring residential property as well as degrading lakefront public land.

This Commercial Recreation lease as written does not provide adequate income for the School Endowment Fund. Instead it appears to be a publicly subsidized, dubious business venture benefiting a private individual and not the school children of Idaho. The apparent two-week window with in-house advertising of the now controversial non-exclusive low cost lease for an event venue does not meet the fiduciary requirements of getting the best possible returns for the Endowment Fund. As you well know, the Idaho Land Board has been successfully sued in the past for its use of secretive sweetheart type deals and engagement in financial adventures that are inappropriate for state agencies.

Moreover the Payette Lakes Supervisory Area office has a reputation for deflecting public input and inquiries regarding the agency's practices. During the summer of 2017 there were rumors circulating about how Shellworth Island had been or would soon be sold and visitors would be charged with trespass. Needless to say our Eastside Drive neighbors were upset. We sent a letter in July to Scott Corkill, Area Manager, seeking some clarification which was not answered. In September we resubmitted our letter with a cover memo and hand-delivered it to the McCall office. This too did not receive a reply. In October, we sent a letter to Thomas M. Schultz, Jr., Director, with attachments of our attempts to correspond with Mr. Corkill. To his credit Mr Schultz responded timely and cordially with answers to our questions. But even after all this, there still was no response ever from Mr. Corkill. We must wonder if negotiations were already taking place at this time for "The Lookout on the Lake."

In the summer of 2018 we noted that Shellworth Island was not mentioned in the IDL press releases regarding the schedule of remaining cottage site auctions, so we filed a public information request regarding Shellworth Island and its status on July 25. Concerned that we had not received a response, we made a telephone inquiry in late August. IDL staff told us that even though Shellworth Island was not included in the forthcoming auctions, no one was able to answer our public information request. Instead, we were invited to have an informal conversation about Shellworth Island at the State Office with Tamara Armstrong and Sid Anderson who both work in the commercial and recreation leasing section of IDL. Mr. Anderson told us that the alternatives for protecting public use of Shellworth Island would be either a land trade or a lease. Moreover, he suggested that if the neighbors were serious about protecting Shellworth a coalition might want to seek a 30-year non-exclusive lease. During this meeting on September 12, we were apprised that a non-exclusive lease for a wedding/entertainment venue was in the works, but we were not privy to the details of this lease.

We were shocked when we ultimately learned about the size and scope of Commercial Recreation Lease No. M500031. First of all the plan includes locked gates which are incongruent with the non-exclusive terms of the lease. Most of Shellworth Island and the adjacent public land on Eastside Drive seems to have been usurped by the lessee. "The Lookout on the Lake" does not meet the standards needed for managing and obtaining the greatest value from our public lands. Nor does it protect the future value of this pristine lakefront property. Shellworth Island is considered the Crown Jewel of Payette Lakes and is frequently featured as a "must see" in Idaho's tourist literature.

Clearly this lease needs to be rescinded. In its place, we would rather see IDL staff, denizens of Greater McCall and local public officials work together to create a fiscally sound plan for preservation of public use and care for Shellworth Island and its adjacent lakefront. Mr. Corkill and the City of McCall are starting to work with each other. Together they could host public meetings and establish collaborative committee work to bring about happier stewardship solutions for Shellworth Island and Eastside Drive, benefitting both the public and drawing on both other public funds and private philanthropy to benefit the Endowment Fund. The current cooperation between IDL and the Idaho Department of Fish and Game would be an excellent model for the preserving Shellworth Island and adjacent lakefront.

We thank you for your consideration. We look forward to and expect a response from you regarding your decisions on how to resolve this legally questionable, damaging and clearly unpopular Commercial Recreation lakefront lease.

Respectfully submitted to the Idaho State Board of Land Commissioners



Lynda C. Smithman & Jay E. Smithman

cc: Ray Ryan, President, Tamarack Bay Association  
Matt Erpelding, Idaho House of Representatives, District 19  
Deborah E. Nelson, Givens Pursley Attorneys and Counselors at Law  
Jonathan Oppenheimer, Government Relations Director, Idaho Conservation League  
✓Dustin Miller, Director, Idaho Dept. of Lands

**From:** [John Barinaga](#)  
**To:** [Comments](#)  
**Subject:** Land Board Issue; Statement in opposition to The Grove McCall, LLC lease# M500031.  
**Date:** Wednesday, January 09, 2019 8:39:54 PM

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Secretary of the Land Board:  
IDL Director Dustin Miller,

Undoubtedly you have received letters, emails and calls from concerned friends and neighbors regarding the party venue taking shape on Payette Lake's Tamarack Bay in McCall. The Grove McCall LLC (Lease M500031) has secured a lease on 1/2 of Shellworth Island and a large acreage of pristine lake-front property for a party/event center in and around Tamarack Bay on Payette Lake. As owners at the neighboring Tamarack Bay Condominiums, we see firsthand that this pristine island and area are used regularly by the public. The Boy Scouts, Camp Ida-Haven, and Paradise Point Children's Camps in addition to families and individuals use these resources regularly. Although the lease to The Grove McCall LLC is not exclusive, the times that the Event Center will likely be used will be in direct conflict with the general public and the camps' use of the area. There are many more troubling issues surrounding this enterprise, namely: noise and light pollution, damage to wildlife and fish habitat, damage to pristine wilderness that falls within East Side Drive's designated scenic route, the loss of public access to beaches, increased traffic on a narrow gravel road, drunk drivers in close proximity to three youth camps whose children cross this road daily. If there were going to be any reasonable action to take on Shellworth Island and other pristine State owned lakefront property it should be to protect it for future generations; making it part of the Payette Lakes Land Trust or a part of Ponderosa State Park System would make much more sense.

This letter is to officially record my opposition to this party venue and to ask for your help in putting a stop to 'The Lookout on the Lake'.

Thank you for your time and consideration,

John and Kimberly Barinaga  
4915 Whitley Drive  
Fruitland, ID 83619

2635 Eastside Drive  
McCall, Idaho 83638  
January 10, 2019

RECEIVED  
JAN 18 2019  
OFFICE OF THE GOVERNOR

Governor Brad Little  
State Capitol  
700 W. Jefferson St., #228  
Boise, ID 83702

Re: Commercial Recreational Lease No. M500031

Dear Governor Little:

I am writing in regard to the party venue, Lookout on the Lake, planned for Payette Lake's Tamarack Bay. A commercial event center, hosting parties and weddings, is not compatible with the surrounding recreational and residential uses.

The proposed venue, Lookout on the Lake, is in the midst of three long-time camps, popular throughout Idaho. The added traffic will impact the campers, especially Boy Scouts heading to the beach. Noise and lighting until late at night, and water and sanitation issues will greatly diminish the environment. The fish in the lake and forest wildlife will be negatively impacted. I'm appalled that the lease

Had the state notified adjacent property owners, my neighbors and I would have rallied to purchase the land and keep it in its pristine state. The state would have gained much more revenue than the ridiculously low \$4,000 per year. Significant damage has already occurred with the removal of hundred-year old trees and a road cut through to the beach. I'm appalled that the bargain-rate lease includes a large portion of Shellworth Island.

Certainly my family and I are upset that the home we love will be greatly impacted, but I'm certain all McCall residents who fish, boat and bike through the area will be too.

This is the wrong enterprise in the wrong place. I ask you to stop it from moving forward.

Thank you for your time,

*Barbara Carpenter*

Barbara (Bonnie) Carpenter



January 10, 2019

TO: IDL Director Dustin Miller

RE: The Lookout at the Lake, McCall, ID

Dear Mr. Miller,

Please take a minute to consider my concerns re this new potential project called **“The Lookout at the Lake”** outside of McCall, ID on the Payette Lake’s Tamarack Bay.

This party venue on 500 ft of shoreline on one of the last pristine locations on the lake needs to be seriously re-considered:

- Wildlife access to the water as well as habitat damage
- Removal of 100 year old beautiful trees
- Lights/noise/pollution
- Public access to beaches
- Increased traffic to the locals such as Paradise Point Camp, Tamarack Bay Condos and all single family homes
  - Eastside Drive is beautiful, scenic, but narrow, barely 2 lanes wide, lots of walkers and bikers
  - If there is drinking at this new venue, this is a huge safety concern

All of the above are legitimate issues!

Mr. Miller, please put a stop to this project!

Thank you for your time and consideration.

Gregg and Lori Fisher  
McCall, ID



Dear David Beard (Commissioner),  
As a long-term property owner (40+ years)  
I find it most disturbing that a  
decision is being made that will  
not only greatly decrease the  
value of our land but may also  
damage and even destroy our  
land and lives.

Safety is of paramount importance.  
Winter and street traffic would greatly  
increase the risk of injury and death.  
Last year a car crashed at this very  
spot and when emergency vehicles  
came to respond there was literally Room  
for a fire truck & ambulance. What are  
your planning for 2007 guests and  
parking?

The market value for this property  
we exceeds the price paid for by  
the venue. Under the regulations of  
the state (Imstitute) is this not  
in violation with the laws? How  
is it that you who represent us  
have come to such an impasse?  
use of presstime, beach front access?

Respectfully  
David Jacobs (Russer)

DR and CR Jacobs  
760 Tanglewood Loop  
N. Salt Lake, UT 84054



EPT. OF LANDS  
2019 JAN 14 PM 1:30  
BOISE, ID

Director Dustin Miller  
Sec. of the Land Board  
300 N. 6th Street. Suite 103  
Boise, Idaho 83702

83702-809828



016

January 10, 2019

The Honorable Brad Little, Governor  
Idaho State Land Board Commissioners  
Director of Idaho Department of Lands

RE: State Land Lease #500031  
Eastside Drive  
McCall, Idaho

Dear Chairman and Members of the Idaho State Land Board:

I have been a resident property owner in this area of Payette Lake for over 30 years and I am writing to respectively express my very grave concern with the Lease #500031 between the State of Idaho (Lessor) and Mr. Colby Rampton and Mr. Travis Leonard (Lessees) dba as The Grove McCall, LLC.

Many concerns have been outlined in letters to the Land Board and the Department of Lands, however as more neighbors (including from nearby Pilgrim's Cove area) have been made aware of this project, more and more serious objections are being raised.

First, safety is a real factor that has been expressed due to the presence of nearby camps along Eastside Drive that bring in hundreds of families and young people to the Paradise Point, Ida Haven, and Camp Morrison Boy Scout Camp. "Share the Road" signs have already been installed to caution about the presence of pedestrians walking with children and pets, runners, hikers and bicyclist using Eastside Drive. Meanwhile on the water, canoeists, kayakers, paddle board users as well as boaters already demand full attention of safety.

Next, the lease rate based on timber values or grazing is not justified. This property is located on lake frontage that includes several thousand feet of shoreline on one of Idaho's most treasured, pristine natural gems. Using this method suggests that an approach was selected that would yield a predetermined value result that was grossly favorable toward the Lessees. Kind of like arguing that a vacant commercial lot in a prime business location is not worth much because is presently only growing a few weeds. It is well established that real estate value is based on location, location, etc.

The huge amount of land included in the lease for this use is also beyond the realm of common sense. Do they really need 28 acres to provide space enough for one acre per 9.8 people? Further, the intentionally quiet, somewhat undercover way this lease of endowment land was arranged and finalized is puzzling.


The Use of the Premises section of the lease states that the maximum number of guests and staff shall be 275 and hours of amplified sound limited to the hours of 8 am to 11 pm. It is common knowledge how sound travels over water. Also, the lease does not address how late these events can go into the night. They could keep their flood light on all night finishing up the partying and with staff activities. When the party is finally over, participants will be speeding back to town along narrow Eastside Drive.

Sanitation and pest control are also a factor. This area backs up to the open lands of the National Forest. Foxes, bears, coyotes, racoons and other such animals are common and will naturally be drawn in even greater numbers to take advantage of leftovers, food spills and garbage.

A Star News article quotes IDL spokespersons and the Lessee developer stating that they have no "legal" obligation to the McCall community or its comprehensive/zoning plans. This parcel is in McCall's scenic corridor area and there are "dark sky" ordinances for both the city and Valley County. It might seem that the IDL attitude about not needing to cooperate with local residents and officials is at one hand irresponsible or worse represents the arrogant heavy handedness often typical of bureaucratic government. This is not in the spirit of Idaho traditions and visions. Commonsense and fair play dictates that the IDL has a moral obligation to administer in good faith with local residents and communities.

For these and numerous additional reasons outlined in the correspondence by other concerned citizens and taxpayers of Valley County and the City of McCall who disapprove of this lease and stated use, we urge the Land Board to cancel and void this lease.

Thank you.  
Respectfully,

  
Dennis Moyer  
2635 Eastside Drive  
McCall, Idaho 83638

DEPARTMENT OF LANDS

RECEIVED

JAN 14 2019

OFFICE OF THE GOVERNOR

January 10, 2019

Mary E. Risberg  
4501 Lindell Blvd. 16C  
St. Louis, MO 63108

Dear Governor Brad Little,

I have been visiting McCall for over 50+ years, first as a young girl, then as a Girl Scout and now yearly as a parent with my children. McCall is a very special place—where the peace, beauty and tranquility of nature thrives. When visiting McCall, we have for many years stayed at Tamarack Bay Condos. There we enjoy family hot dog roasts, viewing of the star-filled night sky and the overall serenity and quiet of the outdoors.

I have learned of the proposed Event Center, The Lookout on the Lake, and I am extremely concerned about the negative impact that the Event Center will have on those who currently visit McCall for an outdoor experience. The McCall experience is 'priceless' and every effort should be made to preserve and protect it.

This Event Center on the lake is just the kind of thing I feared when I saw the article about McCall in the January 2018 Wall Street Journal. But, remember the gist of the article is that McCall's attractiveness is LACK OF GLITZ, PEOPLE LOVING THE QUIET OF THE OUTDOORS and LIFESTYLE AWAY FROM THE CROWDS.

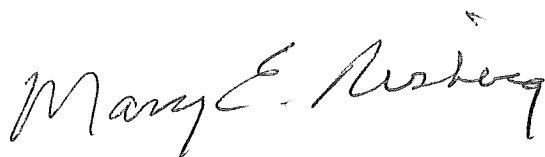
If this Event Center is allowed- YOU ARE DOING IRREVOCABLE DAMAGE--you are ruining the allure, peace and enjoyment for those at Paradise Point Camp, the Boy Scout Camp, Camp Ida-Haven, the Tamarack Bay condos, Camp Alice Pittenger (sound travels across water amazing well) and nearby home owners.

I understand the lure of development –but it must seriously consider:

- a) input from those effected and environmental protection agencies
- b) the impact on those traveling the one road in and out of the area
- c) the noise pollution generated by band music and traffic
- d) the overall loss of tranquility to nearby people and wildlife

The proposed Event Center is opening a Pandora's Box  
DO NOT ALLOW THIS TO HAPPEN!!!!

Sincerely,



**From:** Rich Reed <richreed@cableone.net>

**Sent:** Friday, January 11, 2019 3:37 PM

**To:** Dustin Miller <dmiller@idl.idaho.gov>

**Subject:** The Grove McCall, LLC The Lookout On The Lake, Payette Lake, Valley Co Idaho

Dustin Miller

IDL Director

Dear Mr. Miller:

I am writing this correspondence in regards to the proposed party venue by The Grove McCall, LLC: The Lookout On The Lake, Payette Lake, Valley Co Idaho. I and my wife Ann are long time citizens of the State and home owners at Tamarack Bay along East Side Dr., McCall and Boise, Idaho. I and Ann are avid Idaho recreationists and outdoor users of Payette Lake. We feel the proposed use along the lake by The Grove McCall, LLC as a celebration/party event location has been poorly thought out and does not constitute a proper or beneficial use of the land for the citizens of Idaho, Valley County, or McCall. The propose use by its very nature conflicts with the interests of these citizenships and will prevent the enjoyment of the peace, beauty, and tranquility, and recreational use that Payette Lake and its surrounding land provides to all citizens within the State. I think its approval by the State Lands Department is a gross and negligent error and does not serve the best interests of Idaho citizens and their beneficial enjoyment of the lake and the proper use and protection of the lake itself. I suspect that most citizens of Idaho, Valley County, and McCall would agree. I also can't wonder if there was some "behind the scenes or below the table" discussions between local Idaho Dept. of Lands officials and the owners of The Grove McCall, LLC to come up with such an ill-conceived plan. At a time in our history when the little things that we can all share: nature, beauty, and tranquility that something like Payette Lake offers and provides to all the citizens of our great state, I believe that this proposed venue will distract and prevent all of us from enjoying these rare opportunity's that the lake provides. I would hope that you and fellow officials and leaders of our State , Valley County, and City of McCall will do what's right for their citizenship and prevent/stop this mistake form happening. Feel free to contact me via phone, email, or direct mail to discuss this matter.

Sincerely,

Rich and Ann Reed

1846 Springmeadow Ln

Boise, Idaho 83706

(208)-863-2112

[richreed@cableone.net](mailto:richreed@cableone.net)

Below are a few but not all detrimental consequences of such use of the land and the lake:

-Environmental/water quality degradation. Example: Impact to fish and wildlife habitat. Impact to community drinking water.

-Safety issues with access by emergency services. Example: Lack of adequate parking for one to two hundred cars. Potential for impeding emergency services to 'downstream' homeowners and outdoor enthusiasts.

-Safety issues with increased traffic, speeding, and drunk driving. Example: Party venue will be in close proximity to three youth camps – Paradise Point, Ida-Haven, and Camp Morrison, putting children at risk when crossing the road to access the lake and the hiking trails.

Increased traffic is also a danger to other drivers, walkers and cyclists.



-Impact on and negation of P&Z issues by the State, and subsequent impact on local governmental entities. Example: Disregard of rules governing East Side Drive scenic route designation. Added burden to law enforcement, fire and other emergency services, erosion control/water quality, and road maintenance.

-Lack of meeting the long-term, maximum financial return requirements of the Idaho Constitution. Example: \$4000 per year not meeting fair market value of \$35,000 to \$50,000 per 100 feet of lakefront. Land encompassed within this lease, including Shellworth Island, easily has 500 or more feet of shoreline/lakefront.

-Lack of public notice, and subsequent negative impacts to neighbors and the local community. Example: Stripped away the communities' right to comment, thus by eliminating the communities' chance to present an alternate use for this land.

-Lack of public auction, the only way to insure the long-term, maximum financial return is met. Example: Stripped away the communities' right to bid on this land.

-Loss of peaceful enjoyment and potential reduction of property values of neighbors. Example: Noise and light pollution. Direct line of sight to 'temporary' sheds, decks, and tents. Inadequate dust control on gravel road, impacting birds, fish, and homeowners.



Virus-free. [www.avast.com](http://www.avast.com)



**From:** [Galen Shaver](#)  
**To:** [Comments](#)  
**Subject:** What are you doing?  
**Date:** Friday, January 11, 2019 12:18:05 PM

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Dear Dustin Miller, would you make sure all the members of the Land Board see this e-mail:

Dear State Land Board Commissioners,

As a 40 year resident of Valley County, I found your decision to lease the state land on the East side of the Payette Lake to an events venue appalling. I have enjoyed access to that land , the beach, and the island as long as I have lived here. My children have spent many days playing and canoeing off of that beach --one of the only access routes to the lake on that whole side. How can you take that away from the public? One can drive around the lake and see mansion after mansion of rich lake dwellers and condo owners and this is the first spot that regular citizens can get down to the water and swim or launch a canoe. And now you are taking it away from us . And you are doing it for a mere \$4,000!!. Did you have an open auction on this? Cause I know people would have pooled money and paid more than that to keep it for the public. What were you guys thinking? I beg you to rescind this decision and do not allow construction on this project to begin. You might not realize this but the impression this deal is giving people in this Valley is that there was some sort of pay off or sweetheart deal because the whole thing is so unbelievable. I am sure you didn't mean to give that impression but the appearance of some conflict of interest is as important when it comes to the public trust as an actual conflict of interest. Please respond. Judy Anderson, 13775 Nisula Road, McCall, Idaho, 83638

The logo for the Idaho Department of Lands is a large, light-colored watermark in the background. It features a stylized mountain range with a sun or moon above it, all enclosed within a diamond-shaped border. The text "IDAHO DEPARTMENT OF LANDS" is written across the middle of the logo in a bold, sans-serif font.

**From:** [Gerald Vorlicky](mailto:Gerald.Vorlicky)  
**To:** [Governor@gov.idaho.gov](mailto:Governor@gov.idaho.gov)  
**Cc:** [Comments; brdexam@sco.idaho.gov](mailto:brdexam@sco.idaho.gov); [khoffsinclair@gmail.com](mailto:khoffsinclair@gmail.com)  
**Subject:** Opposition to Lookout on the Lake Project  
**Date:** Friday, January 11, 2019 10:11:53 AM

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Dear Sirs,

I am the past president of Brightwater HOA, a nearby residential community which I presently live in. I am voicing my opposition to the continuation of this commercial project based on the following: {1} I and my fellow residents chose the East Side of the Lake because of its tranquility and recreational opportunities that exists in this serene and quiet bay. Commercial endeavors such as described by The Grove McCall should be contained within the city limits so proper zoning and licensure can regulate these projects.[2]There was not a proper notification of neighbors who would be impacted by this commercial lease, nor was there a competitive auction for this lease and the yearly lease value is a mere pittance of the real market value for shoreline properties. [3] the residences that live of of East Side Rd experience every 4th of July an almost constant stream of emergency vehicles on this road that are responding to water and car accidents of drunken partiers. If this lease is allowed to exist and the project to continue we residence can look foreword to these emergency experiences constantly through out the year. [4] If this project is allowed to continue not only will this serenity and tranquility be destroyed but both the forest and water environment will be irreversibly impacted. The individuals who endowed this land to the state wanted to preserve this tranquil beauty for its citizens not allow commercial development to prosper a few at the expense of the majority of citizens.

In closing please use common sense and preserve this gem of Idaho for all its citizens and don't allow this commercial enterprise.

Sincerely, Gerald Vorlicky  
Sent from my iPad

IDAHO DEPARTMENT OF LANDS

2635 Eastside Drive  
McCall, Idaho 83638  
January 12, 2019

DEPT. OF LANDS  
2019 JAN 22 PM 2: 22  
BOISE, IDAHO

Director Dustin Miller  
Secretary of the Land Board  
300 N. 6<sup>th</sup> Street, Suite 103  
Booise, ID 83702

Re: Commercial Recreational Lease No. M500031

Dear Land Board Commissioner Miller:

I am writing in regard to the party venue, Lookout on the Lake, planned for Payette Lake's Tamarack Bay. A commercial event center, hosting parties and weddings, is not compatible with the surrounding recreational and residential uses.

The proposed venue, Lookout on the Lake, is in the midst of three long-time camps, popular throughout Idaho. The added traffic will impact the campers, especially Boy Scouts heading to the beach. Noise and lighting until late at night, and water and sanitation issues will greatly diminish the environment. The fish in the lake and forest wildlife will be negatively impacted. I'm appalled that the lease

Had the state notified adjacent property owners, my neighbors and I would have rallied to purchase the land and keep it in its pristine state. The state would have gained much more revenue than the ridiculously low \$4,000 per year. Significant damage has already occurred with the removal of hundred-year old trees and a road cut through to the beach. I'm appalled that the bargain-rate lease includes a large portion of Shellworth Island.

Certainly my family and I are upset that the home we love will be greatly impacted, but I'm certain all McCall residents who fish, boat and bike through the area will be too.

This is the wrong enterprise in the wrong place. I ask you to stop it from moving forward.

Thank you for your time,

*Sarah Carpenter*

4120 Hillcrest Drive  
Boise, ID 83705

January 12, 2019

DEPT. OF LANDS

2019 JAN 15 AM 8:42

BOISE, IDAHO

Dustin T. Miller  
Director  
Idaho Dept of Lands  
P.O. Box 83720  
Boise, ID 83720-0050

**Re: Commercial Recreation Lease No. M500031**

Dear Mr. Miller:

I am writing to express my opposition to the above referenced lease issued to The Grove McCall, LLC for approximately 28 acres of lakefront property and a portion of Shellworth Island on Payette Lake by the Idaho Land Board (IDL). The lease was recently awarded for an annual rent of approximately \$4,000.

I am most disappointed with the procedure followed by the IDL which, in my opinion, provided inadequate notice to the public that this property was being considered for lease. You have previously indicated that notice of the potential lease was advertised on the IDL website from April 26, 2018 to May 27, 2018 and since no additional applications for lease were received, the lease was issued without public auction. This was an inappropriate and unfair issuance in my opinion.

Let me point out that nearby homeowners, such as myself who owns a condominium at Tamarack Bay Condominium Association, do not monitor the IDL website on a day to day or even monthly basis and I suspect this may also be true for the McCall City Manager and the Valley County Commissioners. In my opinion, adequate notice to nearby homeowners, cities and counties impacted by a lease such as this should include direct mailings and advertising in local newspapers. I believe the IDL agrees with this opinion as indicated in your letter to Ms. Deborah Nelson on December 19, 2018, where you describe a new "Adjacent Neighbor Notification" procedure for courtesy notification of cities, counties and rural residents who might be impacted by commercial lease requests being considered by the Land Board. Unfortunately, this procedure was adopted by the IDL in November 2018 after the above referenced lease was issued.

I believe there are several people or entities, including myself, who would be willing to lease this parcel of endowment land property for more than \$4,000 annual rent for the purpose of preserving this pristine landscape without further development. **Now that all impacted parties are aware of the proceedings, I respectfully request that the current lease be canceled, and additional lease applications be accepted and considered by the IDL for a reasonable period of at least 30 days. This would result in a fair auction and provide the IDL an opportunity to fulfill its mandate to obtain a reasonable rental based on fair market value and to maintain the endowment land in as nearly natural state as possible.**

Thank you for your consideration and attention to this matter.

Sincerely,



Richard A. Stillinger

**From:** [CLINTON WISSEL](#)  
**To:** [governor@gov.idaho.gov](mailto:governor@gov.idaho.gov); [Comments](#); [brdexam@sco.idaho.gov](mailto:brdexam@sco.idaho.gov); [pflynn@sde.idaho.gov](mailto:pflynn@sde.idaho.gov)  
**Cc:** [tambaycondos@gmail.com](mailto:tambaycondos@gmail.com)  
**Subject:** The Grove McCall, LLC lease #M500031  
**Date:** Saturday, January 12, 2019 3:47:32 PM

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Idaho Land Board

Chairman, Governor Brad Little

Secretary, IDL Director Dustin Miller

IDL Commissioner, Attorney General Lawrence Wasden

IDL Commissioner, State Controller, Brandon Woolf

IDL Commissioner, Secretary of State, Lawrence Denney

IDL Commissioner, Superintendent of Public Instruction, Sherri Ybarra

Dear Members,

We are joining our friends and neighbors in writing to you of our deep opposition to the proposed party venue on the beautiful Tamarack Bay, Payette Lake, McCall, Idaho. You are already well aware of the many reasons this is a very bad plan as far as public safety, environmental impact, lack of services and peaceful enjoyment are concerned.

With that in mind, we would just remind you of the ways in which this beautiful spot is enjoyed by many. From the children who attend the three camps around the bay to the citizens and visitors from near and far who come to vacation. We see swimmers, canoeing, paddle boards, fishermen and just plain floaters who enjoy the waters here. Many people boat in to spend the day on State land enjoying the beaches and calmer waters. There are bicycles and walkers on the road with no path but the pavement on Eastside Drive. This pavement ends before the area for the venue is reached. It is a narrow, loose gravel, curved road with steep inclines on the Eastside mirrored by the same steepness stretching down to the shore. Every summer there is a collision between cars when two way traffic is allowed. Parking is on the roadside as there is nowhere to pull off the right of way. This calls into question what the City of McCall can afford to do to make improvements on the existing road and sides.

If an outdoor wedding, family reunion or any other function is planned Ponderosa State Park is perfect. Parking is plentiful, covered areas, restrooms are available and there is a wonderful beach as well as a beautiful view.

We also question the validity of the lease to The Grove LLC, as it seems to conflict with the charged responsibility of the Idaho Department of Lands.

We ask that you stop this project before this beautiful, nearly pristine area is lost to all who enjoy it is gone.

Sincerely,

Clinton and Judy Wissel

Sent from my iPad

**From:** Ray Ryan <reryan@cableone.net>

**Sent:** Sunday, January 13, 2019 6:54 PM

**To:** Governor's Inbox <governor@gov.idaho.gov>; brdexam@sco.idaho.gov; pflynn@sde.idaho.gov

**Cc:** tom@tombranchlaw.com

**Subject:** Fwd: Tom Branch Unit 13 statement

## Chairman of the Land Board:

Governor Brad Little

Email: [Governor@gov.idaho.gov](mailto:Governor@gov.idaho.gov)

Office of the Governor

State Capitol

P.O. Box 83720

Boise, ID 83720

Land Board Commissioner:

Attorney General Lawrence Wadsen

Email: [brdexam@sco.idaho.gov](mailto:brdexam@sco.idaho.gov)

State of Idaho

Office of the Attorney General

P.O. Box 83720

Boise, Idaho 83720-0010

Land Board Commissioner: State

Controller Brandon Woolf Email:

[brdexam@sco.idaho.gov](mailto:brdexam@sco.idaho.gov) Office of the

State Controller 700 W. State St.

P.O. Box 83720

Boise, ID 83720-0011

Land Board Commissioner:

Secretary of State Lawrence Denney

Email: [brdexam@sco.idaho.gov](mailto:brdexam@sco.idaho.gov)

P.O. Box 83720

Boise, ID 83720-0080

IDAHO DEPARTMENT OF LANDS



Land Board Commissioner:  
Superintendent of Public Instruction Sherri Ybarra  
Portia Flynn, Executive Assistant  
Email: [pflynn@sde.idaho.gov](mailto:pflynn@sde.idaho.gov)  
Idaho State Department of Education  
PO Box 83720

Governor Brad Little  
Office of the Governor  
State Capitol  
P.O. Box 83720  
Boise, ID 83720

RE: The Grove McCall, LLC

Dear Governor Little, et. al:

I'm writing this letter to express my concern regarding the obvious negative impact (let alone the lack of due process afforded us) associated with the proposed party venue on Payette Lake's Tamarack Bay. I own a condominium at the Tamarack Bay Condominiums. It appears that the permit holder, The Grove McCall, LLC (the "Grove") was given a potential illegal non-arm's length transaction of \$4,000 per year for approximately 28 acres of lakefront property, including a large portion of Shellworth Island (lease no. M500031). This property has over 500 feet of shoreline, which if put to the public for bid I am told it would run closer to \$40,000 to \$50,000 per 100 feet of shoreline per year.

It seems clear to me that this project is unconscionable. I can't think of a nicer word to describe this without calling it "fraudulent" to introduce a massive event venue in this location given the contents of this letter. Just the inferiority of roadway infrastructure and pedestrian traffic under this process followed is enough, and that is a seemingly minor issue. Our attorneys have issued a clear objection to the Lease as unconstitutional and against public policy and seeks your help as Chairman of the Land Board to immediately halt the activities and address the deficiencies in this Lease. Given I have put my life long savings into this project to live in this Bay with my family makes this personal and I beg you to make sure this is not swept under the rug, but rather seen for what it is, an obvious favor given to someone to destroy the dreams of several people to make a bunch of money. All at the same time destroying one of the most beautiful spots in Idaho, even the world. It is a shame.

In addition to the constitutional conflicts, the Lease is clearly against public policy! How can these folks get away with this without having some inside influence? That is just not fair, and thus because it adversely affects the surrounding landowners, the watershed, and the community at large, it should be reexamined under the true light of day, with full transparency. I am understanding that no arrangements have been made to connect the property to the sewer even though the Lessee is required to follow all laws and regulations. As the lawyers said, "The use will strain public and emergency services given the property's remoteness and narrow road access."

Use of the leased premises as a commercial venue for parties and weddings of up to 275 people will create nuisances because: (i) the Lease permits amplified sound until 11:00 p.m.; (ii) the Lease does not limit the frequency or duration of events; (iii) the Lease does not limit the use of outdoor lighting; and (iv) the Lease does not specify standards for bathroom facilities or disposal of waste. A commercial event center hosting parties and weddings is not compatible with surrounding residential and recreational uses. Tamarack Bay is a residential community less than 1,000 feet from the leased premises. Tamarack Bay property owners purchased their property for the seclusion it offered and to peacefully enjoy Payette Lake. The noise, light, and traffic generated by the Lessee's event center will create future conflicts and nuisances. Noise generated on the leased premises will have a direct path over the water uninhibited by trees or topography to Tamarack Bay". This alone is enough to re-open this and have a fair and impartial look at the injustice occurring herewith.

Common sense tells me that the "use" related to event venues is much different than the traffic currently using the road. Traffic will substantially increase on a very narrow and twisting roadway filled with speeding drivers breaking the 25-mph limit. Given that the venue will be an event center, I'm also nervous about the number of inebriated drivers that will be leaving the event venue at various hours of the day and night. The sheer number of bikers and pedestrians on this road should be reason alone for denying any type of event venue accessed from this roadway. Moreover, the event venue is in the immediate vicinity of at least 4 four youth camps I am aware of – Paradise Point, Ida-Haven, the boy scouts and Camp Morrison – and children cross the road daily to reach the lake and the hiking trails. My 12 grandchildren play on that road and hike it, cross it, and bike on it daily during the summer. Whomever passes this through, if it does, will be answering to me and many other parents if their child is killed or injured as a result of the project.

I am not aware of their being a proper traffic impact analysis for this event venue. I will look to see it if I am wrong. Given its surroundings and current infrastructure, there is going to have to be extensive roadway improvements and dedicated biking/pedestrian paths must be introduced long before a venue of this type is authorized. That is just one concern that goes beyond the impact of this plan.

Is anyone with the love of Idaho and McCall specifically concerned to learn that the Grove will be cutting down a significant number of hundred-year old trees, removing fish habitat below the high-water mark, and eliminating public access to the beach? How can these things just be swept under the rug? Someone much answer for this, it is effecting people's lives, their life's earnings, and their life's dreams of living in that area of the world. This all appears to have been passed without the public notice typically employed in projects such

as this one. I read a statement that bears repeating, "I must say that upon learning more about the deal struck, the process employed, and impacts it seems as though a fast one is being pulled on the public in hopes that no one would notice in time to object to the party venue. One of our neighbors pressed the McCall branch of the IDL and was told by the onsite staff that the lease was posted on the IDL website for 30 days. For those that check the IDL website as often as they check their email this process is probably sufficient; for the rest of us normal citizens, this form of "constructive notice" feels both deceptive and allusive. Better measures should have been employed in order to allow for due process and public response to such a controversial issue. Further, endowment land that the public has entrusted to the IDL should hold themselves to a higher standard than technically complying with stealthy public notice practices".

When changing the character of our waterways or building on shore, homeowners must obtain dredging permits and/or post building permits on site and visible to the public. Had The Grove been held to this standard during the bidding/permitting process, many homeowners would have seen a posted notification and rallied to express opposition to the event venue. Alternatively, our group could have offered the state much more than the unconscionable \$4,000 per year offered by the Grove, and we could have protected this land from such invasive development.

Tamarack Bay offers something very special on Payette Lake that candidly doesn't exist elsewhere on the lake. I'm typically prone to endorse development, but this is an instance where the singularity of this location should not be derogated by the introduction of this event venue. This is a situation where the impact and loss are far too great. I hope you can put a stop to this before we lose this special setting forever. In the event it simply cannot be stopped, please take measures to ensure due process is observed, proper infrastructure and impact mitigation is installed long before a spade is turned on the event venue construction, and an arm's length transaction is achieved that is fair and commensurate with the destruction of this special location in the state of Idaho.

Thank you for your consideration in this matter. Please feel free to reach out to me if you have any questions or wish to discuss my comments further.

Best regards,  
/s/ Tom D Branch, Esq.  
Tom D Branch, Esq. (#3997)  
Attorney At Law  
Specialized Mfg. Bldg.  
12875 Minuteman Drive  
Draper, UT 84020  
Ph. 801.913.5958

Governor Brad Little  
Office of the Governor  
State Capitol  
P.O. Box 83720  
Boise, ID 83720

RE: The Grove McCall, LLC

Dear Governor Little, et. al:

No doubt you've already received letters from my friends and neighbors regarding The Grove party venue taking shape on Payette Lake's Tamarack Bay in McCall, so I will only quickly restate the troubling issues surrounding this enterprise, namely: noise and light pollution, damage to wildlife and fish habitat, damage to pristine wilderness that falls within East Side Drive's designated scenic route, the loss of public access to beaches, increased traffic on a narrow gravel road, drunk drivers in close proximity to three youth camps whose children cross this road daily.

With limited undeveloped shoreline left on Payette lake we question whether this is truly the best use of development. Furthermore, there is virtually no public record or notes regarding the development of the aforementioned party center leaving many to question whether this was a true arm's length transaction, especially considering that this was granted at approx. 10% of market value. With the aforementioned safety impacts, environmental concerns, and lack of revenue it is imperative to have proper public notice to truly understand the devastating consequences this project could have compared to the very small economic benefit. It is evident that due process was not followed in this process.

Lastly, I would ask you to consider that Eastside Dr. is really the last place left on Payette Lake where people can safely walk & bike. Warren Wagon has high speed limits and narrow windy roads which is why people have gravitated to the Eastside of the lake for heavy recreational activities. I would ask you to take into consideration that this project would seriously change the character of the entire lake for the worse.

**This letter is to officially record my opposition to this party venue and to ask for your help in putting a stop to 'The Lookout on the Lake'.**

Thank you for your time and consideration,

Best regards,

Brandon Burns  
Windermere Real Estate

Sunday, January 13, 2019

2019 JAN 15 PM 2:09

BOISE, IDAHO

IDL Director Dustin Miller  
300 N. 6<sup>th</sup> St Ste 103  
Boise, ID 83702

Dear Mr. Miller

I'm writing this letter to express my concern regarding the impact associated with the proposed party venue on Payette Lake's Tamarack Bay. My family is owner in the Tamarack Bay Condominiums on East Side Drive in McCall, ID and has been for 38 years. We are distressed by the proposed party venue on Tamarack Bay.

Safety issues are at the top list since our children and now our grandchildren use East Side Dr. for walking, biking, running, hiking, etc. It is already bad enough with drivers constantly breaking the speed limit of 25 mph and now we fear that will only exponentially get worse with this proposed party venue.

We have witnessed accidents along this stretch and were relieved when the county made it a one way over the 4<sup>th</sup> of July weekend several years back because of the increase in traffic that one holiday brought for one weekend. We have also seen a decrease in traffic and especially speeding and drunk driving along this portion of Eastside Drive since North Beach was made an alcohol free area.

The proposed venue goes in exact opposition to these positive initiatives that have seen real impact for the residents that call this side of the lake home and to law enforcement agents who police it. Allowing the proposed venue will not only negate these changes as people speed to make a venue on time, or leave a venue inebriated on an already poorly lit road.

I am concerned not for just my family but you are most likely aware, the proposed venue is also in the immediate vicinity of three youth camps, Paradise Point, Ida-Haven, and Camp Morrison. Children



from these camps cross the road daily to reach the lake on one side and the hiking trails on the other. This road cannot support the increased traffic. As an adult leader of youth groups that have used all three of these sites through the years, I can attest to the potential for increased accidents this venue will open up.

In fact, as a youth leader who had a large youth group renting the Camp Ida Haven campsite over 19 years ago and looking for a meaningful and impactful service project for our group, I reached out to the agency that had jurisdiction over the land just north of Tamarack Bay to offer our services in refurbishing an old log amphitheater area in a grove of trees there.

We had been told that the amphitheater was a remnant of the old YMCA camp that once was located along that stretch of the lake. Most of the logs were disintegrated and crumbling and it was in much need of repair/replacement. Our family had often joined with 3 or 4 other families visiting Tamarack Bay condos and had held Sunday fireside meetings in this peaceful setting that overlooked the lake.

I was told that we could not do the project and that in fact the goal was to decrease traffic to and use of that area and let it go back to its natural state. That by improving it, we would be inviting additional traffic and cause parking issues along the road that was already too narrow and could not afford the extra traffic.

Fast forward 19 years and it seems like, under new leadership, that resolve has been abandoned--yet the road remains the same narrow road with no parking areas and an increase in the number of people who use it daily for biking, hiking, jogging, etc. Not only abandoned, but reversed, by the decision to grant the lease to the party venue as planned.

We do not feel adequate time and effort has been made to assess the impact such a venue will have on the roads, the residents, daily recreational users, and the youth camps of the area. We also have concerns that an obscure 30 day posting on the IDL website does not seem adequate to access any public input or response on project of this magnitude.



Please try to see yourself in our shoes, a long time Tamarack Bay owner/resident that bought our property as a place to escape the crowds and noise of the city and enjoy the peacefulness of the lake and surrounding trees. Think about working hard all week and looking forward to a quiet place to relax with family and friends in one of the most beautiful places on earth--where you can take an evening stroll under the moonlight and all you can hear are the crickets, frogs or waves lapping the shore.

All this is enjoyed in a community that has respect for those desires and experiences and enforces a noise curfew from 10pm to 10am. A community that doesn't even allow owner's to undertake construction/remodeling projects during the time between Memorial Day and Labor Day so that nobody's "escape" time is disrupted with unwanted noise, extra traffic and annoyances.

Now think how that will be impacted by the noise & light pollution, added traffic, drunkenness and crowds a nearby party venue will bring. Can you truthfully say that you would wish that for yourself or that you would knowingly allow that to happen if it impacted you and your family? I hope you will choose to do the right thing and reconsider any idea of approving this venue and granting this lease.

Thank you for your consideration in this matter. Please feel free to reach out to me if you have any questions or wish to discuss my comments further.

Best regards,



Evelyn Dame  
8533 Washoe Rd  
Payette, ID 83661  
541-212-1767

**From:** [Mary Tunison](mailto:Mary.Tunison@gov.idaho.gov)  
**To:** [governor@gov.idaho.gov](mailto:governor@gov.idaho.gov); [Comments](mailto:Comments@brdexam@sco.idaho.gov); [brdexam@sco.idaho.gov](mailto:brdexam@sco.idaho.gov); [pflynn@sde.idaho.gov](mailto:pflynn@sde.idaho.gov)  
**Subject:** State Lease #M500031 to The Grove McCall, LLC  
**Date:** Sunday, January 13, 2019 7:56:27 PM

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Governor Brad Little, IDL Director Dustin Miller, Attorney General Lawrence Wadsen, State Controller Brandon Woolf, Secretary of State Lawrence Denney, Superintendent of Public Instruction Sherri Ybarra,

I respectfully request that you reconsider your decision to lease 28 acres and a portion of Shellworth Island to The Grove McCall, LLC for use as an event venue at your next Land Board meeting. As you are aware, the road that is used to access this location is an unimproved dirt road that was designed for limited use in accessing the recreation area at the end of Eastside Dr. This commercial use of Idaho's land is not compatible with this area of McCall. The road is unsafe to be used by such a venture as has been approved at this site and the number of people that will be attending events at the venue. This road is already used above capacity during holiday weekends such as the 4th of July. The City of McCall recognized the hazard created by this heavy use and made the thoughtful decision to ban alcohol from North Beach over the 4th of July holiday in order to make the road a safer route to travel. The venue that was approved under this lease is holding events at which alcohol will be served and will make this hazard a much more frequent occurrence.

The use of Shellworth Island permitted under the lease as written will extend concerns out onto Payette Lake. Unfortunately, history indicates that people tend to be less than respectful of their surroundings when they are guests at an event where alcohol is consumed. There is a mentality that someone will "clean up after them". While that may be easily accomplished when the waste is contained inside a building, it is next to impossible when the mess is out on the lake. Even though the management of the venue may have every intention of minimizing the waste associated with their endeavor, the unfortunate truth is that there will be residual destruction of any area that is heavily used by the public.

I have lived in this great state of ours for all of my 57 years and I truly value the area around Payette Lake. You have the opportunity to preserve this treasure of ours by cancelling the lease to Grove McCall, LLC. Why wait until something irreparable happens, such as the loss of life on the road, or the pollution of the lake? There are other places in the McCall area that are more suited to a venture such as this, and I pray that you will encourage Grove McCall, LLC to move their event center to one of those areas.

I respect your task to manage the Idaho lands in a prudent manner. It seems that this land could be used more prudently if leased or sold to private homeowners, or youth camps as is the case for the surrounding area of the lake.

If I've learned anything in recent years, it's that you can't stop growth, but you certainly are able to grow in a responsible way. I don't fault folks for wanting to be a part of the great State of Idaho, but let's preserve the parts that help make it so special, not just for us, but for future generations of Idahoans.

Sincerely -  
Mary Tunison

January 13, 2019  
Director Dustin Miller  
Secretary, Idaho Land Board  
300 N 6<sup>th</sup> Street, Suite 103  
Boise, ID 83702

Dear Director Miller,

We are joining our friends and neighbors in writing to you of our deep opposition to the proposed party venue on the beautiful Tamarack Bay, Payette Lake, McCall, Idaho. You are already well aware of the many reasons this is a very bad plan as far as public safety, environmental impact, lack of services and peaceful enjoyment are concerned.

With that in mind, we would just remind you of the ways in which this beautiful spot is enjoyed by many. From the children who attend the three camps around the bay to the citizens and visitors from near and far who come to vacation. We see swimmers, canoeing, paddle boards, fishermen and just plain floaters who enjoy the waters here. Many people boat in to spend the day on State land enjoying the beaches and calmer waters. There are bicycles and walkers on the road with no path but the pavement on Eastside Drive. This pavement ends before the area for the venue is reached. It is a narrow, loose gravel, curved road with steep inclines on the Eastside mirrored by the same steepness stretching down to the shore. Every summer there is a collision between cars when two way traffic is allowed. Parking is on the roadside as there is nowhere to pull off the right of way. This calls into question what the City of McCall can afford to do to make improvements on the existing road and sides. If an outdoor wedding, family reunion or any other function is planned Ponderosa State Park is perfect. Parking is plentiful, covered areas, restrooms are available and there is a wonderful beach as well as a beautiful view.

We also question the validity of the lease #M500031 to The Grove LLC, as it seems to conflict with the charged responsibility of the Idaho Department of Lands.

We ask that you stop this project, known as "Lookout on the Lake" before this beautiful, nearly pristine area is lost to all who enjoy it.

Sincerely,

  
Clinton and Judy Wissel

DEPT. OF LANDS  
2019 JAN 16 AM 11:56  
BOISE, IDAHO

**From:** [Suzan Ahrens](#)  
**To:** [Sharla Arledge](#); [Governor@gov.idaho.gov](mailto:Governor@gov.idaho.gov); [brdexam@sco.idaho.gov](mailto:brdexam@sco.idaho.gov); [pflynn@sde.idaho.gov](mailto:pflynn@sde.idaho.gov)  
**Cc:** [sthayn@senate.idaho.gov](mailto:sthayn@senate.idaho.gov); [tgestrin@house.idaho.gov](mailto:tgestrin@house.idaho.gov); [dmoon@house.idaho.gov](mailto:dmoon@house.idaho.gov)  
**Subject:** Party Venue on Payette Lake's Tamarack Bay, McCall  
**Date:** Monday, January 14, 2019 2:25:02 PM  
**Attachments:** [Photos of Fish Habitat.pdf](#)  
[Star News Articles and Opinions.pdf](#)

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Dear Chairman and Members of the Idaho State Land Board,

I will try not to rehash information you've already received regarding IDL lease# M500031. Attached is an article from the Star News quoting the lessee, Travis Leonard, saying in regards to the McCall planning and zoning review process: "At the end of the day the lease is with the state, not the city, so it's up to the state as to how they want that handled. Whatever the state asks us to do, we'll do."

The leased land falls within the McCall Impact Area. However, without going through the City of McCall permitting and design review process, Mr. Leonard has been allowed to excavate the hillside without ANY regard to erosion. While he was putting in roads and parking lots, grubbing, and cutting down trees, nothing was done to protect the stream or the lake from silt and debris. Mr. Leonard has also disregarded all aspects of the Eastside Drive scenic route designation, which City of McCall protects during their review process.

Because IDL did not mandate a dredging permit, Mr. Leonard has removed fish habitat below the high water mark without oversight. The comments from Director Miller's Jan 8<sup>th</sup> email states that Mr. Leonard removed two trees that fell into the water during the harvesting process. However, more than just these two trees were removed. Attached please find photos of stumps and logs that have been in the water for years, and are now chopped and ready to be hauled out by Mr. Leonard. I believe bad weather is the only reason why evidence of the cut-up habitat is still present.

As stated in the Star News article and as witnessed by me, Mr. Leonard is constructing gates to block people from accessing the property. This goes against Director Miller's comments that this endowment land will be accessible when a paid event is not taking place.

Mr. Leonard has proven that he is not a good steward of this land and that he is, in fact, not a good neighbor. I urge you to help this community put this land into trust, so that all can enjoy its pristine beauty for generations to come. Short of that, I implore you to make Mr. Leonard go through the proper City of McCall permitting and review process so that there is adequate oversight during the next phase of construction.

Thank you,  
Suzan Ahrens  
McCall, ID

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**From:** Sharla Arledge <sarledge@idl.idaho.gov>  
**Sent:** Tuesday, January 8, 2019 5:49 PM

**To:** 'Suzan Ahrens'

**Subject:** Re: Attn: Dustin Miller

*Sending on behalf of IDL Director Dustin Miller*

Dear Ms. Ahrens-

Thank you for your email describing your concerns about a Recreational Use Lease issued by Idaho Department of Lands (IDL). I hope I can alleviate some of your concerns.

The Idaho Department of Lands is responsible for managing over 2.4 million acres of endowment trust land that benefits specific endowment beneficiaries. The leased land in this instance is owned by the Public Schools, Lewis-Clark State College, and Idaho State University beneficiaries.

Commercial - recreational use lease M500031 is for a rustic venue with minimal impact to the endowment land. Please note that 22.4 acres of the land within the boundaries of the lease at issue were previously, and are currently, under two additional leases - M500021, a commercial - recreation lease for trail riding and G500069, a grazing lease for livestock. This demonstrates IDL's commitment to securing the maximum long-term financial return to the State on endowment lands, as required by Article IX § 8 of the Idaho Constitution. The three leases are all non-exclusive, meaning when there is not a paid event taking place the public is welcome to access the endowment land.

In determining the rental rate for the lease, IDL considered the lease activity proposed, available market comparables, and the land's current asset class in relation to the specified use in the lease application. In this instance, the asset class is timberland and the use is commercial in nature. In the Payette Lakes Supervisory Area, the closest market comparable for determining commercial lease rent is Tamarack Resort, which operates a commercial recreation ski resort on endowment timberlands. Tamarack Resort leases approximately 2,000 acres at a current market rent of approximately \$300,000. This rent to acreage ratio yields approximately \$150 per acre, per year. Equating this value to the 28 acres in lease M500031 would generate an annual rent of \$4,200. The rent in the lease specifies a base rent of \$4,000 and an additional \$400 per each developed acre or portion thereof. (For reference, development includes pavers for a tent base, a deck, or even trail improvement.) To establish rent for the lease based on the residential asset class, and use-related residential market valuations, would be arbitrary as the lease area is not located in a platted subdivision nor is infrastructure such as roads and utilities available for such development.

Following the Land Board direction and IDL procedures, all new lease applications are advertised on the IDL website for a minimum of 30 days. After the advertisement period ends, and if it has received more than one application for a parcel, IDL will review the applications and assess whether the proposed activities would be compatible with each other. If the proposed leasing activities are deemed compatible, IDL will pursue the issuance of two leases at market rates to maximize the revenue generated from that parcel. If the proposed leasing activities are incompatible, IDL will initiate a public auction process to determine which party will be awarded the lease. Auction results are always subject to final Land Board approval. If, however, during the advertising period no additional parties make a timely application, IDL will proceed with the issuance of a lease to the original applicant.

Regarding the lease at issue, IDL received the lease application on April 26, 2018 and advertised the lease on its website for 30 days, from April 26 through May 27, 2018. IDL did not receive any additional lease applications and no other party expressed interest, therefore, no lease auction was required or held.

The IDL gave permission to the lessees to remove 10 trees of commercial size and several small, non-commercial trees and snags posing a potential hazard. They followed the rules set forth in the Forest Practices Act and were required to pay the endowments for the commercial trees that were harvested. The lessees were also allowed to remove two trees that had fallen

into the water and were considered navigational hazards by public trust standards. IDL confirmed with Idaho Fish and Game that the fallen trees did not provide habitat for fish in Payette Lake.

I would encourage you and others at Tamarack Bay to reach out to the lessees. In communicating with them I think you will find many of your fears and concerns could be alleviated. I have permission to share Travis Leonard's email, [travis@buymccallre.com](mailto:travis@buymccallre.com). The lessees are local folks who care about their community and are committed to being good neighbors.

Sincerely,

Dustin Miller

Director, Idaho Department of Lands

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**General view of stream and high water mark, cut logs left and center:**



**Fresh cuts on stump. Undercut bank showing high water mark:**



Cut logs below high water mark:



Cut logs below high water mark:





**This log is submerged during high water. Fresh cuts and portion of log removed:**



**More signs of fresh chainsaw cutting below high water mark:**



# State approves event venue on Payette Lake without McCall review

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*Lease of 28 acres exempt from local zoning laws*

BY DREW DODSON  
for The Star-News

Plans for an event venue on Payette Lake were approved by the Idaho Department of Lands two months ago, but the City of McCall and neighboring residents only recently found out.



Green line shows area to be leased. ENLARGE

The 10-year lease encompasses 28 acres of state lands between the Tamarack Bay Condominiums and Paradise Point on Eastside Drive, including the northern six acres of Shellworth Island. The lease rate is \$4,000 per year.

The lakefront event venue will be called “The Lookout on the Lake.” Construction is set to begin in the spring with a goal of a July 1 opening to host weddings, family reunions and other events.

Plans call for a parking and drop-off area, access gates, temporary sheds, a paver patio covered by a party tent and a redwood deck overlooking Payette Lake, all of which will be removed at the end of the lease, project developer Travis Leonard of McCall said.

Some state lands are exempt from local planning and zoning laws, but leased parcels must undergo a design review prior to any significant development and obtain proper permits, McCall City Planner Morgan Bessaw said.

“The state likely did not look into all aspects of our code requirements and therefore did not think it would be an issue,” Bessaw said.

The lands department has no legal obligation to inform cities or counties of leases it executes, Idaho Department of Lands Public Information Officer Sharla Arledge said.

“The building permit and inspection process ensures building, fire and safety standards are met,” Arledge said. “The city has this expertise and it is appropriate for them to oversee this process.”

However, state lands are managed under a mandate in the Idaho Constitution requiring the land department to earn as much money as possible from use of the lands.

The land department can override city recommendations not related to obtaining a building permit or satisfying safety requirements if enforcement would jeopardize lease revenue, Arledge said.

Leonard said the state informed him his project was not subject to local city code, but that the state may ask him to go through the city's design review process.

"At the end of the day the lease is with the state, not the city, so it's up to the state as to how they want that handled," Leonard said. "Whatever the state asks us to do, we'll do."

There are no current plans for the Shellworth Island portion of the lease, and access will not be restricted to the popular boater destination, he said.

Noise will be kept to a minimum by limiting guests to 250 plus 25 event staff, and limiting amplified music to between 8 a.m. and 11 p.m., Leonard said.

Guests will also be asked to point any speakers to the east toward state lands with no residences, he said.

The state drew criticism from the McCall City Council earlier this year when it executed two leases for cell phone towers without adhering to city code or consulting nearby residents.

The towers, which will be along Deinhard Lane and Lick Creek Road, would have been required to be disguised as pine trees with cedar fencing at their bases under the city's design guidelines.

The land department consulted the city about its design requirements, but imposing them would have cost the lessee, Horvath Communications of South Bend, Ind., about \$400,000 over the life of the 20-year lease, causing the company to not lease the land.

An Idaho Supreme Court case exempts communication site leases on state lands from all local land-use regulation..

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### **Tamarack Bay condo owners tell Otter Payette Lake lease is illegal**

BY DREW DODSON  
for The Star-News

The Tamarack Bay Homeowners Association has written a letter to Idaho Gov. "C.L." Butch Otter requesting the termination of a recent Idaho Department of Lands lease on Payette Lake.

The letter to Otter, who serves as chairman of the Idaho Land Board, argues that the lease is in violation of constitutional obligations of the land department.

The 10-year lease encompasses 28 acres of state lands between the Tamarack Bay Condominiums and Paradise Point on Eastside Drive, including the northern six acres of Shellworth Island. The lease rate is \$4,000 per year.

The lakefront event venue will be called “The Lookout on the Lake.” Construction is set to begin in the spring with a goal of a July 1 opening to host weddings, family reunions and other events.

One violation is that the \$4,000 for the parcel is well below market value of between \$35,000 and \$50,000 paid annually for similar lakefront parcels, said letter, written by attorney Deborah Nelson of the Givens Pursley law firm in Boise.

A mandate in the Idaho Constitution requires state land leases to generate as much money as possible from the use of the lands.

Another violation is that a public auction for the property was not held, which would make the lease void, the letter said.

The Tamarack Bay Homeowners Association also believes that the lease would damage its owners. The event venue would be about 1,000 feet away from the condominiums.

“Tamarack Bay property owners purchased their property for the seclusion it offered and to peacefully enjoy Payette Lake...the Lessee’s event center will create future conflicts and nuisances,” the letter said.

One worry is that the lease’s allowance of amplified music until 11 p.m. would disturb the peace of the condominium’s residents.

The lease also does not limit the use of outdoor lighting or the duration and frequency of events held at the venue, the letter said.

Another worry cited in the letter is that the lease does not require the lessee to connect to sewers operated by the Payette Lakes Recreational Water and Sewer District.

Instead, current plans call for the venue to be serviced with portable toilets.

Developments within 300 feet of existing sewer lines are required to connect to the sewer system, but the lack of structures planned for the site exempt it from that requirement, Sewer district Manager Dale Caza said.

**OPINION—THURSDAY, NOVEMBER 29, 2018**

## **Time to rethink the mandate on state lands**

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As with its federal counterpart, the Idaho Constitution is supposed to be a living document and should be updated when deemed to be in the general public interest. That is why the constitutional mandate on state endowment lands needs to be tweaked to accommodate changing times.



The handling of the approval of a lakeside lease on state endowment land on Payette Lake near Tamarack Bay Condos highlights how the mandate conceived by the state's founders in 1889 do not match up with the reality of the 21st Century. The original vision by the framers saw state lands managed to bring the most money for endowment funds that supported public schools, universities and other institutions. In almost all cases, that meant logging, with timber sales being a major revenue producer.

Back then, the idea of planning and zoning was something reserved for large eastern cities, and there was no concept that the state's mountain lakes would become a magnet for those seeking resort amenities. Today, those values are at odds as the state refuses to recognize the legitimate right of local governments to have a say in what gets built and how it gets built, especially on the shores of the area's most coveted natural feature.

Back in 1889, no one could dream that endowment lands would one day be sought to build cellphone towers or to serve as venues for weddings, reunions and other events. And, no one could imagine how such uses would be considered threats to "quality of life" by the land's neighbors.

But those are the facts of the modern world, and it makes no sense for the state to thumb its nose at local governments, and local residents, solely for the sake of making a few extra dollars. The state land board should appoint a citizens committee to investigate the best way to amend the state constitution to ensure the state gets its fair share from endowment lands, but also to ensure the rights of its citizens are not trampled.

## IDAHO DEPARTMENT OF LANDS

### Payette Lake event venue would change landscape forever

To the Editor,

Thank you for bringing to light the Idaho Department of Land lease of shoreline property in Tamarack Bay ("State approves event venue on Payette Lake without McCall review," The Star-News, Nov. 21, 2018).

Every summer, thousands of people visit this pristine part of the lake because of its untouched beauty, osprey nests, quiet beaches, and sunbathing rocks.

Kayakers and paddleboarders stop at the beach on their loop around the bay, and picnickers find the perfect spot by following the animal trail to this scenic hideaway. With public beaches around town growing more crowded, this little gem is worth the trip to the east side of the lake.

But now, thanks to plans for a commercial wedding and events venue, access to this spot will be locked behind a gate. Worse, the landscape that we all know and love has already been transformed, with the cutting down of hundred-year-old trees and the laying in of gravel roads. Next spring there will be platforms, sheds, lights, etc.

The business owner said they will remove these items after the 10 year lease is up, but what about the trees they've cut? The roads? The walkway they're putting in to the beach? IDL has frittered away our land trust for a measly \$4000 a year, allowing a natural recreation area to be transformed into a for-profit party venue.

It is shameful and it needs to be stopped before the event planner's self-serving interests change the wild landscape forever.

Suzan Ahrens, McCall

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## Management agencies do not understand their obligations

To the Editor:

I am gratified that Tamarack Bay Property Owners Association protested to Chairman of the Idaho Land Board, Gov. "Butch" Otter ("State approves event venue on Payette Lake without McCall review," The Star-News, Nov. 21, 2018).

In contesting the granting of an event-venue lease, they cited violations incurred by the proposal. Further, they pointed out that the applicants were granted bargain basement fees for a party palace lease on pristine, magnificent, Payette Lake frontage.

The agencies responsible for management of these precious properties do not understand their obligation. I doubt if their members have driven East Side Drive past Tamarack Bay Condos lately.

The extremely fragile, not to mention dangerous, road falls apart seasonally as it has since it was first laid out. Obviously the developers think they can get away with degrading it further. They plan to ignore sewer restrictions and noise pollution requirements as well.

Further, what influence was brought to bear to issue the lease for \$4,000 a year? At minimum the land lease is \$50,000 a year; it comprises 28 acres. And it is unspoiled.

Once the venue is established, what sort of clientele wants amenities like portable bathrooms, "temporary sheds, a paver patio covered by a party tent and a redwood deck overlooking Payette Lake."

Surely more than Tamarack Bay residents shudder at the thought of those revelers driving out there as they do to North Beach. Most important, one wonders what will it look like at the end of the 10-year lease when all the buildings (but none of the environmental damages) are to be removed.

You bet your life the developers want "to start construction this spring" without McCall review! I'm hoping that more than the Tamarack Bay folks have the sense to stop them.

Frances W. Ford, Riggins and McCall

## Jackie McCleve

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**From:** Sally <msbriggs@cableone.net>  
**Sent:** Monday, January 14, 2019 7:50 PM  
**To:** brdexam  
**Subject:** Lease M500031 Party on the Lake [EXTERNAL]

Dear Mr. Wasden,

We are neighbors at Lucks Point of the planned party venue on the shore of Payette Lake. Posting the lease on the IDL website for thirty days does not really speak to public notice. Was any action taken to actually notify the neighbors? This is land which belongs to us all and should not be handed to a private entity who plans to exploit and irreversibly damage this gorgeous property. We ask that you investigate the circumstances of a "deal" that gives away this treasure. Please, in light of the damage we will all suffer, do the due diligence required on behalf of us all.

With respect,

E. Manley Briggs MD and Sally Briggs

Sent from my iPad

The logo for the Idaho Department of Lands is centered on the page. It features a stylized mountain range in the background with a sun or starburst at the top. In the foreground, there is a large, light-colored diamond shape with a yellow border. Overlaid on this diamond is a horizontal banner with the text "IDAHO DEPARTMENT OF LANDS" in white, uppercase letters.

IDAHO DEPARTMENT OF LANDS

Governor Brad Little  
Office of the Governor  
State Capitol  
P.O. Box 83720  
Boise, ID 83720

RE: The Grove McCall, LLC

Dear Governor Little, et. al:

No doubt you've already received letters from my friends and neighbors regarding The Grove party venue taking shape on Payette Lake's Tamarack Bay in McCall, so I will only quickly restate the troubling issues surrounding this enterprise, namely: noise and light pollution, damage to wildlife and fish habitat, damage to pristine wilderness that falls within East Side Drive's designated scenic route, the loss of public access to beaches, increased traffic on a narrow gravel road, drunk drivers in close proximity to three youth camps whose children cross this road daily.

**This letter is to officially record my opposition to this party venue and to ask for your help in putting a stop to 'The Lookout on the Lake'.**

Thank you for your time and consideration,

Best regards,

**Aaron Converse | Project Manager**

10670 NE 9<sup>th</sup> PL, Bellevue, WA 98004  
C: 801.448.2079 | P: 425.974.7069  
[aaron@west77partners.com](mailto:aaron@west77partners.com) | [www.west77partners.com](http://www.west77partners.com)

**From:** [W. W. Heins](#)  
**To:** [Comments](#)  
**Subject:** . January 15, 2019 State Land board meeting  
**Date:** Monday, January 14, 2019 1:06:33 PM

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Below is a letter concerning the State Land board meeting of January 15, 2018

January 14<sup>th</sup>, 2019  
Warren W. Heins  
2635 Eastside Drive B18  
McCall, ID 83638  
4814 D River Road  
Buhl, ID 83316  
[wwheins@safelink.net](mailto:wwheins@safelink.net)

Dear Land Board Commissioner, Honorable Gov. Brad Little:

I am a land and homeowner on the Payette Lake, Tamarack Bay, and McCall, ID. As a state Land Board Commissioner for the state of Idaho and as my representative on that board, and I as your constituent, am registering my concern and distress over the proposed party venue on Payette Lake at Tamarack Bay. The permit holder, "The Grove McCall, LLC" was given a sweetheart deal of a \$4,000 per year lease for 28 acres of lake frontage property, including a large portion of Shellworth Island (Lease no. M50031).

This property exceeds 500 feet of shoreline, which if put to public for bid (as SHOULD have been done) would fetch closer to \$35,000-\$50,000 per **100'** of frontage. I am very unhappy about the lack of public notice to the letting of this state land lease.

Is the procedure used to let this lease (M50031) the most appropriate and *beneficial* to the state of Idaho and the voters and residents of this state? In addition were all constitutional and administrative procedures adhered to that were used to investigate and assign use of this piece of public land to its BEST and HIGHEST beneficial use for the residents of this state? I think not!

There are many concerns that I as a landowner and local property owner hold.

- Procedures used to let the lease – were notices adequately posted and advertised, price of lease at market value, land use and impact of land adequately addressed in the lease terms, etc.
- Have the *unintended* consequences of such a party venue been investigated and address, especially the long term consequences to the land, waterway and neighbors?
- Is this the best and highest use of land for state of Idaho residents and voters?
- IMPACT of proposed venue for local landowners, neighbors, users of adjacent private and public lands, including the infrastructure that Valley County may ultimately be responsible for
- IMPACT of additional traffic, people, and congestion on **emergency services** (medical and enforcement) on both land and water.
- IMPACT of adjacent landowners and public as access to adjacent public land and private land will be negatively influenced.
- IMPACT of changing the character of waterways by cutting down of 100 year old tress,

- moving soil and building. The result is a very negative impact to wildlife and water life.
- Impact to the children of not one but THREE nearby youth camps (Paradise Point, Ida-Haven and Camp Morrison) of a party venue near their road access, camping and boating activities – safety of the children on the road, on the beaches and in the water is paramount.
  - Impact to local wells and water quality, both potable/domestic and free flowing lake.
  - Viability of the permit to allow as many as 250 guests and staff of 2,5 per event, in a confined area to include inadequate and limited ingress, egress, road access, parking, dust prevention, noise, light, traffic, late night intrusion into privacy and peace.

And I could go on as to my concerns about this particular venue, lease, activity and its negative impact for so much of a pristine and calm, peaceful, quite area.

Tamarack Bay is one of the prettiest, most pristine spots on Payette Lake, where thousands of folks visit each summer to enjoy the wildlife, Osprey chicks, fishing, beaches, rocky outcroppings and solitude. I ask you to stop this enterprise from moving forward, before we lose this public gem on Tamarack Bay forever. It seems unbelievable that any governing agency would undertake to approve a party venue with much increased activity and traffic without considering long term consequences – looking for UNINTENDED consequences and having an adequate public notice and hearing process to occur. The current payback to the voters, taxpayers and residents for the State of Idaho is NOT adequate or reasonable, in light of market values. The land board is in the business of making money for the state, is it not? If we cannot put a stop to this type of venue on public land, then make it fair to the taxpayers of Idaho. I believe there are provisions in the lease to increase the rent with 6 months' notice. It seems only wise that the business owner pay fair market value to occupy, forever change and deface this public scenic land.

Thank you for your attention and time in this matter of concern for me, my family and my neighbors.

Respectfully,

*Warren W. Heins*

Warren W. Heins  
Registered voter, landowner and taxpayer,  
McCall & Buhl, ID



**From:** [Carmen Little](#)  
**To:** ["Governor Brad Little"](#); [Comments: "Attorney General Lawrence Wasden"](#); ["State Controller Brandon Woolf"](#); ["Secretary of State Lawrence Denney"](#); ["Superintendent of Public Instruction Sherri Ybarra"](#)  
**Subject:** State Land Lease #500031  
**Date:** Monday, January 14, 2019 5:07:32 PM

---

The Honorable Brad Little, Governor  
Idaho State Land Board Commissioners  
Director of Idaho Department of Lands

RE: State Land Lease #500031

Dear Chairman and Members of the Idaho State Land Board:

We have been homeowners for 31 years in McCall, Idaho and specifically on Eastside Drive. I am writing this letter as a concerned citizen and recreational user of the beautiful scenic corridor on Eastside Drive. There are multiple concerns we have regarding the approval of a commercial project/lease given to Colby Rampton and Travis Leonard, dba: The Grove McCall LLC.

I urge you to rescind the lease immediately as any work done this spring will be irreversible.

1. \$4,000.00/year for thousands of feet of **lakefront property** on Payette Lake that would almost certainly sell or lease for hundreds of thousands of dollars per year!? Is the land board being fiscally responsible to the Idaho school that benefits from this lease?
2. The traffic on this very narrow road will increase with the approval of a venue which says it can accommodate up to 275 people. At the point from Eastside Drive when the pavement turns to gravel, drivers do not slow down and are always driving over the 25 mph posted signs. There are three youth camps along Eastside drive which will be impacted by the increased traffic (Camp Morrison Boy Scout Camp, IdaHaven and Paradise Point) as well as families taking walks, riding bikes, and walking pets. There will be more road destruction on the gravel road as it is already fragile from increased construction traffic detours from Warren Wagon Road this past year. **It is not made for commercial two way traffic and there will be accidents.**
3. The use of the land perplexes me; why would the land board approve a commercial enterprise in the middle of residential and wilderness areas? There are no areas for parking that many vehicles and how many outhouses will be needed for that many people? Such an eyesore in the middle of a beautiful, pristine area. Let alone the stench from the outhouses and garbage. How can any of the changes they are making be restored to pre lease lands – it will be impossible to replace trees that have already been taken out and those that will be removed in the spring. What about the shoreline abuse and forest floor destruction.
4. What's this venue along with their lights and music/noise well into the night going to do the peaceful quality of life and to property values? Really!? Who thought (cared) this would fit

residential, scenic, recreational Payette Lake? Commercial enterprises belong in the downtown area where they've always been. I believe the only exception is a small innocuous summer, daytime only paddle boat rental at North Beach. They're using an already established parking lot and fit in nicely with that public park.

Thank you for your time and consideration of the lease #500031

Terry and Carmen Little



**From:** [Jordan W. Nielsen](#)  
**To:** [Comments](#)  
**Subject:** The Grove McCall, LLC lease# M500031  
**Date:** Monday, January 14, 2019 1:59:31 PM

---

Dear Dustin Miller,

No doubt you've already received letters from my friends and neighbors regarding the party venue taking shape on Payette Lake's Tamarack Bay in McCall, so I will only quickly restate the troubling issues surrounding this enterprise, namely: noise and light pollution, damage to wildlife and fish habitat, damage to pristine wilderness that falls within East Side Drive's designated scenic route, the loss of public access to beaches, increased traffic on a narrow gravel road, drunk drivers in close proximity to three youth camps whose children cross this road daily.

This letter is to officially record my opposition to this party venue and to ask for your help in putting a stop to 'The Lookout on the Lake'.

Thank you for your time and consideration,

Jordan Nielsen

McCall, ID

IDAHO DEPARTMENT OF LANDS

**From:** [Taylor](#)  
**To:** [brdexam@sco.idaho.gov](mailto:brdexam@sco.idaho.gov); [pflynn@sde.idaho.gov](mailto:pflynn@sde.idaho.gov)  
**Cc:** [Comments](#); [Jillpillsbury@hotmail.com](mailto:Jillpillsbury@hotmail.com); [Tamarack Bay Condo Association](#)  
**Subject:** Proposed Commercial Event Center at Payette Lake  
**Date:** Monday, January 14, 2019 4:20:59 PM

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Mr. Lawrence Wadsen,  
Mr. Brandon Woolf,  
Mr. Lawrence Denney and  
Ms. Sherri Ybarra,

Dear Idaho State Land Board Commissioners,

We are writing in opposition of the recent "commercial recreational lease" awarded to The Grove McCall, LLC (Lease No. M500031) by the Idaho Department of Lands. In October 2017, after over 20 years of family visits, we finally realized our dream of purchasing our own property at the Tamarack Bay Condominium complex. One of the main factors leading to this significant investment was the long stretch of pristine forest land adjacent to the Tamarack Bay property where young eagles and ospreys can often be seen surveying the lake from their quiet treetop perches.

While we were fully aware that the nearby youth camps provide a good deal of daytime activity, never in a million years did we anticipate that a 28 acre "event center" designed to host large weddings and parties would be allowed to operate along this unblemished shoreline. It is one thing to carefully designate an outdoor clearing to host a small quiet ceremony; but an elevated platform, eight sleeping cabins, portable toilets, lights and amplified music that can be played from 8 am to 11 pm? What was the Department of Lands thinking?

Is the State of Idaho so cash strapped that it must sacrifice a rare lakefront wildlife habitat for the paltry \$4,000 a year in income to be generated by this lease? Are the numerous existing wedding and event venues in the McCall area not capable of handling the demand for such venues? Do the lease owners have sufficient capital/insurance to cover the myriad of liabilities that hosting large alcohol-fueled events on state owned land create?

As you might imagine, efforts to set up similar "event venues" without going through the standard regulatory process have been problematic for neighboring landowners and governmental bodies. For example, a rural wedding sight in Dayton, Ohio has been shut down following neighbor complaints. See <https://www.daytondailynews.com/news/local/board-rejects-wedding-venue-appeal-says-site-may-public-nuisance/r0grlAdFCQDiJwc3DTt0K/> . See also <https://newsok.com/article/5523746/neighbors-protest-proposed-edmond-events-center> and <https://www.legalreader.com/chicken-manure-is-dumped-on-property-right-before-wedding-ceremony/>.

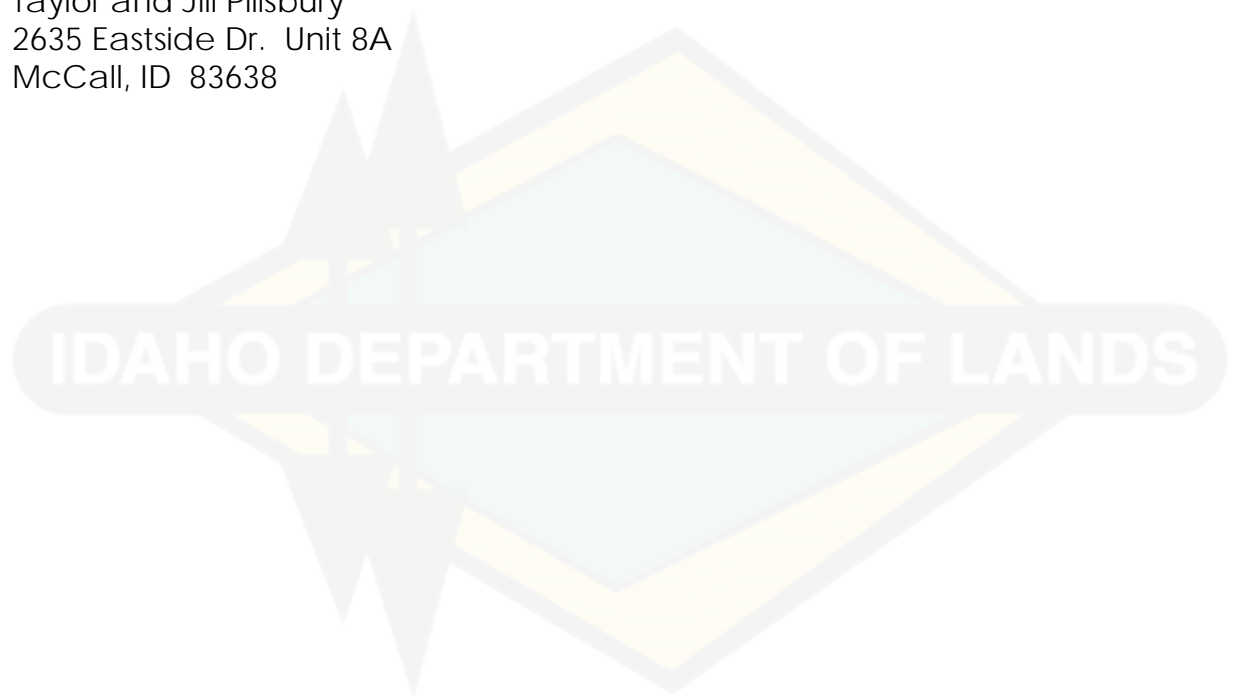
We respectfully request that you act to immediately rescind the ill-advised commercial recreational lease no. N500031. If not rescission, the lease should be suspended until interested parties are granted an opportunity to weigh in on the matter.

We are not so naïve to think that the area surrounding our valued property will not undergo changes over the years. We just ask that any such changes be reasonable in terms of costs and benefits. Thank you for your consideration.

Sincerely,

**Taylor and Jill Pillsbury**

Taylor and Jill Pillsbury  
2635 Eastside Dr. Unit 8A  
McCall, ID 83638



**From:** [Carol Smith](#)  
**To:** [Comments](#)  
**Subject:** Lookout on the Lake  
**Date:** Monday, January 14, 2019 12:09:57 PM

---

I am writing this letter to you to ask you to do what you are able to do to stop the Lookout on the Lake along Eastside Drive that is scheduled for development. It is too dangerous to have this be used as a party and wedding venue. Too many people use Eastside Drive to bicycle, walk, run and enjoy the great outdoors in McCall. The noise, wear on the road and the environment is not worth the price we have to pay for this to happen.

Please do what you are able to prevent this from happening. Thank you for your consideration.

Carol F. Smith  
Sent from my iPad





-----Original Message-----

From: Carol Smith <[carolsmith661@gmail.com](mailto:carolsmith661@gmail.com)>

Sent: Monday, January 14, 2019 12:02 PM

To: Governor's Inbox <[governor@gov.idaho.gov](mailto:governor@gov.idaho.gov)>

Subject: Lookout on the Lake

I am writing this letter to ask you to please not allow the party venue named Lookout on the Lake to move forward. There are too many unknowns to allow this to happen. It is too close to Ida Haven a wonderful camp for young people to attend; Camp Morrison, the beloved Boy Scout Camp, that many boys attend to learn the skills they need in everyday life; Paradise Point, another camp for young people. In my opinion, with family life the way it is today in many families, these camps provide much nurturing to our young people.

As Idaho continues to grow, we need these spaces to be preserved for the future.

Please keep Tamarack Bay as lovely and pristine as it is today.

Thank you for your consideration.

Carol Smith

IDAHO DEPARTMENT OF LANDS

RECEIVED  
2019 JAN 17 11 09 AM  
STATE OF IDAHO

Ray E. Ryan  
1801 E. Spring Meadow Lane  
Boise, ID 83706

January 15, 2019

The Honorable Brad Little  
Chairman, Idaho Land Board  
Office of the Governor  
P.O. Box 83720  
Boise, ID 83720

**Re: Commercial Recreation Lease No. M500031**

Dear Governor Little:

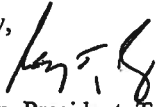
Thank you for considering my comments regarding the lease with the Grove McCall, LLC for 28 acres at Tamarack Bay on the shores of Payette Lake and Shellworth Island. I realize you are hearing from citizens with concerns about this lease regarding environmental impacts, safety concerns, late hours of operation with amplified music allowed until 11:00pm, all night parties after the amplified music is turned off, the seemingly secretive manner in which the lease was issued during McCall's off-season, unreasonably low lease rate of \$4,000 per year, etc. etc. I would like to offer a possibly different perspective.

As the president of Tamarack Bay Homeowner's association, I have heard from many residents from the McCall area asking what they can do to get the state to reconsider this lease for a commercial operation on this pristine parcel of land. It seems no one is happy with the IDL's decision to issue this lease. The City of McCall is reportedly not supportive of the lease and were blind-sided by its' issuance. The Greater Payette Lake Water Quality Council is concerned regarding water flows into the lake and proper disposal of sewage, etc. Neighbors from Luck's Point, Pilgrim's Cove and Tamarack Bay aren't supportive due to noise, traffic and light pollution concerns. It seems none of these parties knew of the existence of the lease until after its issuance.

Others have complained that they have had to move out of their cabins on leased properties because they couldn't afford their \$35,000 lease payments, nor could they afford to buy their cabin sites at auction. They don't understand why their much smaller cottage sites cost substantially more than this large lake front parcel that is apparently appropriate for commercial operations involving large crowds of people.

I can't believe the land commissioners are happy since I am assuming you and the other land commissioners would rather spend your time on things other than defending the actions of the IDL and answering to unhappy constituents. Lastly, I believe the individuals behind the Grove McCall, LLC would rather not operate under intensifying public pressure so I have to believe they are less than perfectly happy.

My possibly different perspective is this. With all the discontent parties this lease has created, maybe it is time for the IDL to change the policies and procedures they follow when issuing leases, especially when those leases are in close proximity to other neighbors and impact some of the state's most treasured public lands. I ask that you please void this lease and start over with a more participative approach involving all the stakeholders. Is it possible that these lands can be preserved for the benefit of Idaho's future generations?

Sincerely,  


Ray Ryan, President, Tamarack Bay Homeowners Association

cc: Idaho State Board of Land Commissioners



**From:** [Nate Fisher](#)  
**To:** [Renee L. Miller](#)  
**Subject:** FW: Commercial Recreation Lease No. M500031  
**Date:** Monday, January 28, 2019 8:33:13 AM  
**Attachments:** [img007.pdf](#)  
[img005.pdf](#)  
[img006.pdf](#)  
[img008.pdf](#)  
[img009.pdf](#)

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## Nate Fisher

Special Assistant, Intergovernmental Affairs | Governor Brad Little

office: 208-854-3012

mobile: 208-608-0717

e-mail: [nate.fisher@gov.idaho.gov](mailto:nate.fisher@gov.idaho.gov)

[Facebook](#) | [Twitter](#) | [Instagram](#)

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**From:** mel switzer <[mswiperjr@yahoo.com](mailto:mswiperjr@yahoo.com)>  
**Sent:** Tuesday, January 15, 2019 3:57 PM  
**To:** Governor's Inbox <[governor@gov.idaho.gov](mailto:governor@gov.idaho.gov)>; [brdexam@sco.idaho.gov](mailto:brdexam@sco.idaho.gov); [pflynn@sde.idaho.gov](mailto:pflynn@sde.idaho.gov)  
**Cc:** Camilla Switzer <[ckswitzer@aol.com](mailto:ckswitzer@aol.com)>  
**Subject:** Re: Commercial Recreation Lease No. M500031

On Tuesday, January 15, 2019, 3:27:02 PM MST, Camilla Switzer <[ckswitzer@aol.com](mailto:ckswitzer@aol.com)> wrote:

Request: To immediately rescind this Lease

Sent from my iPad

Dear Idaho State Board of Land Commissioners,

I am a twenty year resident of Eastside Drive, McCall, and am writing to express my concern and disapproval of Lease No. M500031, issued by the IDL McCall Regional Office to the Grove McCall LLC. I join many other concerned and objecting Idaho citizens and McCall residents, many of whom have written to your Board in protest.

I have read the IDL Mission statement, Vision and Values, as stated for public perusal on their website. In reading this statement, we citizens should feel protected knowing that IDL commits itself to land preservation and financial support of its Public Endowment Lands. With the issuance of this Lease M500031, that protection is clearly not provided for nor supported.

I object to this Lease and urge you to rescind it for the following reasons:

First: This lease in no way meets the IDL's fiduciary responsibility to maximize long term financial returns which they are constitutionally required to meet in support of Endowment Land Beneficiaries. This Lease represents a questionable fee that is ridiculously low and favorable to the Lessees.

Second: IDL is entrusted to be a good steward of the land. This Lease does not protect the ability of Idaho citizens and in particular, Valley county, to continue to enjoy what is, to those who know Payette Lake, the most pristine area of the Lake. To a point, Tamarack Bay is a decidedly small, somewhat enclosed, part of the Lake, which, if overcrowded, could potentially be forever altered or damaged, both the land and the water, by the influx of some

275 people at any given event that this Lease allows for.

I believe with this Lease, the IDL has neglected its responsibilities to Idaho citizens in clearly not protecting and preserving its land assets in an appropriate usage of the land.

Third: I believe that the aloof attitude of the IDL McCall Regional Office, who issued this Lease, demonstrates their unresponsive and completely dismissive attitude toward its moral obligations to make good decisions regarding land use best practices. They have created discord with local residents by preventing them equal access to leasing opportunities by making this lease option unavailable to the public. Arguably, other interested parties may have expressed interest in the opportunity to bid on this Lease property had fair practices been followed.

Fourth: I believe, as evidenced by the attached Public Record emails between the IDL McCall Regional Office (Lessors) and McCall LLC, Colby Rampton and Travis Leonard (Lessees), that these IDL employees acted unprofessionally and with arrogant bias favorable to the Lessees.

I believe these inner office emails clearly demonstrate that employees of the IDL McCall Regional Office have colluded with the Lessees and are in dereliction of their duty . They acted in opposition to their own Mission, Values and Vision standards by which they define themselves.

I urge you to read these email communications and see first hand the misuse of power and blatant coercion that the IDL McCall Regional employees have used with regard to these Lessees.

I go on record urging you to void the Lease immediately in the name of protecting our natural resources and restoring confidence and fairness to concerned Idaho citizens.

Respectfully,  
Camilla Switzer

[Ckswitzer@aol.com](mailto:Ckswitzer@aol.com)

P.O.Box 2956

2635 Eastside Drive

McCall, ID 83638





## Tamara Armstrong

---

**From:** Jasen King  
**Sent:** Thursday, May 10, 2018 4:17 PM  
**To:** Colby Rampton  
**Cc:** Travis Leonard  
**Subject:** RE: Water/sewer on Eastside Drive

Colby,

We are not in favor of septic due to biohazard and potential leaching and the overriding Payette Lake Management Plan which resulted in all residential properties attaching to the sewer. A closed system would be more palatable (i.e. pump or haul off when full). That being said, we may consider a grey water leach field if the sewer cannot handle all of the water.

However, before we decide on any system or combination, we are willing to have more discussions with the Sewer District in regard to capacity and what it would take/cost to increase. We have an interest in full utilization of the lands now and in the future for residential use. This is not the first time we have asked for an engineer's evaluation of the system and the possibility of increasing use. You may have to foot the bill for the evaluation, but in my experience, the costs are not excessive.

I will be away until next Monday, but am willing to set up or attend a meeting with Dale Caza when I return to further understand and expand our possibilities.

Sincerely,  
Jasen X. King  
Payette Lakes Area  
Lands and Waterways, LRSsr  
(208) 634-7125

**From:** Colby Rampton <colbyman@gmail.com>  
**Sent:** Monday, May 07, 2018 12:15 PM  
**To:** Jasen King <jking@idl.idaho.gov>; Scott Corkill <scorkill@idl.idaho.gov>  
**Cc:** Travis Leonard <travisjleonard@gmail.com>  
**Subject:** Water/sewer on Eastside Drive

Hey Scott, I believe Jasen is out for another week so am including you on this.

We've been in touch with the city about water/sewer along Eastside drive. Basically, when they put in sewer they didn't plan for growth and so they figure they can support about 1 EDU (roughly 4 people) per 20 acres. aka, sewer up there is going to be a real challenge.

If we are to provide facilities up there, we realistically have two options: septic or self-contained trailer bathrooms/showers. Septic would require special approval from the city since it's within 300 feet of a sewer line and also close to the lake. Trailers would be pretty expensive and probably won't appeal nearly as much to a wedding group.



Our question is this...if we are to look at septic, we would likely need to get exceptions granted on several fronts.

How much support should we expect from your office? Do you typically approach these types of situations pretty hands-off? Or would the Dpt of Lands be willing to really lean in to help get exceptions granted?

Just trying to gauge where we should focus our efforts and what expectations we should have.

Thanks!

Colby



## Tamara Armstrong

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**From:** Colby Rampton <colbyman@gmail.com>  
**Sent:** Monday, June 4, 2018 4:32 PM  
**To:** Jasen King; Travis Leonard  
**Subject:** Re: Water/sewer on Eastside Drive

Hey Jasen, just wanted to double check and make sure you got the email below?

Also, we are engaging a local firm to work on a site plan so just want to make sure everything on your side is still looking okay?

Thanks,

Colby

On Fri, May 25, 2018 at 6:21 PM Colby Rampton <[colbyman@gmail.com](mailto:colbyman@gmail.com)> wrote:  
Jasen,

Assuming nobody bids against our lease in the next couple days we should be through that process. Couple questions.

I know you guys had talked about putting something in the local paper about it. In our minds, we imagine there probably will be less opposition to the use of the shoreline, but potentially more people may oppose the leased use of the island.

We may consider not initially getting the island lease if we have to have public notice on it. I think we mentioned that our last attempt at this business model ran headlong into vocal opposition and it really made it difficult to get any progress made on it.

- do you guys still fill that you need to publish it in the local paper?
- if we exclude the island from the lease would you still want to publish the shoreline lease in the paper?
- if we exclude the island from the lease, what would the lease cost be?

Just trying to avoid fights where possible, as fights make for a lot of work lol.

Let us know!

Colby

On Sat, May 12, 2018 at 2:04 AM, Colby Rampton <[colbyman@gmail.com](mailto:colbyman@gmail.com)> wrote:

Thanks for the feedback Jasen. Let's chat on Monday when you're back in, before you reach out to Dale. We actually met with him and we both had the impression he didn't have much desire to be too helpful to us. Based off the sewer situation we've modified our planned use of the land and so wouldn't be bad to give you an update too.

Will be in touch,

Colby

**From:** [Scott Corkill](#)  
**To:** [Sharla Arledge](#); [Jasen King](#); [Mike Murphy](#); [Tamara Armstrong](#)  
**Subject:** Re: Star-News Additional Info Requests  
**Date:** Tuesday, November 13, 2018 8:22:08 AM

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Also, on Friday an attorney who said he represents the Tamarack Bay Condo association called and had questions about the lease (and the "logging" that was occurring) . They were bucking up the 10 green trees and dead snags they fell earlier is all. Anyway, his concern was lack of notification, noise, different uses, etc.. I told him about our review of notifications going forward, and the provision in the lease about the noise. He stated that he thought 11pm was a little late. I told him I would look into that. He was aware of the Kempthorne v Blaine County supreme court case, so I guess we wait and see what, if any, further noise or action comes up there.

The funny thing is, this event site is only going to be doing the same things that the church camps are doing when they rent their sites out. The real 'out of the ordinary' thing on the east side of the lake are the Tamarack Bay condos..... but, I digress....

Scott

Sent from my Verizon, Samsung Galaxy smartphone

----- Original message -----

**From:** Sharla Arledge <[sarledge@idl.idaho.gov](mailto:sarledge@idl.idaho.gov)>  
**Date:** 11/13/18 6:24 AM (GMT-07:00)  
**To:** Scott Corkill <[scorkill@idl.idaho.gov](mailto:scorkill@idl.idaho.gov)>, Jasen King <[jking@idl.idaho.gov](mailto:jking@idl.idaho.gov)>  
**Subject:** Fwd: Star-News Additional Info Requests

Let's talk.

Sharla Arledge

Begin forwarded message:

**From:** Drew Dodson <[davidandrewdodson@gmail.com](mailto:davidandrewdodson@gmail.com)>  
**Date:** November 12, 2018 at 4:45:39 PM MST  
**To:** Sharla Arledge <[sarledge@idl.idaho.gov](mailto:sarledge@idl.idaho.gov)>  
**Cc:** Emily Callihan <[ecallihan@idl.idaho.gov](mailto:ecallihan@idl.idaho.gov)>  
**Subject:** Re: FW: Star-News Additional Info Requests

Thanks, Sharla.

*We've basically got everything buttoned up, but I want to make sure my understanding of the uniqueness of this particular lease is correct. It seems the*



## Tamara Armstrong

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**From:** Sharla Arledge  
**Sent:** Wednesday, November 14, 2018 10:05 AM  
**To:** Dustin Miller; David Groeschl; Bill Haagenson; Diane L. French; Scott Corkill; Jasen King; Emily Callihan; Mike Murphy; Tamara Armstrong  
**Cc:** Renee L. Miller  
**Subject:** Items for discussion  
**Attachments:** M500031-City Letter to Lessee-110518.pdf; Event Site Lease.docx  
**Importance:** High

I have highlighted the questions of concern from the reporter below. I think the reporter is looking for controversy between the city & IDL. I also think the city has fed the reporter questions in an attempt to get us to say something publicly they can hold us to. I think it is extremely important for us to be on the same page and have clarity in our expectations.

I have attached a summary of the information we have given the reporter and a letter recently receive by our lessee threatening him with code enforcement action. The letter states the city requires him to get a Conditional Use Permit for event use within a residential area. (Their land use map shows it as rural residential) They claim any further site development is subject to design review and Shoreline & River Environs Zone review.

We all need to be on the same page. Items for discussion:

- 1) The city has told the reporter our requiring the lessee to do design review on buildings "seemed to imply that there were legal grounds of some kind entitling the city to carry out a design review" This interpretation is concerning.
- 2) What should our lessee be required to do?
- 3) What do we interpret design review to include? Is our intent to have buildings subject to design review for safety/building purposes? Or more?
- 4) Is the design review binding or will we look at it and let the city know what will or will not happen.
- 5) Endowment land is not subject to city planning and zoning laws. If we say the lessee is required to get a CUP then do we set a precedent with the city
- 6) Should the lessee be subject to Shoreline & River Environs zone review?
- 7) How do we want to approach the topic of the working relationship between city/IDL?

Sharla Arledge

Latest email from reporter

Thanks, Sharla.

To be clear, the IDL-set standards requiring lessees that built lakefront endowment cottages on the lake WAS to make them go through the city's design review process, presumably as a courtesy, correct?

Also, I'm assuming since IDL requires it of the lessee that the results of the city's design review are binding?

I think my confusion may stem from answers I've gotten from the city on this that seemed to imply that there were legal grounds of some kind (other than standards set by IDL) entitling the city to carry out a design review. What I'm hearing,

**From:** [Nate Fisher](#)  
**To:** [Renee L. Miller](#)  
**Subject:** FW: Commercial Recreation Lease #500031 Eastside Drive McCall, Idaho  
**Date:** Monday, January 28, 2019 8:32:56 AM  
**Attachments:** [img007.pdf](#)  
[img005.pdf](#)  
[img006.pdf](#)  
[img008.pdf](#)  
[img009.pdf](#)

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## Nate Fisher

Special Assistant, Intergovernmental Affairs | Governor Brad Little  
**office:** 208-854-3012  
**mobile:** 208-608-0717  
**e-mail:** [nate.fisher@gov.idaho.gov](mailto:nate.fisher@gov.idaho.gov)  
[Facebook](#) | [Twitter](#) | [Instagram](#)

**From:** Tamarack Bay Condo Association <tambaycondos@gmail.com>  
**Sent:** Tuesday, January 15, 2019 2:22 PM  
**To:** Governor's Inbox <governor@gov.idaho.gov>; brdexam@sco.idaho.gov; pflynn@sde.idaho.gov  
**Subject:** Commercial Recreation Lease #500031 Eastside Drive McCall, Idaho

### To: Idaho State Board of Land Commissioners

The Honorable Brad Little, Governor of Idaho and Chairman of the Land Board  
The Honorable Lawrence Denney, Secretary of State  
The Honorable Lawrence Wasden, Attorney General  
The Honorable Sherri Ybarra, Superintendent of Public Instruction  
The Honorable Brandon Woolf, State Controller

**From:** Mel Switzer, Jr.

**Date:** January 15, 2019

### Subject: Commercial Recreation Lease #M500031 Eastside Drive McCall, Idaho

Dear Chairman and Members of the Idaho State Land Board:

By now you have already received many letters from McCall residents concerning the Grove LLC party venue planned for Payette Lake's Tamarack Bay and why it is such a troubling endeavor - damage to the pristine wilderness that falls within Eastside Drive's designated scenic route, damage to fish and wildlife habitat, noise and light pollution, the loss of public access to beaches, increased traffic on a narrow gravel road that has no shoulders, and drivers taking to the road after consuming alcohol in a neighborhood that has three youth camps whose children access this road daily. The lack of proper notice to the public for competitive bidding, environmental reviews and a pittance lease price of \$4,000 annually for 28 acres and thousands of lakefront footage leaves everyone questioning how this could possibly be considered an arm's length transaction.

By burying this application on their in-house website, the IDL made sure the lease application escaped any notice for a competing bid or public input on suitability issues for this remote site. The IDL states that there is no legal requirement to notify the neighborhood, the city, or the county when a lease is executed; it is done as a courtesy. **But not this time!** They did not bother to notify the neighborhood, the city, the county, planning and zoning, water quality and environmental officials, safety and law enforcement officials - no one. And yet the use of this venue allows the importing of up to 275 partiers and staff, amplified sound from 8:00AM to 11:00PM, portable toilets, stage and ground lighting etc. into this remote serene area off a narrow gravel road that backs up to the National Forest. The city and county have worked hard over the last few years to overcome the history of reckless alcoholic behavior on the 4th of July weekends at North Beach and along Eastside Drive's narrow corridor only to be rewarded with potentially worse behavior every week at this event site.

There may have been some justifiable reason in the past that the state's endowment trust lands were not subject to local planning and zoning requirements, but that does not give the IDL the unquestioned right to operate outside reasonable and practicable parameters. The IDL seems to wear a couple of obscure court cases like a badge that enables them to thumb their noses at today's social conventions and reasonable practices with regard to planning and zoning.

On December 7, the IDL delivered some documents pursuant to a public records request concerning the Grove LLC lease #M500031, excepting certain documents that were redacted or withheld as they were considered attorney-client protected.(?) Even so, the documents as delivered reveal what I believe is collusion, if not aiding and abetting, by the IDL office in McCall with the applicant lessees in keeping information about this lease from the public. **In this email, the lease applicants were anxious about public notice of their plans and were willing to amend their application to delete Shellworth Island from the lease if the local IDL would drop plans to publish the**

**application in the local newspaper, thereby avoiding any public protests or revealing the lease terms.** We don't know what arrangements were made between the lease applicants and the local IDL that kept the lease information from being published locally. (PDF#7 applicant Colby Rampton email to IDL's Jasen King 05-25-18)

The next email seems to demonstrate considerable eagerness by the local IDL office to assist the lease applicants in getting around some sewer issues. Applicant lessee Colby Rampton asks- **"Our question is this... if we are to look at septic, we would likely need to get exceptions granted on several fronts. How much support should we expect from your office? Do you typically approach these types of situations pretty hands-off? Or would the Dpt of Lands be willing to really lean in to help get exceptions granted?"** (PDF#5,#6 applicant Colby Rampton email to Scott Corkill and Jasen King of the IDL 05-07-18)

The next email reveals the disdain IDL's Scott Corkill has for the Tamarack Bay owner inquiries about the chopping down of trees at the lease site as he laments **" The real 'out of the ordinary' thing on the east side of the lake are the Tamarack Bay condos.....but, I digress...."** (PDF#8 IDL's Scott Corkill email to Sharla Arledge, IDL, et al)

This memo from Sharla Arledge of the IDL to Director Dustin Miller, Deputy Director David Groeschl, Division Administrator Bill Haagenson, Division Administrator Diane French, Scott Corkill, Jasen King and 4 others from the IDL is for the purpose of setting up a conference call to deal with the Star News reporter's questions, the City of McCall letter to the Grove LLC about the need for a conditional use permit for their event venue, and to "be on the same page". We aren't able to find out what transpired at the meeting, but this looks like a lot of powerful people discussing this lease that produces \$4,000 annually. I believe the tone of the agenda speaks volumes about how arrogantly the IDL operates and I find troubling the comment **"I also think the city has fed the reporter questions in in an attempt to get us to say something publicly they can hold us to"** by Public Information Officer Sharla Arledge. (PDF #9 IDL Sharla Arledge email to Director Dustin Miller, et al 11-14-18)

As the State Board of Land Commissioners, you are the final authority over how the IDL operates and its culture. Until there is legislative relief over the power given to the IDL, you as Commissioners are Idaho's only hope for policing fair and reasonable management of endowment trust lands. We need the IDL to truly be the "Trusted Stewards of Idaho's Resources, from Main Street to Mountaintop" as their letterhead suggests.

Please come to Payette Lake in McCall to see for yourselves how devastating and ill conceived this lease is to the environment and those who love this lake. Payette Lake is still one of Idaho's sparkling gems - only you can keep it that way for all Idahoans by rescinding this lease.

Respectfully submitted to the Idaho State Board of Land Commissioners.

Mel Switzer, Jr.

Recipients

[ ]

te:



## Tamara Armstrong

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**From:** Jasen King  
**Sent:** Thursday, May 10, 2018 4:17 PM  
**To:** Colby Rampton  
**Cc:** Travis Leonard  
**Subject:** RE: Water/sewer on Eastside Drive

Colby,

We are not in favor of septic due to biohazard and potential leaching and the overriding Payette Lake Management Plan which resulted in all residential properties attaching to the sewer. A closed system would be more palatable (i.e. pump or haul off when full). That being said, we may consider a grey water leach field if the sewer cannot handle all of the water.

However, before we decide on any system or combination, we are willing to have more discussions with the Sewer District in regard to capacity and what it would take/cost to increase. We have an interest in full utilization of the lands now and in the future for residential use. This is not the first time we have asked for an engineer's evaluation of the system and the possibility of increasing use. You may have to foot the bill for the evaluation, but in my experience, the costs are not excessive.

I will be away until next Monday, but am willing to set up or attend a meeting with Dale Caza when I return to further understand and expand our possibilities.

Sincerely,  
Jasen X. King  
Payette Lakes Area  
Lands and Waterways, LRSsr  
(208) 634-7125

**From:** Colby Rampton <colbyman@gmail.com>  
**Sent:** Monday, May 07, 2018 12:15 PM  
**To:** Jasen King <jking@idl.idaho.gov>; Scott Corkill <scorkill@idl.idaho.gov>  
**Cc:** Travis Leonard <travisjleonard@gmail.com>  
**Subject:** Water/sewer on Eastside Drive

Hey Scott, I believe Jasen is out for another week so am including you on this.

We've been in touch with the city about water/sewer along Eastside drive. Basically, when they put in sewer they didn't plan for growth and so they figure they can support about 1 EDU (roughly 4 people) per 20 acres. aka, sewer up there is going to be a real challenge.

If we are to provide facilities up there, we realistically have two options: septic or self-contained trailer bathrooms/showers. Septic would require special approval from the city since it's within 300 feet of a sewer line and also close to the lake. Trailers would be pretty expensive and probably won't appeal nearly as much to a wedding group.

Our question is this...if we are to look at septic, we would likely need to get exceptions granted on several fronts.

How much support should we expect from your office? Do you typically approach these types of situations pretty hands-off? Or would the Dpt of Lands be willing to really lean in to help get exceptions granted?

Just trying to gauge where we should focus our efforts and what expectations we should have.

Thanks!

Colby





## Tamara Armstrong

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**From:** Colby Rampton <colbyman@gmail.com>  
**Sent:** Monday, June 4, 2018 4:32 PM  
**To:** Jasen King; Travis Leonard  
**Subject:** Re: Water/sewer on Eastside Drive

Hey Jasen, just wanted to double check and make sure you got the email below?

Also, we are engaging a local firm to work on a site plan so just want to make sure everything on your side is still looking okay?

Thanks,

Colby

On Fri, May 25, 2018 at 6:21 PM Colby Rampton <[colbyman@gmail.com](mailto:colbyman@gmail.com)> wrote:  
Jasen,

Assuming nobody bids against our lease in the next couple days we should be through that process. Couple questions.

I know you guys had talked about putting something in the local paper about it. In our minds, we imagine there probably will be less opposition to the use of the shoreline, but potentially more people may oppose the leased use of the island.

We may consider not initially getting the island lease if we have to have public notice on it. I think we mentioned that our last attempt at this business model ran headlong into vocal opposition and it really made it difficult to get any progress made on it.

- do you guys still fill that you need to publish it in the local paper?
- if we exclude the island from the lease would you still want to publish the shoreline lease in the paper?
- if we exclude the island from the lease, what would the lease cost be?

Just trying to avoid fights where possible, as fights make for a lot of work lol.

Let us know!

Colby

On Sat, May 12, 2018 at 2:04 AM, Colby Rampton <[colbyman@gmail.com](mailto:colbyman@gmail.com)> wrote:

Thanks for the feedback Jasen. Let's chat on Monday when you're back in, before you reach out to Dale. We actually met with him and we both had the impression he didn't have much desire to be too helpful to us. Based off the sewer situation we've modified our planned use of the land and so wouldn't be bad to give you an update too.

Will be in touch,

Colby

**From:** [Scott Corkill](#)  
**To:** [Sharla Arledge](#); [Jasen King](#); [Mike Murphy](#); [Tamara Armstrong](#)  
**Subject:** Re: Star-News Additional Info Requests  
**Date:** Tuesday, November 13, 2018 8:22:08 AM

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Also, on Friday an attorney who said he represents the Tamarack Bay Condo association called and had questions about the lease (and the "logging" that was occurring) . They were bucking up the 10 green trees and dead snags they fell earlier is all. Anyway, his concern was lack of notification, noise, different uses, etc.. I told him about our review of notifications going forward, and the provision in the lease about the noise. He stated that he thought 11pm was a little late. I told him I would look into that. He was aware of the Kempthorne v Blaine County supreme court case, so I guess we wait and see what, if any, further noise or action comes up there.

The funny thing is, this event site is only going to be doing the same things that the church camps are doing when they rent their sites out. The real 'out of the ordinary' thing on the east side of the lake are the Tamarack Bay condos..... but, I digress....

Scott

Sent from my Verizon, Samsung Galaxy smartphone

----- Original message -----

**From:** Sharla Arledge <[sarledge@idl.idaho.gov](mailto:sarledge@idl.idaho.gov)>  
**Date:** 11/13/18 6:24 AM (GMT-07:00)  
**To:** Scott Corkill <[scorkill@idl.idaho.gov](mailto:scorkill@idl.idaho.gov)>, Jasen King <[jking@idl.idaho.gov](mailto:jking@idl.idaho.gov)>  
**Subject:** Fwd: Star-News Additional Info Requests

Let's talk.

Sharla Arledge

Begin forwarded message:

**From:** Drew Dodson <[davidandrewdodson@gmail.com](mailto:davidandrewdodson@gmail.com)>  
**Date:** November 12, 2018 at 4:45:39 PM MST  
**To:** Sharla Arledge <[sarledge@idl.idaho.gov](mailto:sarledge@idl.idaho.gov)>  
**Cc:** Emily Callihan <[ecallihan@idl.idaho.gov](mailto:ecallihan@idl.idaho.gov)>  
**Subject:** Re: FW: Star-News Additional Info Requests

Thanks, Sharla.

We've basically got everything buttoned up, but I want to make sure my understanding of the uniqueness of this particular lease is correct. It seems the



## Tamara Armstrong

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**From:** Sharla Arledge  
**Sent:** Wednesday, November 14, 2018 10:05 AM  
**To:** Dustin Miller; David Groeschl; Bill Haagenson; Diane L. French; Scott Corkill; Jasen King; Emily Callihan; Mike Murphy; Tamara Armstrong  
**Cc:** Renee L. Miller  
**Subject:** Items for discussion  
**Attachments:** M500031-City Letter to Lessee-110518.pdf; Event Site Lease.docx  
**Importance:** High

I have highlighted the questions of concern from the reporter below. I think the reporter is looking for controversy between the city & IDL. I also think the city has fed the reporter questions in an attempt to get us to say something publicly they can hold us to. I think it is extremely important for us to be on the same page and have clarity in our expectations.

I have attached a summary of the information we have given the reporter and a letter recently receive by our lessee threatening him with code enforcement action. The letter states the city requires him to get a Conditional Use Permit for event use within a residential area. (Their land use map shows it as rural residential) They claim any further site development is subject to design review and Shoreline & River Environs Zone review.

We all need to be on the same page. Items for discussion:

- 1) The city has told the reporter our requiring the lessee to do design review on buildings "seemed to imply that there were legal grounds of some kind entitling the city to carry out a design review" This interpretation is concerning.
- 2) What should our lessee be required to do?
- 3) What do we interpret design review to include? Is our intent to have buildings subject to design review for safety/building purposes? Or more?
- 4) Is the design review binding or will we look at it and let the city know what will or will not happen.
- 5) Endowment land is not subject to city planning and zoning laws. If we say the lessee is required to get a CUP then do we set a precedent with the city
- 6) Should the lessee be subject to Shoreline & River Environs zone review?
- 7) How do we want to approach the topic of the working relationship between city/IDL?

Sharla Arledge

Latest email from reporter

Thanks, Sharla.

To be clear, the IDL-set standards requiring lessees that built lakefront endowment cottages on the lake WAS to make them go through the city's design review process, presumably as a courtesy, correct?

Also, I'm assuming since IDL requires it of the lessee that the results of the city's design review are binding?

I think my confusion may stem from answers I've gotten from the city on this that seemed to imply that there were legal grounds of some kind (other than standards set by IDL) entitling the city to carry out a design review. What I'm hearing,

**From:** [Ellen Ganz](mailto:Ellen.Ganz)  
**To:** [Governor@gov.idaho.gov](mailto:Governor@gov.idaho.gov); [Comments; brdexam@sco.idaho.gov](mailto:Comments@brdexam@sco.idaho.gov); [pflynn@sde.idaho.gov](mailto:pflynn@sde.idaho.gov); [sthayn@senate.idaho.gov](mailto:sthayn@senate.idaho.gov); [tgestrin@house.idaho.gov](mailto:tgestrin@house.idaho.gov); [dmoon@house.idaho.gov](mailto:dmoon@house.idaho.gov); [gcruckshank@co.valley.id.us](mailto:gcruckshank@co.valley.id.us); [ehasbrouck@co.valley.id.us](mailto:ehasbrouck@co.valley.id.us); [commissioners@co.valley.id.us](mailto:commissioners@co.valley.id.us); [aspickard@mccall.id.us](mailto:aspickard@mccall.id.us); [dbingaman@co.valley.id.us](mailto:dbingaman@co.valley.id.us)  
**Subject:** URGENT -The Grove McCall, LLC lease# M500031.  
**Date:** Wednesday, January 16, 2019 4:56:39 PM

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Dear Representatives,

As a person who lives on East Side Drive in McCall, I am distressed by the proposed party venue on Tamarack Bay. Safety issues are at the top of the list, with speeding drivers breaking the 25 mph limit to get to the wedding on time, and drunk drivers heading home after the reception. The venue is in the immediate vicinity of three youth camps – Paradise Point, Ida-Haven, and Camp Morrison – and children cross the road daily to reach the lake on one side and the hiking trails on the other. Also, this is a popular road for cyclists, nature lovers, and folks out walking their dogs. Where the pavement ends is a steep, narrow, curvy gravel section of road. One turn in particular catches drivers off-guard, and it happens far too often that a car ends up over the bank.

The Grove McCall, LLC is permitted to have 250 guests plus 25 staff per event. This dangerous road cannot support the increased traffic and must be improved to remedy some of these safety concerns. But the cost should not come from taxpayers who oppose this private enterprise. I am asking you to insist that The Grove McCall, LLC and their entity The Lookout on the Lake pay for road improvements, from the point where the pavement ends to their party site. The road should be widened and paved, or at the very least, adequately graveled and treated (on a regular schedule) for dust control.

Furthermore, as a local real estate brokers the terms of the lease are unprecedented. I was appalled to hear the IDL approved a lease on Payette Lake; 28 Acres, for \$4,000/ year, with a ten year term. This is not at all comparable to current state lease rates on Cottage sights (usually no larger than 1/2 an acre) costing currently leaseholders between \$35,000-\$50,000 per year. Why did the State approve these terms for the leaseholder?

Why were the neighbors not notified?

Why was this information not made public?

Shouldn't endowment land that the public entrusts to the IDL be held to a higher standard?

Better still, I ask that you stop this enterprise from moving forward. It seems unbelievable that any municipality or governing agency would issue a business or liquor license to a party business operating so closely to these youth camps. It really must be stopped and I'm counting on you to help.

Thank you for your time and consideration,

Ellen Ganz  
3751 Eastside Drive, McCall  
208-630-3917  
[www.mccallre.com](http://www.mccallre.com)



**From:** [Nate Fisher](#)  
**To:** [Renee L. Miller](#)  
**Subject:** FW: Land Board problem  
**Date:** Monday, January 28, 2019 8:33:07 AM

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## Nate Fisher

Special Assistant, Intergovernmental Affairs | Governor Brad Little  
**office:** 208-854-3012  
**mobile:** 208-608-0717  
**e-mail:** [nate.fisher@gov.idaho.gov](mailto:nate.fisher@gov.idaho.gov)  
[Facebook](#) | [Twitter](#) | [Instagram](#)

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**From:** [dwchap@frontiernet.net](mailto:dwchap@frontiernet.net) <[dwchap@frontiernet.net](mailto:dwchap@frontiernet.net)>  
**Sent:** Thursday, January 17, 2019 8:42 AM  
**To:** Governor's Inbox <[governor@gov.idaho.gov](mailto:governor@gov.idaho.gov)>  
**Subject:** Land Board problem

Dear Governor Little:

I think the Land Board should revisit the decision to lease state lakefront property on the East Lake road for \$4,000 per year.

That property is expected to host up to events that involve 275 people at a time, posing traffic, water quality, nuisance littering, and parking problems.

Also, I think the lease price is extremely low.

I ask that you question the Board lease at the next meeting.

Don Chapman  
McCall

**From:** [Dana](#)  
**To:** [governor@gov.idaho.gov](mailto:governor@gov.idaho.gov); [Comments](#); [brdexam@sco.idaho.gov](mailto:brdexam@sco.idaho.gov); [brdexam@sco.idaho.gov](mailto:brdexam@sco.idaho.gov); [tgestrin@house.idaho.gov](mailto:tgestrin@house.idaho.gov); [gcruickshank@co.valley.ed.us](mailto:gcruickshank@co.valley.ed.us); [ehasbrouck@co.valley.id.us](mailto:ehasbrouck@co.valley.id.us); [commissioners@co.valley.id.us](mailto:commissioners@co.valley.id.us); [aspickard@mccall.id.us](mailto:aspickard@mccall.id.us)  
**Subject:** The Grove McCall, LLC  
**Date:** Thursday, January 17, 2019 10:01:29 PM

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Hello Esteemed Public Officials,

My name is Dana Gross, and I have been a property owner at Tamarack Bay Condominiums in McCall for 10 years. I am a mother of three, and a lover of all things McCall and Payette Lake. I am writing to express my opposition to and concerns about a newly proposed party venue in Tamarack Bay of Payette Lake called, The Lookout on the Lake. In my opinion, not only does this party venue not align with the values Payette Lake homeowners seek (peace, quiet, beauty and solitude), it is also potentially hazardous to those seeking nature and outdoor recreation on the east side of the lake.

Homeowners on Eastside Dr. already have concerns about traffic on Eastside. People traveling to and from North Beach (a known unofficial "party" site in its own right) often drive far too fast on the road that has no shoulders. People come from all over to pick huckleberries in the summer which brings additional traffic to the area as the roadside just north of Tamarack Bay Condominiums is a hot-spot for huckleberry pickers. In fact, there is already so much traffic in that area, said huckleberry bushes are covered in dust!

More importantly there are three children's summer camps along this same stretch of road.

There are poorly marked areas where kids cross the road to get to the lake. This has been a concern of mine in the past, but now I am very concerned about the safety of the campers with 250+ additional travelers on the road for each proposed party at this new party venue!

Weddings are notorious for having guests in attendance who should not drive at all, let alone drive on an unlit road with no shoulders or center line, in the forest, with summer camp children all around! It really is a recipe for disaster.

In addition to the very serious safety concerns I have about the additional traffic "The Lookout" will bring, I am concerned about the environmental implications. Increased traffic will create even more dust which can already be seen in a cloud hovering over the road on busy summer afternoons. The removal of trees at the site could cause erosion into our pristine lake that must be protected. Lights at the venue will create light pollution, and most upsettingly, loud party music will be allowed until 11pm per the current lease! When I think of Payette Lake Living, this is not what comes to mind.

Ultimately, how is this hastily, poorly designed venue and lease going to affect our safety, our beautiful, cherished Payette Lake, and our property values? These are our honest concerns. Please consider putting a stop to the construction of this party venue, or at the very least, require the leasee, The Grove McCall ,LLC to pave and maintain the road leading up to their

site to make it cleaner and safer, and enforce much stricter guidelines to preserve the tranquility and beauty of our area . Thank you for your time and consideration in this matter.

Dana Gross

Tamarack Bay Condominium Owner



**From:** [KATHLEEN POSTON](#)  
**To:** [Comments](#)  
**Subject:** Oppose venue on Payette Lake's Tamarack Bay  
**Date:** Thursday, January 17, 2019 11:15:07 AM

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Dear Secretary of the Land Board,

I am writing in **opposition to the proposed party venue on Payette Lake's Tamarack Bay**. The permit holder, **The Grove McCall, LLC, was given a sweetheart deal of \$4000 per year for 28 acres of lakefront property, including a large portion of Shellworth Island (lease no. M500031)**. This property has easily 500 feet or more of shoreline, which if put to the public for bid, would fetch closer to \$35,000 to \$50,000 per 100' per year. Why not put it out for McCall residents to get that deal?

**And please explain to me how that deal was given in the first place and how they came to value that land at \$4000 a year????**

I am extremely concerned about our environmental affects of this on Payette Lake.

I am also very concerned what this will do to owners of Tamarack Bay Condos.

We do not need someone giving away our land when residents do not have any say in the zoning etc.

Sincerely,  
Kathy Poston  
McCall, ID

The logo for the Idaho Department of Lands is a large, stylized diamond shape. It features a light green center, a yellow border, and a grey outer border. The text "IDAHO DEPARTMENT OF LANDS" is written in white, bold, capital letters across the middle of the diamond. The logo is semi-transparent and serves as a background for the lower half of the page.

IDAHO DEPARTMENT OF LANDS

2635 Eastside Drive  
McCall, Idaho 83638  
January 10, 2019

Director Dustin Miller  
Secretary of the Land Board  
300 N. 6<sup>th</sup> Street, Suite 103  
Boise, ID 83702

DEPT. OF LANDS  
2019 JAN 18 PM 4:45  
BOISE, IDAHO

Re: Commercial Recreational Lease No. M500031

Dear Director Miller:

I am writing in regard to the party venue, Lookout on the Lake, planned for Payette Lake's Tamarack Bay. A commercial event center, hosting parties and weddings, is not compatible with the surrounding recreational and residential uses.

The proposed venue, Lookout on the Lake, is in the midst of three long-time camps, popular throughout Idaho. The added traffic will impact the campers, especially Boy Scouts heading to the beach. Noise and lighting until late at night, and water and sanitation issues will greatly diminish the environment. The fish in the lake and forest wildlife will be negatively impacted. I'm appalled that the lease

Had the state notified adjacent property owners, my neighbors and I would have rallied to purchase the land and keep it in its pristine state. The state would have gained much more revenue than the ridiculously low \$4,000 per year. Significant damage has already occurred with the removal of hundred-year old trees and a road cut through to the beach. I'm appalled that the bargain-rate lease includes a large portion of Shellworth Island.

Certainly my family and I are upset that the home we love will be greatly impacted, but I'm certain all McCall residents who fish, boat and bike through the area will be too.

This is the wrong enterprise in the wrong place. I ask you to stop it from moving forward.

Thank you for your time,

*Barbara Carpenter*

Barbara (Bonnie) Carpenter



**From:** [conitzm@gmail.com](mailto:conitzm@gmail.com)  
**To:** [Comments](#)  
**Subject:** Eastside Payette Lake land lease  
**Date:** Friday, January 18, 2019 9:50:31 PM

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Hello Director Dustin Miller,

I am very concerned about the land lease on the east side of Payette Lake off of Eastside Drive that we read about in the newspaper. Apparently this non developed area was leased out as a party venue for \$4000 per year. This arrangement was never made public in the planning process. People come to Payette Lake to enjoy the serenity and recreation opportunities. To allow a for profit business to occupy one of the few remaining places of undeveloped lake shore for such a paltry sum is wrong. It seems wrong at any price to allow large groups of party going people to beat, trample and trash this beautiful stretch of lake shore. This is wrong and lacks any kind of common sense, foresight or any semblance of responsible planning. Please reverse this lease before irreparable damage is done to the lake belonging to the people of Idaho, not some unscrupulous developer!!!

Margo

The logo for the Idaho Department of Lands is centered on the page. It features a stylized mountain range in the background with a central diamond shape. The text "IDAHO DEPARTMENT OF LANDS" is written in a bold, sans-serif font across the middle of the diamond. The logo is semi-transparent and light gray in color.

IDAHO DEPARTMENT OF LANDS



January 8, 2019

Governor Butch Otter  
Office of the Governor  
State Capitol  
P.O. Box 83720  
Boise, ID 83720

RE: The Grove McCall, LLC

Dear Governor Otter, et. al:

I'm writing this letter to express my concern regarding the due process and impact associated with the proposed party venue on Payette Lake's Tamarack Bay. My family is the owner of a condominium at the Tamarack Bay Condominiums. From everything I can gather, the permit holder, The Grove McCall, LLC (the "Grove") was given a non-arm's length transaction of \$4,000 per year for approximately 28 acres of lakefront property, including a large portion of Shellworth Island (lease no. M500031). This property has over 500 feet of shoreline, which if put to the public for bid, would run closer to \$40,000 to \$50,000 per 100 feet of shoreline per year based on local comps.

Notwithstanding the optics of the deal struck with the Grove, it is unconscionable to introduce a massive event venue in this location given the inferiority of roadway infrastructure and pedestrian traffic. Trip generation related to event venues is much different than the traffic currently using this roadway. This type of event venue will substantially increase the traffic on an already very narrow and twisting roadway filled with speeding drivers breaking the 25-mph limit. Given that the venue will be an event center, I'm also nervous about the number of inebriated drivers that will be leaving the event venue at various hours of the day and night. The sheer number of bikers and pedestrians on this road should be reason alone for denying any type of event venue accessed from this roadway. Moreover, the event venue is in the immediate vicinity of three youth camps – Paradise Point, Ida-Haven, and Camp Morrison – and children cross the road daily to reach the lake and the hiking trails. I would strongly encourage the governing jurisdictional authorities to perform a deeper dive into a proper traffic impact analysis for this event venue given its surroundings and current infrastructure. Extensive and costly roadway improvements and dedicated biking/pedestrian paths must be introduced long before a venue of this type is authorized. Even then we have concerns that go beyond traffic impacts.

I was highly concerned to learn that the Grove will be cutting down a significant number of hundred-year old trees, removing fish habitat below the high-water mark, and eliminating public access to the beach. Moreover, all this was passed without the public notice typically employed in controversial scenarios such as this one. I must say that upon learning more about the deal struck, the process

employed, and impacts it seems as though a fast one is being pulled on the public in hopes that no one would notice in time to object to the party venue. One of our neighbors pressed the McCall branch of the IDL and was told by the onsite staff that the lease was posted on the IDL website for 30 days. For those that check the IDL website as often as they check their email this process is probably sufficient; for the rest of us normal citizens, this form of “constructive notice” feels both deceptive and allusive. Better measures should have been employed in order to allow for due process and public response to such a controversial issue. Further, endowment land that the public has entrusted to the IDL should hold themselves to a higher standard than technically complying with stealthy public notice practices.

When changing the character of our waterways or building on shore, homeowners must obtain dredging permits and/or post building permits on site and visible to the public. Had The Grove been held to this standard during the bidding/permitting process, many homeowners would have seen a posted notification and rallied to express opposition to the event venue. Alternatively, our group could have offered the state much more than the unconscionable \$4,000 per year offered by the Grove, and we could have protected this land from such invasive development.

Tamarack Bay offers something very special on Payette Lake that candidly doesn't exist elsewhere on the lake. As a real estate developer, I'm typically prone to endorse development, but this is an instance where the singularity of this location should not be derogated by the introduction of this event venue. This is a situation where the impact and loss are far too great. I hope you can put a stop to this before we lose this special setting forever. In the event it simply cannot be stopped, please take measures to ensure due process is observed, proper infrastructure and impact mitigation is installed long before a spade is turned on the event venue construction, and an arm's length transaction is achieved that is fair and commensurate with the destruction of this special location in the state of Idaho.

Thank you for your consideration in this matter. Please feel free to reach out to me if you have any questions or wish to discuss my comments further.

Best regards,



Michael Nielson  
West77 Partners, LLC  
CEO & President

cc: Incoming Chairman Governor Elect Brad Little  
IDL Director Dustin Miller  
Attorney General Lawrence Wadsen  
State Controller Brandon Woolf  
Secretary of State Lawrence Denney  
Superintendent of Public Instruction Sherri Ybarra  
County Commissioner Chairman Gordon Cruickshank  
County Commissioner Elting 'Elt' Hasbrouck

**From:** [John Link](#)  
**To:** [governor@gov.idaho.gov](mailto:governor@gov.idaho.gov); [brdexam@sco.idaho.gov](mailto:brdexam@sco.idaho.gov); [Comments](#); [pflynn@sde.idaho.gov](mailto:pflynn@sde.idaho.gov); [sthayn@senate.idaho.gov](mailto:sthayn@senate.idaho.gov); [tgestrin@house.idaho.gov](mailto:tgestrin@house.idaho.gov); [dmoon@house.idaho.gov](mailto:dmoon@house.idaho.gov); [ehasbrouck@co.valley.id.us](mailto:ehasbrouck@co.valley.id.us); [davebing70@gmail.com](mailto:davebing70@gmail.com); [gcruickshank@co.valley.id.us](mailto:gcruickshank@co.valley.id.us)  
**Subject:** Grove McCall, LLC  
**Date:** Saturday, January 19, 2019 1:04:07 PM

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To whom it may concern,

As a homeowner in Valley County, I am very concerned about the Lookout on the Lake being proposed on Payette Lake. This is a pristine part of the Lake and to grant a party venue there is short sighted. Tamarack Bay is used by a number of people for water skiing, canoeing, kayaking, paddle boarding, swimming, etc. Placing a party venue there creates a number of concerns. Noise, traffic, light pollution, parking, drunk drivers, ecological damage, public access, access for emergency services, and close proximity to homeowners and youth camps. Until reading about this in the Star News, most of the public had no idea this was permitted and at a cost far below what is required for maximum financial return. The lack of public notice and a \$4000 per year lease is at least questionable. I urge you to stop this project.

Thank you for your consideration,

John A Link DDS

Sent from my iPad



Dear Governor Little:

Dear Idaho Department of Lands Members:

Re: Grove McCall lease #M50031

No doubt you've already received letters from my friends and neighbors regarding the party venue taking shape on Payette Lake's Tamarack Bay in McCall, so I will only quickly restate the troubling issues surrounding this enterprise, namely: noise and light pollution, damage to wildlife and fish habitat, damage to pristine wilderness that falls within East Side Drive's designated scenic route, the loss of public access to beaches, increased traffic on a narrow gravel road, drunk drivers in close proximity to three youth camps whose children cross this road daily.

It appears that there is something fishy going on here. There was not any notice to the neighbors and not enough due diligence done here. There is clearly not enough parking to accommodate this facility safely. I urge you all to review this situation and do what's right.

This letter is to officially record my opposition to this party venue and to ask for your help stopping the Grove McCall lease #M50031.

Thank you for your time and consideration,  
Steve and Deanna Schmidt  
Tamarack Bay #26, McCall, Idaho



January 21, 2019

**Sent via Electronic Mail**

Idaho Department of Lands  
Attn: Dustin Miller, Director  
300 N. 6<sup>th</sup> Street, Suite 103  
Boise, ID 83702

Re: IDL Lease# M500031

Dear Mr. Miller:

The purpose of this letter is to object very strenuously to your recent lease of 28.07 acres of land adjacent to Tamarack Bay to The Grove McCall, LLC under IDL Lease# M500031. I am sure you have received similar letters regarding this lease, but as a McCall property owner, I wish to reiterate many of the very valid concerns regarding the lease of this property.

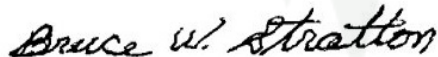
1. First and foremost, the lease appears to be in direct violation of Article IX, §8 of the Idaho Constitution which requires public auctions for leases of endowment lands. There was no public auction nor was there any effective or good faith public notice of the fact the lease was up for renewal and subject to auction. Furthermore, the annual lease amount of \$4,000 is significantly under market and I can state with virtually 100% certainty that had the land been subject to public auction, the Idaho Department of Lands would have received a higher bid.
2. Portions of the 28.07 acres are currently used very frequently by the public. This lease would seem to allow the lessees the ability to restrict the public use of this property which will certainly occur when the land is used for one of the lessee's events.
3. The information I have seen indicates the property's use for events is restricted to 275 people, 250 people as guests, plus another 25 for staff. However, it appears the lessee is only providing parking for 25-30 vehicles! If we assume an average vehicle occupancy of 4, this equates to almost 70 vehicles, at least 40 of those vehicles having to park along Eastside Drive.
4. The traffic on Eastside Drive will significantly increase during the lessee's events, endangering the children who use the three youth camps in very close proximity to the event center (Paradise Point, Camp Ida-Haven, and Camp Morrison). The road is also used extensively by property owners all along Eastside Drive for hiking, jogging, and biking. The speed limit along the road is currently almost impossible to enforce and I doubt the McCall and Valley County police departments will have sufficient personnel to deal with the increased traffic and associated problems of speeding and driving while intoxicated.

5. Eastside Drive is only paved to the Tamarack Bay Condominiums Property and the increased traffic will increase the dust and dirt to properties adjacent to the road where it is currently unbearable at high traffic times.
6. Any kind of “event” will almost certainly involve the use of alcohol and the thought of 250 people driving from the venue after having had “a few drinks” should scare anyone.
7. The property owners of nearby Tamarack Bay Condominium Association, Camp Ida-Haven, and Paradise Point will be significantly affected by the addition of an events center but they were not given any opportunity to express those concerns or the impact on their right to a peaceful enjoyment of their property.
8. The actions taken by the Idaho State Board of Land with respect to the lease and the allowed use of the property sets a very unfair and concerning precedent for other endowment lands adjacent to Idaho lakes throughout the State.

For all of the above reasons, plus the many more expressed by other concerned McCall residents and property owners, I respectfully ask you to invalidate IDL Lease# M500031 as a violation of the Idaho Constitution and re-initiate the process of putting the property up for lease to include: 1) a public auction with proper and effective public notice and; 2) the ability for concerned citizens to voice their opinions on the use of the property and the impact it will have on their own property and their lives.

Thank you for your time and your consideration.

Sincerely,



Bruce W. Stratton

cc: Idaho State Board of Land Commissioners  
Valley County Commissioners  
McCall City Council



Big Payette Lake Water Quality Council, P.O. Box 3108, McCall, ID 83638  
info@bigpayettelake.org

January 22, 2019

Secretary of the Land Board:  
IDL Director Dustin Miller  
300 N. 6th Street, Ste 103  
Boise, Idaho 83702

Re: Lease No. M500031

Dear State Land Board Member:

Big Payette Lake Water Quality Council (BPLWQC), a non-profit group and advocate for the health of Big Payette Lake, with a stated mission to protect, preserve, and improve water quality of Big Payette Lake and its watershed, opposes the approval of Lease No. M500031 on the east arm of Payette Lake. We are aware that Tamarack Condominiums, situated near this site, has requested through their attorney, Givens Pursley LLP, answers addressing their concerns about the lease. We request that Idaho State Land Board of Commissioners order the lessee to stop all current construction and activity on this property until appropriate restrictions are developed to protect the natural shoreline, the water quality of, and public access to the lake.

This 10-year lease between the Idaho State Board of Land Commissioners and The Grove, McCall LLC, allowing the lessee to build an event center on 23 acres on pristine and natural waterfront land on the east arm of Big Payette Lake and six acres on Shellworth Island for an annual amount of \$4,000, has the potential to have serious

and negative impacts to water quality and the aquatic environment. Moreover, as discussed further below, this lease may restrict public access for recreationalist to State Endowment Lands, and was approved without transparency or public input from the citizens of McCall and Valley County and without review under the City of McCall's regulations that govern the surrounding area.

**1. The development and use of the site for a large-scale event center will have adverse impacts to the immediate environment and pose a threat to the water quality of the lake.**

BPLWQC promotes good habits of waterfront cottages and properties in preventing pollutants from running into Payette Lake. Any time natural habitats are developed, there is an increased risk for erosion and contamination. This lease site, with the proposed event center, is no exception.

First, the parcel is uneven and slopes down to the lake making the likelihood of erosion and pollution runoff more severe once the land is disturbed. Moreover, Ping Creek flows through the property and empties into the lake, posing an immediate threat that pollutants will readily flow directly into the lake. Large, mature trees have already been logged, and can no longer reduce or prevent bank erosion and silt, or provide for habitat for fisheries and many other species. The potential for increased erosion and pollutant runoff can have a significant, negative impact to the water quality of the lake—the sole source of drinking water for the City of McCall. Without going through the City of McCall's design review process, there are currently no known precautions the lessee is taking to prevent these adverse events once this site is disturbed, developed, and experiences a heavy level of human traffic.

We understand that the Idaho Department of Lands takes the position that local conditional use permit and zoning requirements do not apply to State Endowment Lands. Without local review, there may be no environmental and lake protection requirements imposed on the lessee including: setbacks; boat dock regulations; sewer or other sanitation measures; potable water requirements; limitations on fertilizers,

herbicides, pesticides, or other contaminants; and appropriate garbage removal measures. These are all well-known measures that protect the lake's water quality, are enforceable requirements, and should apply equally to all lakefront property and activities whether on State Endowment Lands or not.

You have stated that the Idaho Forest Practices Act, Title 38, Chapter 13, and the Lake Protection Act, Title 58, Chapter 13 of Idaho Code, along with Rules for the Regulation of Beds, Waters and Airspace over Navigable Lakes in the State of Idaho, IDAPA 20/03.04, is your guide for State Land management. I have attached excerpts from those with this letter underlining some of the environmental considerations the Land Board must adhere to. It is unknown at this juncture how these considerations **will be** monitored and enforced for this lease.

We question whether these concerns were considered in what appears to be a meager lease of \$4,000 per year with an invitation to add pollutants into the water for the next ten years with no clear pollution mitigating terms and oversight.

**2. The lease is inconsistent with the Land Board's policy on protecting public access to State endowment lands.**

“Idaho has a history of providing abundant recreational opportunities and access on endowment lands.” See <http://www.idl.idaho.gov/recreation/index.html>. In August 2018, the Land Board voted to keep endowment lands open for recreation. Lease No. M500031 is, however, inconsistent with this policy. Allowing a private event center to be located at this site and Shellworth Island may prevent public access to this undeveloped land and thousands of feet of shoreline for recreation.

Valley County residents and all Idahoans deeply value access to public lands. Although the controversy over leases that would limit public access to State land were for exclusive leases for private hunting operations, the effect here is the same: Idahoans are being excluded from the ability to recreate on 29 acres of State land and thousands of feet of shoreline.



**3. The lack of public notice under which this lease was approved erodes the public's trust and confidence in the Land Board.**

BPLWQC takes issue with the manner in which this lease was approved for two reasons.

First, the lease should have been put up for public auction. Management of State Endowment Lands is entrusted to the State Land Board of Commissioners. This means that the State Land Board works for the benefit of the people of Idaho, and not for any particular individual or enterprise. Stating that the lease was not put up for auction because “there were no other applicants” when the land was never advertised for auction is ludicrous. By failing to put this lease up for public auction, you have violated your duty of loyalty to ensure that the beneficiaries of this land—namely our public school system, and thus the people of Idaho—receive the highest value.

Second, by failing to notify and involve the residents of McCall in the decision of the scope of activities that will occur on this land, you have severely eroded the public's trust and confidence in this institution. We understand you believe you were under no obligation to have a public hearing to listen to citizen concerns, but doing so is not precluded by any law. This Board has in the past, however, involved citizens and garnered input on other decisions of local importance that occurred on State Endowment Lands. The Land Board's decision to provide absolutely no public notice for a project of this scope with the level of potential adverse impacts that will affect many people that live around or use Payette Lake makes this appear like a closed-door deal with a private individual that the Land Board knew would draw scrutiny.

The lack of public notice in this instance provides a dangerous precedent of how this Board plans to administer State Endowment Lands in the future. We ask that you consider the damage this situation has done to the public's trust in this institution and seriously consider operating in a more transparent and open manner when making decisions on what occurs on lands that are owned by the people of this State.



## **Conclusion**

The city of McCall depends on this beautiful asset, Payette Lake, for its economic health as well as drinking water for many. We ask that the Land Board put the breaks on this project until appropriate restrictions are developed to protect the natural shoreline, the water quality of, and public access to the lake. Thank you for your consideration.

Sincerely,

Julie Thrower  
Chair, BPLWQC



TITLE 38 FORESTRY, FOREST PRODUCTS AND STUMPAGE DISTRICTS  
CHAPTER 13 FOREST PRACTICES ACT 38-1302.

POLICY OF THE STATE — PURPOSE OF ACT. (1) Recognizing that federal, state and private forest lands make a vital contribution to Idaho by providing jobs, products, tax base, and other social and economic benefits, by helping to maintain forest tree species, soil, air and water resources, and by providing a habitat for wildlife and aquatic life, it is the public policy of the state to encourage forest practices on these lands that maintain and enhance those benefits and resources for the people of the state of Idaho. (2) To encourage uniform forest practices implementing the policy of this chapter, and to provide a mechanism for harmonizing and helping it implement and enforce laws and rules relating to federal, state and private forest land, it is the purpose of this chapter to vest in the board authority to adopt rules designed to assure the continuous growing and harvesting of forest tree species and to protect and maintain the forest soil, air, water resources, wildlife and aquatic habitat.

(3) No unit of local government shall enact any ordinance, rule or resolution which purports to regulate forest practices on the forest land in this state and which conflicts with any provision of this chapter. History:

TITLE 38 : (c) Provide for reforestation that will maintain a continuous growing and harvesting of forest tree species by describing the conditions under which reforestation will be required, specifying the minimum number of trees per acre and the maximum period of time allowed after harvesting for establishment of forest tree species, and requiring stabilization of soils which have become exposed as a result of harvesting; however, an acreage exemption from reforestation may be established except that on such land exempted within one (1) year following harvesting, some form of vegetative cover shall be required sufficient to provide continuing soil productivity and stabilization. (d) Provide for the use of chemicals or fertilizers in such a manner that the public health and aquatic and wildlife habitat will not be endangered from their handling, storage and application. (e) Provide for management of slashings resulting from the harvesting, management or improvement of forest tree species in that manner

necessary to protect reproduction and residual stands, to reduce risk from fire and insects and disease, to optimize the conditions for future regeneration of forest tree species, and to maintain air and water quality and fish and wildlife habitat.

(f)

## TITLE 58 PUBLIC LANDS

### CHAPTER 13 NAVIGATIONAL ENCROACHMENTS 58-1309.

**RESTORATION — MITIGATION OF DAMAGES.** Any person legally found to be wrongfully encroaching on, in or above the beds or waters of a navigable lake shall, in lieu of or in addition to penalties provided herein, be directed by the court to restore the lake to as near its condition immediately prior to the unauthorized encroachment as possible or to effect such other measures as recommended by the board and ordered by the court toward mitigation of any damage caused by or resulting from such unlawful encroachment. History:

Rules for the Regulation of Beds, Waters and Airspace over Navigable Lakes in the State of Idaho, IDAPA 20.03.04

03. Water Access. Docks, piers or other works may extend to a length that will provide access to a water depth that will afford sufficient draft for water craft customarily in use on the particular body of water during the normal low water period, except that no structure may extend beyond the normal accepted line of navigability established through use unless additional length is authorized by permit or order of the director. If a normally accepted line of navigability has not been established through use, the director may from time to time as he deems necessary, after public hearing, designate a line of navigability for the purpose of effective administration of these rules. (9-13-90)

and will not have an unreasonably adverse effect upon other lake values, including water quality. Additional conditions may be called for in the permit. (9-13-90)

05. Presumed Adverse Effect. It will be presumed, subject to rebuttal, that commercial navigational encroachments or nonnavigational encroachments will have an adverse effect upon adjacent property if located closer than twenty-five (25) feet to adjacent

**From:** [Susan Bechdel](#)  
**To:** [Comments](#)  
**Subject:** IDL Lease #M500031  
**Date:** Wednesday, January 23, 2019 1:38:59 PM

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Dear Land Board Members,

I am Susan Bechdel, a 33-year resident of McCall, ID. My husband Les and I had a successful outfitting career on the Middle Fork and Main Salmon Rivers and saw first-hand the draw of Idaho Wild Lands to people from not only all over the US, but all over the world. Several of our guests fell in love with Idaho and are now full or part time residents of McCall.

Les and I raised our children in McCall and the four of us spent countless hours on Payette Lake sailing, kayaking, canoeing and swimming.

I know you've heard much testimony on the legality of the lease in question, as well as the questionable monetary value of the lease. I want to share my thoughts on less tangible, but equally, if not more important factors.

There are few places in Idaho as special as Payette Lake. In 2008, Valley County saw the increase in non-motorized use of the Lake and designated the upper Payette River above North Beach for exclusive non-motorized use. Since then, the use has only increased.

Valley County is in the process at this time of re-evaluating the 2008 ordinance and when the public weighs in, I am certain there will be a strong request for more non-motorized areas or designated time of day for exclusive non-motorized use.

Demands are equally strong for motorized use as well as shoreline activities. The Lake begs for strong leadership to balance this increased use.

It would be extremely short-sighted to add more congestion as will certainly be the case if the lease is granted. Residents of Valley County are looking for more peace and quiet, not added chaos to a lake already overused in the summer.

I understand your task of providing financial gain, but also want to emphasize your mission to make decisions and take actions "that...enhance the health and resilience of Idaho's natural resources". Those words are taken directly from the Mission Statement of the Idaho Land Board.

Payette Lake is our drinking source. It's already burdened with overuse. You have an opportunity to do exactly what your mission calls for in this case. Be a steward of Idaho's natural resources. Payette is unique and you do not want your legacy to include damage to the health and beauty of our lake.

Thank you,

Susan Bechdel  
1401 Highway 55  
McCall, ID 83638  
[bechdelsusan@gmail.com](mailto:bechdelsusan@gmail.com)

**Chairman of the Land Board:  
Governor Brad Little  
Office of the Governor  
State Capitol  
P.O. Box 83720  
Boise, ID 83720**

**RECEIVED**  
JAN 25 2019  
OFFICE OF THE GOVERNOR

Dear Sir,

I am writing this letter to express my concern regarding the due process and impact associated with the proposed party venue on Payette Lake's Tamarack Bay. My family is the owner of a condominium at the Tamarack Bay Condominiums. From everything I can gather, the permit holder, The Grove McCall, LLC (the "Grove") was given a non-arm's length transaction of \$4,000 per year for approximately 28 acres of lakefront property, including a large portion of Shellworth Island (lease no. M500031). This property has over 500 feet of shoreline, which if put to the public for bid, would run closer to \$40,000 to \$50,000 per 100 feet of shoreline per year based on local comps.

Notwithstanding the "smell" of the deal struck with the Grove, it is unconscionable to introduce a massive event venue in this location given the inferiority of roadway infrastructure and pedestrian traffic. Trip generation related to event venues is much different than the traffic currently using this roadway. This type of event venue will substantially increase the traffic on an already very narrow and twisting roadway filled with speeding drivers breaking the 25-mph limit. Given that the venue will be an event center, I'm also nervous about the number of inebriated drivers that will be leaving the event venue at various hours of the day and night. The sheer number of bikers and pedestrians on this road should be reason alone for denying any type of event venue accessed from this roadway. Moreover, the event venue is in the immediate vicinity of three youth camps – Paradise Point, Ida-Haven, and Camp Morrison – and children cross the road daily to reach the lake and the hiking trails. I would strongly encourage the governing jurisdictional authorities to perform a deeper dive into a proper traffic impact analysis for this event venue given its surroundings and current infrastructure. Extensive and costly roadway improvements and dedicated biking/pedestrian paths must be introduced long before a venue of this type is authorized. Even then we have concerns that go beyond traffic impacts.

I was highly concerned to learn that the Grove will be cutting down a significant number of hundred-year old trees, removing fish habitat below the



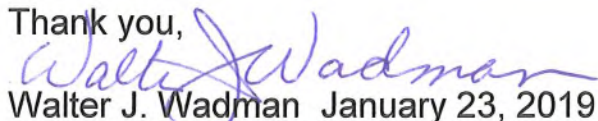
high-water mark, and eliminating public access to the beach. Moreover, all this was passed without the public notice typically employed in controversial scenarios such as this one. I must say that upon learning more about the deal struck, the process employed, and impacts it seems as though a fast one is being pulled on the public in hopes that no one would notice in time to object to the party venue. One of our neighbors pressed the McCall branch of the IDL and was told by the onsite staff that the lease was posted on the IDL website for 30 days. For those that check the IDL website as often as they check their email this process is probably sufficient; for the rest of us normal citizens, this form of "constructive notice" feels both deceptive and allusive. Better measures should have been employed in order to allow for due process and public response to such a controversial issue. Further, endowment land that the public has entrusted to the IDL should hold themselves to a higher standard than technically complying with stealthy public notice practices.

When changing the character of our waterways or building on shore, homeowners must obtain dredging permits and/or post building permits on site and visible to the public. Had The Grove been held to this standard during the bidding/permitting process, many homeowners would have seen a posted notification and rallied to express opposition to the event venue. Alternatively, our group could have offered the state much more than the unconscionable \$4,000 per year offered by the Grove, and we could have protected this land from such invasive development.

Tamarack Bay offers something very special on Payette Lake that candidly doesn't exist elsewhere on the lake.. This is a situation where the impact and loss are far too great. I hope you can put a stop to this before we lose this special setting forever. In the event it simply cannot be stopped, please take measures to ensure due process is observed, proper infrastructure and impact mitigation is installed long before a spade is turned on the event venue construction, and an arm's length transaction is achieved that is fair and commensurate with the destruction of this special location in the state of Idaho.

Please feel free to contact me if you have any questions or wish to discuss my comments further.

Thank you,



Walter J. Wadman January 23, 2019

PO Box 307 Eagle, Idaho 83616 Telephone: 208/576-6561

**From:** MEAGHAN HENGEHOLD <meaghanh@sbcglobal.net>

**Sent:** Thursday, January 24, 2019 7:03 PM

**To:** governor.gov.idaho.gov <governor@gov.idaho.gov>; brdexam <brdexam@sco.idaho.gov>; pflynn@sde.idaho.gov

**Subject:** Commercial Recreation Lease No. M500031 [EXTERNAL]

Request: To immediately rescind this Lease

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Dear Idaho State Board of Land Commissioners,

My family has been a twenty year resident of Eastside Drive, McCall, and I am writing to express my concern and disapproval of Lease No. M500031, issued by the IDL McCall Regional Office to the Grove McCall LLC. I join many other concerned and objecting Idaho citizens and McCall residents, many of whom have written to your Board in protest.

I have read the IDL Mission statement, Vision and Values, as stated for public perusal on their website. In reading this statement, we citizens should feel protected knowing that IDL commits itself to land preservation and financial support of its Public Endowment Lands. With the issuance of this Lease M500031, that protection is clearly not provided for nor supported.

I object to this Lease and urge you to rescind it for the following reasons:

First: This lease in no way meets the IDL's fiduciary responsibility to maximize long term financial returns which they are constitutionally required to meet in support of Endowment Land Beneficiaries. This Lease represents a questionable fee that is ridiculously low and favorable to the Lessees.

Second: IDL is entrusted to be a good steward of the land. This Lease does not protect the ability of Idaho citizens and in particular, Valley county, to continue to enjoy what is, to those who know Payette Lake, the most pristine area of the Lake. To a point, Tamarack Bay is a decidedly small, somewhat enclosed, part of the Lake, which, if overcrowded, could potentially be forever altered or damaged, both the land and the water, by the influx of some 275

people at any given event that this Lease allows for.  
I believe with this Lease, the IDL has neglected its responsibilities to Idaho citizens in clearly not protecting and preserving its land assets in an appropriate usage of the land.

Third: I believe that the aloof attitude of the IDL McCall Regional Office, who issued this Lease, demonstrates their unresponsive and completely dismissive attitude toward its moral obligations to make good decisions regarding land use best practices. They have created discord with local residents by preventing them equal access to leasing opportunities by making this lease option unavailable to the public. Arguably, other interested parties may have expressed interest in the opportunity to bid on this Lease property had fair practices been followed.

Fourth: I believe, as evidenced by the attached Public Record emails between the IDL McCall Regional Office (Lessors) and McCall LLC, Colby Rampton and Travis Leonard (Lessees), that these IDL employees acted unprofessionally and with arrogant bias favorable to the Lessees. I believe these inner office emails clearly demonstrate that employees of the IDL McCall Regional Office have colluded with the Lessees and are in dereliction of their duty . They acted in opposition to their own Mission, Values and Vision standards by which they define themselves.

I urge you to read these email communications and see first hand the misuse of power and blatant coercion that the IDL McCall Regional employees have used with regard to these Lessees.

I go on record urging you to void the Lease immediately in the name of protecting our natural resources and restoring confidence and fairness to concerned Idaho citizens.

Respectfully,  
Meaghan Hengehold

PO Box 2956  
2635 Eastside Drive  
McCall, ID 83638

**From:** [christopher.sours](#)  
**To:** [Comments](#)  
**Subject:** Grove lease/Payette Lake  
**Date:** Friday, January 25, 2019 10:27:09 AM

---

Dear Mr Miller-

We are writing in opposition to the proposed Grove McCall party venue on Payette lake's Tamarack Bay. The whole deal is a breach of the Idaho endowment lands use. How is it possible that the Grove was able to lease that land including Shellworth island for \$4000.00/year? The beachfront property alone is worth closer to \$50,000 per 100 feet per year!

Payette Lake is a gem of a lake and further loss of public access to it should not be tolerated, especially given the fact that the property is being leased for a criminally low dollar amount. Please reconsider the lease given loss of public access, more partygoers on the lake, and if approved at least increase the value of the lease amount to reflect the true market prices you enforce on homeowners having to buy/trade for their existing lease lands on the lake. The Idaho Constitution demands best return for state endowment lands. You are breaching public law and trust by approving the Grove's application.

Thank you for your consideration.

Joanne and Christopher Sours  
PO Box 4008  
McCall ID 83638

The logo for the Idaho Department of Lands is centered on the page. It features a stylized mountain range in the background with a sunburst at the top. In the foreground, there is a large, light-colored diamond shape with a yellow border. A horizontal banner with rounded ends is superimposed over the diamond, containing the text "IDAHO DEPARTMENT OF LANDS" in a bold, white, sans-serif font.

IDAHO DEPARTMENT OF LANDS

**From:** [Bridget Feider](#)  
**To:** [Comments](#)  
**Subject:** Payette Lake endowment land lease  
**Date:** Saturday, January 26, 2019 12:14:12 PM

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Dear Governor Brad Little & the IDL land board,

While there may not be any recourse for the IDL's recent decision to lease the portion of endowment land north of Tamarack Bay on the east side of Payette Lake, I would like to voice my opposition to it, and to any further private development.

I am a Valley County resident who has frequented this very spot for the last 15 years. I've relied on and cherished it. Because I don't own (and cannot afford to) my own lakefront piece, I must seek out the precious few places where the public is allowed to access what belongs to all of us. This particular spot is special not only because it is/was public, but also because it is one of the few remaining "natural and undeveloped" places, outside of Ponderosa State Park.

This lease agreement will impede my and countless others' enjoyment of this special place. It will not benefit the greater community in my opinion. The lease may be called "non-exclusive," but that is not true. As long as there are "events" it is exclusive. And in an already predominantly exclusive environment surrounding our lake, this type of development is out of line. If the state needs to make more money from these lands, I can think of several better ways to do so. The sale and requirement of parking permits on Eastside drive, for one example, in one summer alone would far surpass the current yearly lease amount of \$4,000. I know I would be happy to pitch in and do my part to protect my ever shrinking privilege of access.

Thank you for your time and consideration.

Sincerely,  
Bridget Feider



**From:** [john lewinski](#)  
**To:** [Comments](#)  
**Subject:** Payette Lake Sweetheart Deal  
**Date:** Saturday, January 26, 2019 11:00:46 AM

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I just want to register my complaint about this sleazy deal where the general public is kicked out of Payette Lakefront property to give it to an exclusive use of only \$4,000 per year. Is this guy some campaign contributor, a relative of the Governor, or what? It si disgusting.

John Lewinski



IDAHO DEPARTMENT OF LANDS

Jan. 27<sup>th</sup> 2019

ATTENTION:

Chairman of the Land Board:

Governor Brad Little,

Secretary of the Land Board:

IDL Director Dustin Miller,

Land Board Commissioners:

Attorney General Lawrence Wadsen,

State Controller Brandon Woolf,

Secretary of State Lawrence Denny,

Superintendent of Public Instruction Sherri Ybarra,

To all referenced above,

We are three local homeowners in McCall addressing the Grove McCall LLC - IDL Lease number M500031. One of us is a Psychologist, with forty years' experience, dealing with young adults. We have three following Health, Safety and Welfare concerns:

Our first concern is the event activities proposed at this lease location. Whether it be weddings, concerts or reunions, it brings together young adults, drugs, alcohol and the operation of boats in dark night waters. In the event of a serious or fatal accident, who will incur the liability of the potential consequences arising from the use of this event center and its poorly thought out lease arrangement? I certainly would hope that our tax dollars would not be used to defend the State from potential lawsuits.

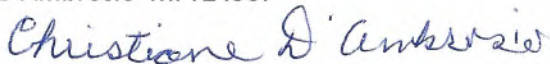
A secondary concern is the existing public road. This road is unlit, unpaved, curvy and narrow. Hundreds of party goers will be using and attempting to navigate unfamiliar terrain while under the probable influence of alcohol and drugs late at night.

The third concern are fires which could be started in various manners. Fires could be ignited from campfires, smoking practices or vehicles with hot exhaust pipes pulled into "off road" ignitable fuel. The lack of viable on site fire protection is of concern when combined with the distance and therefore, subsequent response time from the City or County's fire station is of grave concern. There are numerous existing structures immediately adjacent to this venue.

We are writing this Letter to request the termination of the above referenced lease.

Respectfully submitted,

Christy D'Ambrosio MFT24387



Elizabeth C. Herron D.D.S.



Steve R. Cook Architect



**From:** [Steve Cook](#)  
**To:** [Comments](#)  
**Subject:** The Grove McCall LLC - IDL Lease #M50031  
**Date:** Monday, January 28, 2019 1:25:48 PM  
**Attachments:** [McCall IDL Letter.pdf](#)

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Members of the Land Board,

As concerned homeowners in McCall, we, respectfully, ask that you read our attached letter which pertains to the above mentioned lease and requests the termination of it.

Thank you for your attention to this matter.

Christy D'Ambrosio MFT24387

Elizabeth C. Herron D.D.S.

Steve Cook Architect

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Steve Cook  
Steve Cook Architect  
Email | [steve@stevecookarchitect.com](mailto:steve@stevecookarchitect.com)

The logo for the Idaho Department of Lands is a large, stylized diamond shape. It features a light green center, a yellow border, and a grey outer border. The text "IDAHO DEPARTMENT OF LANDS" is written in white, bold, uppercase letters across the bottom of the diamond. The logo is semi-transparent and serves as a background for the signature block.

IDAHO DEPARTMENT OF LANDS

**January 30, 2019**

Chairman of the Land Board:  
Governor Brad Little  
Office of the Governor  
State Capitol  
Boise, ID 83720  
Email: [Governor@gov.idaho.gov](mailto:Governor@gov.idaho.gov)

Dear Governor Brad Little,

I am writing in opposition to the proposed lease for the Event Center on Payette Lake, Tamarack Bay, McCall, ID. The permit holder, The Grove McCall LLC was given an excessively undervalued lease of \$4000 per year for 22 acres of lakefront property, including a large portion of Shellworth Island (lease M500031). This property has 500 feet or more of lakefront shoreline, which if put to the public auction for bid would bring closer to \$35,000 to \$50,000 per 100' per year. For what reason is this lease is being **given away for much less than comparative lease values? This may cause dire consequences for future generations.**

As Idaho's Governor you are responsible for these unique public lands. Endowment lands that the public entrusts to the IDL should be held to an ethical standard. They should not leased for a **below market rate!** I implore you to halt this lease as an undervalued giveaway of public land and improper land-use.

I also join my neighbors in being shocked by the lack of sufficient public notice of this lease. As long time family owned property, of over 45 years, we, and Tamarack Bay property owners, we were not notified of this lease until of late. Furthermore, we had also previously inquired as to lease opportunities with the State to secure quiet enjoyment and maintain **public access**. Then, without fair notice the land was leased to the Event Center entity for a low value of this precious lakefront land.

The leased lands intended use as an Event Center to host 250 visitors plus staff will create **traffic, safety, noise and impede the quiet wilderness** for not only Tamarack Bay residents and local youth groups, but also for the entire Eastside Road scenic corridor residents. There is not sufficient infrastructure for this size of event center and it would do better closer to town – near the city of McCall where an event center could thrive for the community.

The City of McCall curbed the use of North Beach on July 4<sup>th</sup> due to **safety and emergency personnel inadequacies**. The proposed Event Center will create similar **daily risks by** over 250 people. The big curve on subject site is known for its annual traffic incident! This lease disregards **public safety concerns** and

subsequent liability for proposed land use. “One time visitors” to an Event Center may not know or adhere to Payette Lake **boating, pollution and litter laws.**

**Environmental degradation** will occur as the lessee cuts down hundred-year old trees; disintegrating the quality of lake habitat and water. Furthermore, construction will disturb natural creek systems and flora and fauna in the area. This is the last side of the lake that is undisturbed and future generations, your children) will be able to view an intact natural lake system. This is very inherently important to keep the last pristine locations undisturbed. Will your legacy be to instigate environmental decay?

Please acknowledge and understand current and future generations of public land users and reconsider this lease for purposes of a Payette Lake Event Center. This lease does not fit with current or historical use of Tamarack Bay and it does not gain **fair economic value** as intended through IDL and Idaho lease laws. It will create loss of **public safety**, loss of **public use**, loss of **visitor and neighbors quiet enjoyment**, loss of **natural habitat** and moreover, loss of intrinsic Payette Lake value.

This land is certainly more valuable than its current \$4000 annual lease fee. **Precedents bear for future generations.** There are alternative locations for an event center with greater benefits to the state, nature, and to the local, McCall, community. Please find a **better solution** for **Idaho** and **halt the lease** ( M500031) for the The Grove McCall LLC.

Respectfully,  
Brianna Bambic  
Tamarack Bay



Notes -Big paragraphs from others letters so I deleted as not my own and didn't like all of what they said or felt copying...BUT if something I should add or form other TamBay emails let me know. Main thing is to write objection letter so if not perfect oh well. Please edit though ☺

The loss of public access to these beach sites further diminishes the quiet use and enjoyment of one of Idaho's most treasured and pristine lake environments.

Without adequate utilities for such a venue it will be a blight on the beach.

When changing the character of our waterways or building on shore, homeowners must obtain dredging permits and/or post building permits on site and visible to the public. Had The Grove McCall LLC been held to this standard during the bidding/permitting process, many neighbors would have seen a posted notification and rallied friends of Payette Lake/Tamarack Bay. We could have greatly exceeded the criminally low \$4000 per year, and protected this land from future development. Now, we are forced to endure lights, noise, music and parties until 11:00 pm and then partygoers driving on the narrow East Side Drive.

Why is the lease (business owner) removing logs from the beach? Why did they lease Shellworth Island? Are there unstated plans to build docks on both sides of the bay, ferrying parties back and forth to the island? Tamarack Bay is not adequate size to handle more motorized boat traffic from an Event Center with 250 capacities. Boat traffic from 250 plus party revelers jeopardizes the safety of the public.

Tamarack Bay is the prettiest, most pristine spot on Payette Lake, where thousands of people visit each summer to enjoy the osprey chicks, the rocky outcroppings, the beach, and the solitude. I hope you can put a stop to this before we lose this public gem forever – and if not stop it – then make it fair. It seems only right that the business owner pay the fair market rate, more so since they seem bent on defacing this public gem. There is truly no sum that accounts for their intended land use and habitat degradation on our treasured public beach, forest and lakes if this Event Center is allowed. Ensuring the safety and quiet enjoyment of this rare Bay on Payette Lake should be a priority that weighs more than the small sum of value this lease gains.

#### **TALKING POINTS:**

- Environmental/water quality degradation. Example: Impact to fish and wildlife habitat. Impact to community drinking water. So far, there are no visible precautions being used to protect erosion while they make changes to the landscape.

- Safety issues with access by emergency services. Example: Lack of adequate parking for 250 guests plus staff. Potential for impeding emergency services to 'downstream' homeowners and outdoor enthusiasts.
- Safety issues with increased traffic, speeding, and drunk driving. Example: Party venue will be in close proximity to three youth camps – Paradise Point, Ida-Haven, and Camp Morrison, putting children at risk when crossing the road to access the lake and the hiking trails. Increased traffic is also a danger to other drivers, walkers and cyclists.
- Impact on and negation of P&Z issues by the State, and subsequent impact on local governmental entities. Example: Disregard of rules governing East Side Drive scenic route designation. As stated above, added burden to law enforcement, fire and other emergency services, erosion control/water quality, and road maintenance.
- Lack of meeting the long-term, maximum financial return requirements of the Idaho Constitution. Example: \$4000 per year not meeting fair market value of \$35,000 to \$50,000 per 100 feet of lakefront. Land encompassed within this lease, including Shellworth Island, easily has 500 or more feet of shoreline/lakefront.
- Shortchanging Idaho schools. Example: Revenue from endowment lands go directly to schools, which are losing out on this below-market lease.
- Lack of public notice, and subsequent negative impacts to neighbors and the local community. Example: Stripped away the communities' right to comment, thus by eliminating the communities' chance to present an alternate use for this land.
- Lack of public auction, the only way to insure the long-term, maximum financial return is met. Example: Stripped away the communities' right to bid on this land.
- Loss of peaceful enjoyment and potential reduction of property values of neighbors. Example: Noise and light pollution. Direct line of sight to 'temporary' sheds, decks, and tents. Inadequate dust control on gravel road, impacting birds, fish, and homeowners.

Consequences to the public and neighboring property owners who were not given fair notice of this less than market lease.

Concern for youth campers, local residents and visitors to Payette Lake should certainly be considered with proposed activities and events. Bikers, boaters, walkers alike are subject to one-time party visitors who don't know or care about their sanctuary or it's recreation limits.

February 1, 2019

To: Brad Little  
Governor of Idaho

Dear Brad,

I have not had the pleasure of meeting you personally. Our mutual friend Mark Bottles has talked about you for many years. I am writing you regarding the use of State Lands around Payette Lake in McCall.

First, let me introduce myself as I feel I have a fair amount of background regarding this issue. We have a fair amount of common interests in that I come from a ranching background in the Paso Robles area. I had a partner, who owned a livestock sales yard. I also showed Cutting Horses for many years, before moving to McCall in 1994.

I became a Real Estate broker until the downturn in 2008. At that time I pursued making hand made kitchen cutlery. I remarried in 2012. My wife, Linda and I pursued going to juried art shows with my knives. With the help of a great mentor we were fortunate to participate in the nations top shows. We traveled in a Freightliner Motorcoach, with a shop in the back pulling a 20' trailer with our car inside. A year ago we decided, after fighting traffic and drivers in the big cities to move to Baja. We live in beautiful spot above the ocean just south of Todos Santos.

During my 25 years in McCall, I was on City Planning and Zoning for 14 years and chair person for the last 7 of those years. I built a hand hewn log home in Pilgrim Cove, on the lake in 1999. I was on a state lease next to Mike and Patty Fery and their wonderful family. Outside of a divorce in California my experience with the State Land Board was the worst experience of my life. That coupled with a yearly lease that rose to over \$30,000/year, I left the keys on the porch when we went on the road with our knives. We rented the home as a vacation destination. I had an apartment on an upstairs corner and a ski boat out the door. Mark and Ger Bottles were one of my customers, before they purchased on the lake. In addition to my own heartbreaking experience, I felt the pain of many other lessees. Now, I am reading, in the Star News and hearing about continued mismanagement by the State Land Department.

Payette Lake is the key asset to McCall, Valley County and maybe all of Idaho. The entire NE shoreline is State Lands. At this point in time the City of McCall and Valley County have no say so in how it might get developed. The Land Department has made that very clear to our governing bodies. Without proper controls this jewel of undeveloped shoreline could be developed for monetary gain in a way that could ruin recreation on the lake and completely change the quality of enjoyment McCall has to offer.

Obviously this is very important, not only to me, but to many others in McCall. My plea to you is to empower a local citizens group to work with the Land Board for decisions regarding this land. Ultimately the city and county should be empowered to have decision making powers

There are so many great people in McCall.....some that I might suggest would be Rick Fereday (May Hardware), Susan Bechdel, (Past School Board Member) Mike Pedersen (Past Mgr. Of Paul's Market), Mike Anderson ( Owner of McCall RE), Mike Fery (Lakefront Owner), Mark Bottlers (Lakefront Owner), Mark Sabin (Mgr. Bruneel Tire), Michelle Groenevelt (City of McCall), Jackie Aymons (City Mayor), Fallon Fereday (Chair of P & Z).

Thank you for your time to look into this matter,

Sinceley,  
Phil Feinberg, 208 634-8080....  
rockinoneknives@gmail.com

February 1, 2019

Mr. Dustin T. Miller, Director  
Idaho Department of Lands  
300 North 6<sup>th</sup> Street, Suite 103  
P.O. Box 83720  
Boise, Idaho 83720

Re: Lease M500031

Dear Mr. Miller:

Thank you for your January 25, 2019 communication regarding Lease M500031 to the Grove McCall LLC. I am encouraged that you are currently reviewing your lease process to ensure greater public transparency, and reviewing processes within your endowment leasing program when a change to commercial use is being proposed on endowment land within a city's area of impact. It is also positive to hear that the IDL will be notifying neighbors and the city when a new lease application is received, and that the IDL will improve advertising of lease applications to solicit alternate lease proposals that benefit the endowments. It is sadly surprising that all of these changes and revisions were necessary at this agency, given its published commitment to be the "Stewards of Idaho's Resources". Nonetheless, I look forward to seeing the implementation of these necessary and positive policy and procedural improvements.

Lease M500031 must be rescinded as it was not an arms-length transaction, nor were your attempts to compare Tamarack Bay shoreline property to Tamarack Ski Resort in Donnelly for valuation purposes. When first questioned about the \$4,000 annual lease amount, the local IDL office stated that upland timber value was used for the valuation, not lake and shoreline value. Beyond that, the lease applicant, along with the local IDL office, intentionally tried to deceive the public concerning this lease. As a part of the public records request information supplied by the IDL, there is an email of May 27, 2018, from lease applicant Colby Rampton to local IDL employee Jasen King, where Mr. Rampton writes:

**"I know you guys had talked about putting something in the local paper about it. In our minds, we imagine there probably will be less opposition to the use of the shoreline, but potentially more people may oppose the use of the island.**

**We may consider not initially getting the island lease if we have to have public notice on it. I think we mentioned that our last attempt at this business model ran headlong into vocal opposition and it really made it difficult to get any progress made on it.**

**-do you guys still feel that you need to publish in the local paper?**

**-if we exclude the island from the lease would you still want to publish the shoreline lease in the paper?**

**-if we exclude the island from the lease, what would the lease cost be?**

**Just trying to avoid fights where possible, as fights make for a lot of work lol.**

**Let us know!**

**Colby”**

This chummy exchange between the lease applicants and the local IDL office is anything but transparent and is very troubling. Unfortunately, due to the redacting of the IDL local office responses to the lease applicants in our public records request to the IDL, we do not know what arrangements were made between the parties that kept the lease information from ever being published in the local paper.

Other exchanges between the lease applicants and the local IDL office refer to asking for assistance in obtaining exceptions to water and sewer connections to the property. In an email from lease applicant Colby Rampton to IDL representatives Jasen King and Scott Corkill of May 7, 2018:

**“Our question is this...if we are to look at septic, we would likely need to get exceptions granted on several fronts.**

**How much support should we expect from your office? Do you typically approach these types of situations pretty hands-off? Or would the Dept of Lands be willing to really lean in to help get exceptions granted?**

**Just trying to gauge where we should focus our efforts and what expectations we should have.**

**Thanks!**

**Colby”**

Not only did the local IDL office help the lease applicants hide the application from the public, now they are being called upon to run interference for them with the local sewer officials. Because of the additional redaction of local IDL public records responses, we are unaware of what other “assistance” the local IDL office has provided the lease applicants; this does not paint a picture of transparency.

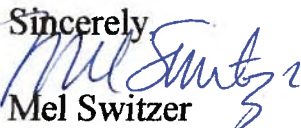


I would also request that you carefully review the January 22, 2019 letter from the Big Payette Water Quality Council outlining their request to stop all activity on this property until appropriate restrictions are developed to protect the shoreline and water quality. The BPLWQC is rightfully concerned about all the disturbance that has already been allowed on this shoreline property without benefit of erosion and runoff protection and disturbances to lake and land habitat.

The vision of importing up to 275 partiers and staff, the vehicles to transport them there, amplified sound from 8AM to 11PM, portable toilets, trash containers, stages and lighting, etc., into this remote serene forest via a narrow windy gravel road, is a nightmare. And yet, in an attempt to paint this travesty in a favorable light, IDL's public information officer, Ms. Sharla Arledge, in responding to the local newspaper inquiry, described this event venue as "a good fit for this piece of endowment land and the low impact was a positive factor". Anyone remotely familiar with this bay on Payette Lake would know that this statement could not be farther from the truth.

As Director of the Idaho Department of Lands, you need to rescind this lease as the first step in restoring public faith in IDL as the manager of Idaho's endowment lands. No one who loves and cares about the future preservation of this Idaho gem believes this "rustic" event venue belongs on this remote pristine bay on Payette Lake. It is an inappropriate use of shoreline property and dangerous to the environment. There are resources available to place this property in trust that would protect it from development, allow for public access, and also provide the revenue promised to the endowment land recipients.

Please take the first step in putting this awful chapter behind us so that we all can pursue more positive solutions for this treasured property.

Sincerely  
  
Mel Switzer  
PO Box 2956  
McCall, Idaho

cc: Idaho State Land Board Commissioners

**From:** Suzi Bailey <suzibailey@mac.com>  
**Sent:** Sunday, February 03, 2019 6:41 PM  
**To:** Comments  
**Subject:** Opposition to "The Lookout on the Lake" Attention Dustin Miller

Dear Dustin Miller,

No doubt you've already received many letters regarding the party venue taking shape on Payette Lake's Tamarack Bay in McCall.

I only learned of this over the Holidays while in the lift line at Brundage and have been so troubled ever since. The Joni Mitchell song "Big Yellow Taxi" comes to mind... are we seriously going to "pave paradise and put up a parking lot"?

This land may someday be developed, I can accept that... but to use the quiet, tranquil setting for a "party venue" is obscene. As McCall homeowners and taxpayers for for 24 years we love and support the community. We carefully use the lake and roads and always respect the quiet as a gift. There are increasingly "busy" weekends, but the tranquil night is what makes being on the Lake in McCall so special. How is it that our parcel which is comprised of 109ft of lakefront and 3/4 of an acre costs us \$12,000 in taxes when a lease can be made for \$4000/ year for a 28 acre parcel so an entrepreneur can rent out the space every available night in the summer?... I guarantee you it will not just be a "weekend" usage and to allow the amplified sound until 11pm? This letter is to officially record my opposition to this party venue and to ask for your help in putting a stop to 'The Lookout on the Lake'.

Thank you for your time and consideration,

Suzi Bailey  
McCall, Idaho

**From:** [shb](#)  
**To:** [Comments](#)  
**Subject:** RE: Commercial Recreation Lease No. M500031  
**Date:** Monday, February 04, 2019 8:31:48 PM

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Dear Board Members

I am writing this letter on behalf of my wife and myself to express our concerns regarding the above lease. We are owners in Tamarack Bay Condominiums. As a young couple, we had the privilege of first staying at Tamarack Bay in 1982. We fell in love with the quiet setting the first night we stayed there. For the next 30 plus years we tried to figure out a way to purchase a unit in Tamarack Bay, but fell short in our efforts on several occasions. We had ample opportunities to purchase other condominiums in the McCall area, but quite frankly, in terms of what we look for in terms of an "Idaho experience", no other condo developments in McCall compare to the Tamarack Bay location. Many other developments are newer, many are nicer. However, none have the remote "end of the road" peaceful serene quite solitude that Tamarack Bay offers. After 30 plus years of vigilance, we were finally fortunate enough to purchase a unit about 5 years ago.

Undoubtedly you have heard concerns regarding the lease from other Tamarack Bay owners, as well as other McCall area residents. My wife and I are extremely concerned about the nature of the proposed business for the site, primarily in terms of safety but also in terms of the incompatibility that business represents compared to the "neighborhood".

From a safety standpoint, there are multiple issues that deserve serious attention. After considering these issues, we are appalled that this lease was even considered, much less issued, when one rationally weighs the concerns, which include:

<!--[if !supportLists]-->1. <!--[endif]-->As you are undoubtedly aware from the nature of the proposed use for the site, summer will be a "peak season". As you are also undoubtedly aware, there are several "camps" along Eastside Drive, including a Boy Scout camp and church camps. The lease allows for 275 people. I understand that the lessee alleges that he doesn't expect that many people, but that doesn't mean it won't happen. In fact, what business owner doesn't try to maximize traffic to maximize profits. 275 people is a staggering number, and consequently will require a LOT of traffic up and down Eastside Drive, which is a narrow, somewhat winding 2 lane road without any center line marking. There is a high probability of alcohol use associated with an event center; after all, people utilize that type of venue for celebrations. Alcohol will amplify the risk associated with the increased traffic to the site. As it stands currently, for the most part Tamarack Bay is the "end of the road" on the east side of the lake. Consequently, there isn't a lot of "thru traffic" past Tamarack Bay. In fact, the pavement essentially ends at Tamarack Bay. The children attending these camps are frequently crossing Eastside Drive to take advantage of the lake and hiking which are on opposite sides of Eastside. Additionally, it seems ironic that "North Beach" has finally been contained, and now the State is sanctioning a replacement party site requiring traffic that again puts innocent people at risk.

<!--[if !supportLists]-->2. <!--[endif]-->The allowed parking spaces aren't nearly adequate to handle the allowed occupancy. That increases the likelihood of people attempting to park on the narrow unpaved portion outside the leased site, further congesting a narrow road and increasing risk. It also means increased traffic associated with people attempting to park vehicles in the "wide spot" across from Tamarack Bay adjacent to Eastside Drive and pulling "u turns" right at the intersection in to Tamarack Bay.

<!--[if !supportLists]-->3. <!--[endif]-->As mentioned above, pavement on Eastside Drive ends at Tamarack Bay. Consequently, historically there hasn't been much traffic past the end of the pavement. As a result, the unpaved portion of the road north of Tamarack Bay is a very popular area for walkers, dogs off leashes, and bikers. Not only will the increased traffic create an obvious danger for these uses, but since the road past Tamarack Bay is unpaved, visibility will be

worse secondary to dust raised from increased traffic on the unpaved road.

4. Boat traffic in the bay in front of the lease site is organized and people familiar with the lake know to travel in a circular direction in order to minimize risk. Because the bay is protected from open lake traffic on essentially 3 sides, it is a popular location for parents/families to teach children to water ski/wakeboard in the bay. You will now insert a business with “cross traffic” across the bay back and forth to Shellworth Island which will pose a safety hazard for all involved, in particular for any children learning to ski.

Individually, these risks are quite concerning. Collectively, these risks are completely unacceptable. One death or serious injury will outweigh exponentially the \$5k return per year the State will receive. We are extremely concerned about the grave consequences of proceeding forward with the lease and the concurrent project when one objectively looks at the risk/reward analysis. Frankly, it is a recipe for disaster.

My wife is an Idaho native from Emmett. I have lived in Idaho for 39 years. We have 3 adult daughters who spent a large part of their formative years enjoying Idaho forests, rivers and deserts. All currently live in urban areas outside Idaho. They relish the thought of escaping to McCall and Tamarack Bay when they have a chance, because of the Idaho experience associated with the serene peaceful setting. This is the experience valued by Tamarack Bay owners, and it will be significantly disrupted by the use proposed by the lessee. It is appalling to think that the lessee is allowed to have music until 11 pm. Instead of a peaceful evening cherishing the sunset over the mountains on the west side of the lake, Tamarack Bay residents will be exposed to an onslaught of noise and light pollution. Regardless of the direction of the speakers, the music is going to resonate in the natural amphitheater setting that exists. Additionally, the removal of trees to accommodate the planned event center will increase runoff and decrease water quality. This will only be exacerbated by the activities on the ground itself once the proposed events are underway.

Tamarack Bay residents and guests as well as McCall and Valley County residents cherish the natural beauty of the end of the road setting. The proposed use under the lease is completely incompatible with the nature of the “neighborhood”.

Thank you for the opportunity to comment.

Bruce Belzer  
Suzan Belzer

John Milliner  
P.O. Box 2101  
McCall, Idaho 83638

February 4, 2019

Dustin Miller  
Director, Idaho Land Board  
300 North 6<sup>th</sup> Street, Suite 103  
Boise, Idaho 83702

Dear Mr. Miller:

I am writing to you in hopes of learning more regarding a recent Idaho Department of Lands lease approval in McCall, Idaho.

In preparation I looked to your website for information on how the IDL approval process actually works. I was struck by some profound words in your Mission Statements - such as *"professionally and prudently manage Idaho endowment assets"*, *"taking actions that positively affect long term financial returns"*, *"providing exemplary service in delivering programs with professionalism and integrity"*.

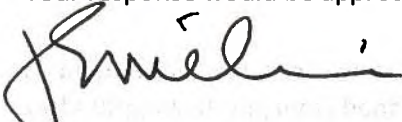
I am trying to piece together how these lofty goals somehow enabled the IDL to grant the Commercial Recreation Lease No. M500031.

I am a resident of McCall but I do not live on the lake. However, I am, as many residents are, keenly aware of the fragile nature of our beautiful lake. We all rely on the IDL to manage Idaho resources in a responsible way and most people favor an approval process that is not onerous – but simply follows some basic guidelines as you so eloquently spell out in your Mission Statements.

Recreational Lease No. M500031, however, seems to have been pushed ever so slightly through the cracks so that no one knew of the pending arrangement on 28 acres of pristine shoreline, nor was anyone aware of the \$4,000 lease cost which in itself is completely contrary to your goal to positively affecting long term financial returns.

I am asking you as Director of IDL to look at this situation to see if, perhaps, the process bent a bit too much in one person's direction and left the larger population surprised and astonished that this lease was not only contemplated without any public discussion but was actually approved by the IDL.

Your response would be appreciated.



John Milliner

DEPT. OF LANDS  
2019 FEB -6 PM 1:36  
BOISE, IDAHO



To Whom It May Concern:

I am writing in opposition to the proposed special events venue on Payette Lake's Tamarack Bay. I am disappointed and questioning the lease deal of \$4000 per year for 28 acres of lakefront property, including a large portion of Shellworth Island (lease no. M500031) that The Grove McCall, LLC, was given. This property has easily 500 feet or more of shoreline, which if put to the public for bid, would fetch closer to \$35,000 to \$50,000 per 100' per year. That does not seem to be in line with the mission of The Land Board's management responsibilities.

I also question the coordination and planning with local governing agents. The idea to allow a special events center in this location without the adequate infrastructure to support the increase of traffic and emergency services is irresponsible. More irresponsible, is the lack of addressing the safety concern of traffic and children on East Side Dr., especially adjacent to the camps located nearby.

Tamarack Bay is arguably the prettiest, most pristine spot on Payette Lake, where thousands of people visit each summer to enjoy the osprey chicks, the rocky outcroppings, the beach, and the solitude. I hope you can put a stop to this before we lose this public gem forever – and if not stop it – then make it fair. I believe there are provisions in the lease to increase the rent with 6 months' notice. It seems only right that the business owner pay the fair market rate to use this land. Please step up and hold them accountable for the people of our state with the lease and for the local residence for the added burden to this remote, secluded area.

Thank you.  
Sincerely,  
Scott and Paula Stuart  
Eagle, Idaho

Tamarack Bay Condo residents

**From:** [stacy.bowers](mailto:stacy.bowers)  
**To:** [Comments](mailto:Comments); [Nate.Fisher@gov.idaho.gov](mailto:Nate.Fisher@gov.idaho.gov); [Diane.Griffin](mailto:Diane.Griffin); [Renee.L.Miller](mailto:Renee.L.Miller); [governor@gov.idaho.gov](mailto:governor@gov.idaho.gov); [brdexam@sco.idaho.gov](mailto:brdexam@sco.idaho.gov); [pflynn@sde.idaho.gov](mailto:pflynn@sde.idaho.gov); [sthayne@senate.idaho.gov](mailto:sthayne@senate.idaho.gov); [tgestrin@house.idaho.gov](mailto:tgestrin@house.idaho.gov); [dmoon@house.idaho.gov](mailto:dmoon@house.idaho.gov); [gcruickshank@co.valley.id.us](mailto:gcruickshank@co.valley.id.us); [ehasbrouck@co.valley.id.us](mailto:ehasbrouck@co.valley.id.us); [commissioners@co.valley.id.us](mailto:commissioners@co.valley.id.us); [aspickard@mccall.id.us](mailto:aspickard@mccall.id.us); [dbingaman@co.valley.id.us](mailto:dbingaman@co.valley.id.us)  
**Subject:** The Grove McCall LLC, Lease# M500031  
**Date:** Tuesday, February 05, 2019 3:49:31 PM

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Respected Members of Idaho Department of Land Board, Representatives and Commissioners-

In advance, thank you for your time and consideration on this most important matter.

As I'm sure you're all aware, there's been a lot of talk lately surrounding the State Lease M500031, "The Lookout on the Lake," lease holder Travis Leonard and The Grove McCall LLC, and the impact the lease has on the Tamarack Bay area of Payette Lake, Shellworth Island, Eastside Drive, and the McCall community in general.

As a native Idahoan, resident of McCall, a Valley county and state taxpayer, and local Realtor, I have copious concerns about the lease, and ultimately are in strong opposition to said lease. Some of the concerns I have are: a grossly inappropriate lease rate on lake front property and shoreline valuation (not upland timber lands such as Tamarack Resort), lack of public outreach (30 days notice on the state website only without any knowledge of this intended activity anywhere else, including local/city knowledge, newspapers, websites, legal notices in newsprint, etc), the disturbing absence of community involvement in the planning and zoning process that every other homeowner and/or business must go through in the McCall impact(i.e. the leasee not informing or adhering to any local ordinances or building permits), and additionally Payette Lake scenic zones, the noise and visual use impacts (amplified music, removal of trees, disturbance of soil, lack of water, sewer or sanitation), safety concerns with additional traffic on Eastside Drive, and the general potential long term environmental impacts.

As a local Realtor practicing for over 15 years, I can not understand how this portion of land, 28 lakefront acres with hundreds of feet of shoreline as well as an island, was compared to and valued the same as upland timber land at Tamarack resort? Current state leaseholders on the lake pay on average \$35,000-50,000 annually for up to a 1/2 acre of land, and that doesn't necessarily include shoreline. If one were to purchase a property with shoreline, a single linear foot can be valued upwards of \$20,000. The grossly unfair valuation of the land directly affects all taxpayers and the loss of revenue that could be used towards other programs and projects that better serve all Idahoans.

The lack of sanitation solutions is mind-boggling? How is it that everyone else has to pay for and provide county approved access to water and sewer for a cottage that may serve a family of five, yet this enterprise is allowed to bring in up to 275 guests and staff and only provide nasty port-a-potties? How many ugly stalls will be unsightly lined up like a construction zone on the shoreline with the possibility of further contamination not to mention stench? This is what we've deemed acceptable for a venue in our beautiful state on pristine Payette Lake?

Is anyone familiar with Eastside Drive? All the traffic from the Warren Wagon upgrade is already being diverted to this narrow, curvy dirt road and it's posed quite a safety hazard as it is. How is adding an additional 275+ vehicles on a daily basis on a road that isn't structurally sound to carry this load safe? I personally witness accidents every year on this section of road, with vehicles blowing corners and careening off the side of the road and into rocky gully's only to be pulled out by tow trucks blocking all traffic for hours at a time.

I am at a loss to figure out how this lease is deemed legal without adhering to public information rules and processes, let alone approved by the means of valuation it was, as well as blatant disregard for the impact it has on the safety of the community, the environment and the best interest and usage of the land. Given all these concerns, how can you explain to me that the IDL is truly representing the best use of land? Isn't the responsibility of the Board to best represent the land and the taxpayers of Idaho? We, as taxpayers, entrust you with our most precious asset, our beautiful land and open spaces....shouldn't it be held to a higher standard? As a proud native Idahoan, I ask you to please reconsider this lease and it's ill-effects on all residents, guests and the land. We can do better!

Thank you so much for your time and attention on this most important matter.

Sincerely-

Stacy L Bowers

104 Mather Rd

McCall, ID 83638

208.869.0705



**From:** Rick & KD Morris <[rkmorris@citlink.net](mailto:rkmorris@citlink.net)>  
**Sent:** Tuesday, February 05, 2019 11:57 AM  
**To:** brdexam <[brdexam@sco.idaho.gov](mailto:brdexam@sco.idaho.gov)>  
**Subject:** IDL lease concern [EXTERNAL]

To Secretary of State Lawrence Denny and State Controller Brandon Wolf

I'm concerned about the " Wedding Venue" the Dept of Lands has leased on the east side of the lake.

Not that the IDL doesn't do some really good things, but this looks like another attempt at making very little money for years ,using our State lands.

It's like other leases signed by the McCall office , who ever becomes their buddy gets a cheap lease.

I would love to see them put something like, one of their cheap cell towers or some venue on

the beach ,

in front of say the Governor's father in laws house in McCall.

Then they really would hear something!

I'm sure you will say everything you are doing is Legal !... just not moral sometimes.

Lick Creek to the east side and on around the Lake is a well used Scenic Byway

where everyone takes family and friends to see the beauty of nature.

Whats wrong with that!

It's a narrow road Not a parking lot for 250 guest and ALL that would come with them.

It's a big concern!

Karen Morris

-----  
Hi Camila and other Tamarack Homeowners,

We will send a letter against this venue. I can't believe this lease was also signed by the local McCall office.

As you may or may not know we are the house on Lick Creek that is getting the 125' cell tower put 100' away from it. along with a chain link fence that looks like a prison yard.

Nice to wake up to and I dread the noise in the night in this quite area.

Every way we tried to have it moved back, letters , lawyers, important friends, city letters and county support it fell on deaf ears.

They could care less about a McCall Scenic Byway or area with no power poles. They couldn't be bothered to put it anywhere in the million acre forest that was away from a home

,it's more important to save the Chicago base Tower company money than worry about the Idaho citizens it may affect.

They flaunted their constitutional rights from a Blaine County ruling in our face like they were gods and pretty much indicated we have no rights to tell them anything.

We even received a bit of a threatening letter from the then director that said they knew where we lived and what we paid taxes on

and they have never had a cell tower devalue property taxes! So Hopefully you will have better luck. Karen

We requested all the emails about the cell tower. Don't know if this could help you at all ,but you are welcome to anything we have.

Most were totally redacted. Some interesting stuff.

In binder 2 this very neighborly exchange regarding the invitation to attend the City council meeting.

Who by the way didn't have a "chosen invited public"



From: Scott Corkill  
To: Sharla Arledge; Jasen King; Jay Hein; Mike Murphy; Tamara Armstrong  
Cc: Emily Callihan  
Subject: RE: McCall City Council Meeting Invitation  
Date: Thursday, June 07, 2018 10:26:40 AM  
Attachments: image001.png  
My 2-cents....I 100% agree with Sharla. I don't see anything productive coming from us attending, other than a chance for the city (and their chosen invited public) to try and corner us into changing our (or Horvath's) plans.

Scott Corkill  
Area Manager  
Payette Lakes Supervisory Area  
McCall, ID 83638  
(208)634-7125 (phone)

From: Sharla Arledge  
Sent: Thursday, June 07, 2018 10:06 AM  
To: Jasen King <[jking@idl.idaho.gov](mailto:jking@idl.idaho.gov)>; Jay Hein <[jhein@idl.idaho.gov](mailto:jhein@idl.idaho.gov)>; Mike Murphy <[mmurphy@idl.idaho.gov](mailto:mmurphy@idl.idaho.gov)>; Tamara Armstrong <[tarmstrong@idl.idaho.gov](mailto:tarmstrong@idl.idaho.gov)>  
Cc: Scott Corkill <[scorkill@idl.idaho.gov](mailto:scorkill@idl.idaho.gov)>; Emily Callihan <[ecallihan@idl.idaho.gov](mailto:ecallihan@idl.idaho.gov)>  
Subject: RE: McCall City Council Meeting Invitation

Jasen  
My concern is that IDL is being invited in to a public format to try to push us into a different response or decision. I don't think it will be productive and it will likely not be a friendly atmosphere. I don't see anything positive coming from the city council meeting. I would thank her for the invitation; however, IDL will not be available for the meeting. The explanation of the IDL decision is contained in the email previously sent, and she is welcome to share that information with the City Council.

That is my 2-cents.  
Sharla

From: Jasen King  
Sent: Wednesday, June 06, 2018 12:25 PM  
To: Jay Hein <[jhein@idl.idaho.gov](mailto:jhein@idl.idaho.gov)>; Mike Murphy <[mmurphy@idl.idaho.gov](mailto:mmurphy@idl.idaho.gov)>; Tamara Armstrong <[tarmstrong@idl.idaho.gov](mailto:tarmstrong@idl.idaho.gov)>; Sharla Arledge <[sarledge@idl.idaho.gov](mailto:sarledge@idl.idaho.gov)>  
Cc: Scott Corkill <[scorkill@idl.idaho.gov](mailto:scorkill@idl.idaho.gov)>  
Subject: McCall City Council Meeting Invitation

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February 5, 2019

State of Idaho Board of Land Commissioners  
Idaho Department of Lands  
300 N 6<sup>th</sup> Street, Suite 103  
Boise, ID 83702

Governor Brad Little  
Attorney General Lawrence Wasden  
Idaho State Controller Brandon Woolf  
Idaho Secretary of State Lawrence Denney  
State Superintendent of Public Instruction Sherri Ybarra  
Director of Department of Lands Dustin Miller

Dear Trusted Stewards of our beautiful Public Lands in the State of Idaho:

Much to our dismay, our State Land Board approved and leased without any public input, a mere \$4,000.00 per year, 10 year lease (#M5003) for a Destination Event Venue on Eastside Drive on the roadside, beach and Shellworth Island. This event center is approximately 28 acres again, at a mere \$4,000.00 per year which is significantly below market value. This development is approved for 250 guests and 25 employees from 8:00 A.M. to 11:00 P.M. with amplified music, Porta Potties and alcohol, which certainly brings its own complications.

Camp Morrison Boy Scouts cross Eastside Drive throughout the day and into the evening to utilize their beach front property. Camp Ida-Haven and Paradise Point Episcopal Church Camp are on either side of this venue with Tamarack Bay Condominiums on the Ida-Haven side. Eastside Drive is paved just to Tamarack Bay Condominiums and was not designed for the current traffic it experiences. Valley County Police and Highway Departments are not able to stay current with the increased usage now. Pot holes and speeders endanger those living and walking, jogging and biking along the roadside.

We are very troubled by the lack of opportunity to prepare for this and the over stepping of boundaries demonstrated by the State Land Board has felt themselves able to decide without any public or government input. Where was the consideration of the community and our most valuable resources of the future? Our kids at camp?

We know individuals who lost their property when unable to pay the taxes on their leased property which was then put up for auction. It is simply unacceptable to allow this development, Lookout on the Lake, to negatively impact so many residents, locals, public utilities and enforcement departments and kids coming to camp.

Only upon hearing chain saws taking down old growth forest did anyone know of this development. It's appalling to think we lost over 13 trees, paradise for locals and safety, peace and security for the Idaho children who are fortunate to experience unforgettable times at summer camp. Really, for a paltry \$4,000.00 per year, when far too many have lost their cabins, land and enjoyment with the State auctions amounting to much more magnified price. The much higher cost of per foot cost of Lake Frontage kept these folks from holding onto their property. How can this be acceptable or fair?

As life long citizens of this wonderous State of Idaho, we feel betrayed. Our argument and lack of trust lies with the Lease (M50003) the State Land Board signed without any consideration of what was, we feel, best for all parties. If something like this were to be allowed, it would be expected to be accomplished with significant forethought and planning. As we see it, we are looking at disastrous implications for the future of this area!

It is beyond our wildest imaginations and darkest nightmares that we find ourselves faced with this development. We had entrusted each of you, Governor Brad Little, Attorney General Lawrence Wasden, Idaho State Controller Brandon Woolf, Idaho State Secretary of State Lawrence Denney, Idaho State Superintendent of Pubic Instruction Sherri Ybarra, the State of Idaho Land Board, to preserve, protect and oversee our Public Lands for all Idahoans. Please reconsider this decision by doing your due diligence as our Trusted Stewards of Sacred State Lands, indeed, "a matter of sacred trust"! Our lives and the lives of our children depend on it.

Respectfully Requesting Your Immediate Assistance and Action,

  
Terrence J. Scofield [tjscofield@gmail.com](mailto:tjscofield@gmail.com) (208) 859-0753

  
Kathy A. Scofield [kascofield@gmail.com](mailto:kascofield@gmail.com) (208) 631-1941

February 7, 2019

DEPT. OF LANDS  
2019 FEB 11 PM 12:15  
BOISE, IDAHO

IDL Director Dustin Miller  
300 N. 6<sup>th</sup> St. Suite 103  
Boise, ID 83702

Dear Mr. Miller:

I am William Brown, an Episcopal Priest and vicar of St. Andrew's Episcopal Church, McCall, Idaho and a former Executive Director of Paradise Point Camp, the Diocesan Camp located off East Side Drive on Payette Lake. I have been in the Diocese of Idaho for over 35 years. I am writing to you with my concerns regarding the lease executed by your Board for the entity dba, The Grove McCall, LLC.

I am appalled by the lack of public notice of the intent of the lessee to cut old growth trees as well as the lack of public notice concerning the impact to the environment and neighbors and the ability to comment. Those who have contacted your office complaining about the potential damage to fish habitat and water quality issues, and the absolute necessity for this entity to be connected to the sewer system, have been told by your personnel that your office doesn't require permits and nor any oversight for such use. This is an unacceptable response on the part of the State of Idaho.

Furthermore, this lease appears to be questionable given the small amount of money per year for twenty eight acres of land for a use that causes concern by so many people knowledgeable with that property. The amount of money for the lease of this property that your office and this entity agreed upon does not seem to follow the requirements of the Idaho Constitution which requires maximum financial return, i.e. fair market value for such a lease. Given the current fair market price of land along Payette Lake, this transaction smacks of an insider deal either by your office or another State office.

The impact of this lease and its proposed use will be detrimental to the overall beauty of the lake and the surrounding lakefront. Eastside Drive is a narrow and dusty road that cannot accommodate heavy use by large groups of people that would be utilizing this kind of venue. This is a designated scenic route road

designed for people to drive slowly and carefully. This will obviously impact the Valley County Sheriff's Department necessitating increased patrols and calls for service should the need arise, as it most certainly will. This area is also part of the McCall Impact Area. This group has disregarded the city's permit application and design review process and this flagrant disregard may be subject to legal action. The State may claim that these issues are beyond their scope of responsibility. It is, however, within the responsibility of the State to assure that state lands are not harmed, that the environment is not harmed, and the citizens of this state are treated with respect and given due process under the law.

This operation must cease immediately before further damage is done to the land and the wildlife. There is too much at stake in maintaining the beauty of this part of Payette Lake shoreline and the peaceful enjoyment of the land to let this entity be permitted to further destroy this area.

Very sincerely,



The Rev. William S. Brown  
St. Andrew's Episcopal Church  
McCall, ID

cc Governor Brad Little  
Secretary of State Lawrence Denney  
Attorney General Lawrence Wasden





## ***Mountain Central Association of REALTORS®***

321 N 3<sup>rd</sup> St Suite #204  
PO Box 873  
McCall, ID 83638

Phone: 208-634-7424 Fax: 208-634-7596 [www.mountaincentralrealtors.com](http://www.mountaincentralrealtors.com) Email: [mcarr1975@frontier.com](mailto:mcarr1975@frontier.com)

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February 8, 2019

Dear Valued Chairman and Members of the Land Board Commission,

We, the members of the Mountain Central Association of Realtors (MCAR), an accredited charter of the National Association of Realtors (NAR) since 1978, write to you as experts in the real estate market representing Valley and Adams County. We enjoy working simultaneously with Idaho Department of Lands (IDL) on dock permitting, dock transfers, state leases, cottage sites sales, and commercial sales. Thank you for your continued collaboration with us.

Today, we write to voice our concern of the grossly unfair valuation IDL has given to Lease M500031. Over the last 8 years, lease rates on the state endowment land adjoining Payette Lake average \$35,000-\$50,000 per year, with these properties historically having consisted of 60 – 100 feet of lake frontage. We've become accustomed to disclosing this information to prospective buyers interested in purchasing improvements on state leased land. Imagine our surprise when we discovered the Idaho Department of Lands approved a lease rate of \$4,000 per year on a 28 Acre parcel, with thousands of feet of Payette Lake frontage, for a term of 10 years.

If the fair market value of this lease was determined through market indicators of comparable lands values, we believe the rate would have been much higher. We look to you for more clarification on the following questions:

Why is IDL not using the same lease rate formula for Payette Lakefront Cottage Sites on this parcel of land?

Did IDL consider using current commercial lease rates?

How did you determine this commercial enterprise, The Grove McCall LLC, was the highest and best use for the taxpayers of the State of Idaho?

Given these unanswered questions, is it possible for this lease to be held for further review and/or ultimately terminated?



One of MCAR's goals is to establish excellent working relationships with government officials and regulators, bringing valuable insight into decision making processes. Moving forward on this issue, we would like to extend our service to the IDL. Now, and in the future, if you need assistance identifying comparable land values and lease rates, please contact MCAR. We are happy to help. With over 275 members, including licensed appraisers, we can provide you with accurate and thorough market data.

Furthermore, we would like to assist the IDL with giving public notice of potential opportunities with endowment land leases and sales. With more transparency and public notification, we can work together to bring the best and highest rate for our endowment lands.

Thank you for your consideration on this most important matter.

Sincerely,



Ellen Ganz, Chair

Mountain Central Board of Realtors



IDAHO DEPARTMENT OF LANDS

**From:** [Michael Eck](#)  
**To:** [Comments](#)  
**Cc:** [Michael J. Eck](#); [Nancy Eck](#)  
**Subject:** Important decision on Payette Lake land lease  
**Date:** Tuesday, February 12, 2019 3:22:28 PM

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Secretary of the Land Board  
IDL Director  
300 N. 6th Street, Suite 103  
Boise, ID 83702

Dear Director Dustin Miller,

You have most likely received a number of letters from concerned citizens regarding the proposed agreement on Payette Lake in Tamarack Bay. The permit holder, The Grove McCall, LLC, was given an agreement which amounts to \$4000 per year for 28 acres of lakefront property, including a large portion of Shellworth Island (lease no. M500031), which has easily 500 feet or more of shoreline.

This agreement, if it moves forward, will open the State to potential litigation from homeowners located around the lake seeking fair and equitable property tax adjustments. I currently have two lakefront properties on Eastside Drive, and if the decision is to uphold this agreement, I will likely be one of them. How many millions of dollars in property taxes will be lost if a class action suit is initiated and the court rules in favor of the homeowners.

I am truly disappointed in how this entire situation has escalated to this point. There are no winners. The company wanted to develop a new business and has already invested in the site. The local residents were not properly informed by IDL as a good neighbor would, the State is not receiving the true value of the land, and finally, the needed funding for the schools is being denied. My request is for the Land Board to suspend the lease agreement and provides the opportunity for the community to participate in the process as mandated by state law to help fund Idaho schools.

Respectfully,

**Michael Eck**  
**2183 Eastside Drive**  
**McCall, ID 83638**  
**Home: 208.634-1315**  
**Cell: 415.515-3091**



February 13, 2019

The Honorable Brad Little, Governor  
Chairman, Idaho Land Board  
300 N. Sixth St., Suite 103  
Boise, ID 83702

RE: Commercial Lease No. M500031

Dear Governor Little:

It is with grave concern that we write regarding the Idaho Department of Land's approval of Commercial Recreation Lease No. M500031, allowing the development of a wedding and event center on a 28-acre lakefront parcel on Payette Lake in Valley County. We wish to outline our concerns and respectfully request immediate nullification of this lease.

Commercial Recreation Lease #M500031 is disturbing for multiple reasons, some of which have been addressed in previous letters to the Land Board. First, the lease rate of \$4,000/year is so far below current market value as to be absurd, and is certainly unconstitutional based upon Article IX, section 8 of the Idaho Constitution. Second, as outlined in a January 8<sup>th</sup> memo addressed to the Land Board from Jay and Lynda Smithman, this lease appears to have been approved secretly. Now that the Board is aware of this, it has a duty to investigate the process by which Commercial Recreation Lease No. M500031 was approved and take corrective action to protect against future abuses such as this.

**Third, and most concerning to us, is the fact that this lease is precedent-setting, in that it allows the development of a commercial, for-profit business venture on the shores of Payette Lake outside the McCall city limits. With the exception of the kayak/SUP rental shack at North Beach, all other commercial ventures on Payette Lake are contained within the McCall city limits. With approval of this lease, the IDL has in effect opened a Pandora's Box. How can IDL refuse to grant future commercial leases for unincorporated lakefront developments on Payette Lake now that this lease has been approved?**

The impact of "Lookout on the Lake," as the venue has been named, will be far-reaching, but will only be a microcosm of what will become of the northern half of Payette Lake if allowed to stand. This lease is vague in scope, but does allow for attendance of up to 250 people and ten vehicles, with amplified sound and lights until 11 pm. Isn't this the very same activity the City of McCall has been trying to prevent by closing North Beach to all auto traffic on July 4<sup>th</sup> the past several years? Not only will the venue increase the likelihood of drunk driving and speeding on what is a designated scenic route, it will bring pollution in the form of auto exhaust, human waste, event garbage and noise and light pollution. Traffic will increase not just on summer weekends when weddings take place, but all through the year,

as potential venue renters and their vendors/caterers drive to the site to inspect it. The many young campers (there are three camps on East Side drive near the venue), as well as recreationalists (cyclists, hikers, huckleberry pickers, etc.) will be at risk, as Valley County copes to do its best to keep East Side drive safe.

**Unfortunately, the entire northern half of Payette Lake, one of our state's crown jewels, is now at risk for this type of stress, or worse. Future lease applications may contain plans for restaurants and hotels. This lease could be the watershed, ushering in that type of development. Really? Is this what we want?**

**Yes, IDL does have a constitutional obligation to get the highest and best return from our state lands. But Idaho's elected and appointed officials have a greater responsibility to protect the best of Idaho for future generations. The development of unincorporated sections of Payette Lake to enrich a few is not in the best interest of the citizens of this great state.**

**We join with other concerned McCall citizens and Idahoans to respectfully request the nullification of Commercial Recreation Lease No. M500031, and to urge the Idaho Department of Lands to begin collaborative work with local government entities, private citizens and non-profits to forge a way to protect undeveloped lakefront property on Payette Lake for perpetuity and for the benefit of all future Idahoans.**

Thank you for your interest in Payette Lake and for your service to our great and beautiful state.

Sincerely,

Randall W. Stauffer & Gayle E. Stauffer

cc: Idaho State Board of Land Commissioners  
Dustin Miller, Idaho Department of Lands Director  
Scott Corkill, Area Manager, Payette Lakes Supervisory Area  
Valley County Commissioners  
McCall City Councilors  
Senator Steve Thayn  
Representative Terry Gestrin  
Representative Dorothy Moon



**From:** [Steve Holm](#)  
**To:** [Comments](#)  
**Subject:** Oppose: The Grove McCall, LLC Lease # M500031  
**Date:** Thursday, February 14, 2019 2:55:09 PM

---

Chairman of the Land Board, Governor Brad Little,

I am opposed to the Recreational Lease to The Grove McCall, LLC # M500031 for these reasons:

1. Annual lease payments are only \$4,000.00 for over 2,500 front feet on Payette Lakes, this is unfair to the taxpayers of Idaho.
2. No competitive bidding took place in regards to the lease, this again is unfair to the taxpayers of Idaho.
3. Traffic congestion on Eastside drive is inevitable considering over 250 people attending events on the leased land.
4. Use during the evening hours is inconsistent with the rural and tranquil nature of the surrounding shorelines of the lake.

The final point and probably the most important, the lease requires that, under the signed lease:

#6 Lessees Compliance with Applicable Laws and Rules, A. Full Compliance:

**"Lessee's use of the Leased Premises and all improvements constructed thereon, shall fully comply with all statutes ordinances, rules, regulations and laws of applicable federal, state and local governmental authorities. Lessee shall comply with all applicable rules and regulations and standards currently in effect or hereafter adopted by lessor"**

This is not being enforced, Should the The Grove McCall, LLC # M500031 lease not be voided, as it should be, it should not go forward until the The Grove McCall LLC has secured all the necessary land use approval from the City of McCall (leased land falls within the McCall Impact Zone), this includes a conditional use permit.

I believe that there is no cause for the State of Idaho to retain this lease, it should be revoked.

Thank you for your consideration,

**Steven Holm**

Steven Holm  
5315 W. Holly Hill Drive  
Boise, Idaho

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communication in error, please notify me immediately by replying to this message and deleting it from your computer. Thank you.



**From:** [Judy Solt](#)  
**To:** [Comments](#)  
**Subject:** Against Lease to the Grove McCall, LLC #M500031  
**Date:** Saturday, February 16, 2019 8:56:53 PM

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Begin forwarded message:

**Subject: Against Lease to the Grove McCall, LLC #M500031**

Dear Land Board Members,

I am opposed to the Recreational Lease to The Grove McCall, LLC #M500031 for the following reasons:

1. Annual Lease payments are only \$4,000.00 for over 2500 lakefront footage on Payette Lake is far below fair value and unfair to taxpayers.
2. No Competitive bidding took place in regards to this lease, which is also unfair to the taxpayers.
3. Traffic congestion, and wear and tear on the road Eastside Drive is inevitable and unplanned for. This road is already dangerous to the many recreational bicyclists and walkers.
4. Use during the evening hours for events is inconsistent with the rural and tranquil nature of the surrounding shorelines of the lake.
5. The lease requires that, under the signed lease:

"#6 Lessees Compliance with the Applicable Laws and Rules,

A. Full Compliance:

Lessee's use of the Leased Premises and all improvements constructed thereon, shall fully comply with all statutes ordinances, rules, regulations and laws of applicable federal, state and local governmental authorities. Lessee shall comply with all applicable rules and regulations and standards currently in effect or hereafter adopted by lessor."

This is not being enforced.

The Grove McCall, LLC #M500031 lease should be voided.

If it is not voided, it should not go forward until The Grove McCall LLC has secured all of the necessary land use approval from the City of McCall (leased land falls within the McCall Impact Zone), this includes a conditional use permit.

I believe there is no cause for the State of Idaho to retain this lease, and believe it should be revoked.

Thank you for your consideration,  
Judy Solt



**From:** [Kevin Mcdonald](#)  
**To:** [To: brdexam@sco.idaho.gov](mailto:brdexam@sco.idaho.gov); [Comments: pflynn@sde.idaho.gov](mailto:pflynn@sde.idaho.gov)  
**Subject:** Recension of Commercial Recreation Lease NO M500031  
**Date:** Monday, February 18, 2019 3:49:22 PM

---

Dear Idaho State Board of Land Commissioners:

I, like hundreds of others, are writing to voice our outrage, concern, and disappointment with the letting of the above stated lease by the Dept. of the Lands. This lease is for 22 acres of land near Tamarack Bay and 6 acres on Shellworth Island in McCall. For numerous reasons that have been, and will be, enumerated we are asking that you sincerely and objectively review this lease and its termination. Not only for the great negative impact it will have on one of our state's great treasures (Payette Lake) but also, the deceitful process and manner this lease was let.

As a twenty year owner of a Tamarack Bay condominium, I have deferred writing my protest letter sooner because I really wanted to know as much of the facts as possible and based on all that has been presented by all parties I believe the following facts are indisputable;

1. The information concerning the letting of this lease was purposely held as secretive as possible without being blatantly underhanded.

Extremely troubling is the lessees memos (that have been sent to your attention by Mr. Mel Switzer) stating the concern the lessee had for

letting the public know about the lease in fear of public outcry of the establishing of a makeshift Event Center on one of the most pristine spots of

Payette Lake without any true public notice or hearings. The memos also state the lessees questioning as to whether they could skirt sewer i

ssues on the site by getting the local IDL to "work with them" (what would make them even think they could get the local office to even consider working with them) unless they already had some basis for such thoughts?

. The IDL's local representative, Scott McCorkill expressed his distain for Tamarack Bay Condo's in one of his memos to the lessees (which Mr.

Switzer also provided you). The basis for this distain seems unfounded because I have been a Board member for Tamarack Bay for 17 years

and I know personally we have done everything possible to work with Mr. McCorkill and complied with all his requests.

. The manner in which "notice" of the leases availability to the public was as about as secretive as possible. Posting a lease for 30 days on on an

obscure website which would cause constant monitoring by an unaware public to find out what their government agency is doing to such a

universally cherished site is ridiculous, contemptuous, and arrogant. This may be the current procedural process for the IDL but it is sorely

Lacking and needs to be changed. Failing to provide even a curtesy notification to ANY of the city of McCall's commissioners or relevant land

or water agencies along with any neighbors that this new Event Center would greatly impact shows a total lack of cooperation and concern by

the local IDL office and out of character for the IDL in all its past lease lettings.

Had "normal" public notice been given for this lease, Tamarack Bay members along with a large number of other conservation oriented parties would have all bid much higher than the ridiculous \$4000/year that the IDL settled for on the this lease. Not only would the Schools (that these funds are designated for) been much better served, but more importantly, this land would have been left in its pristine nature for at least another decade of enjoyment for all the public to continue to enjoy. Both the IDL's mission would have been best preserved as would this rare property. Everyone's best interests would have been best served.

. In addition, Tamarack Bay does feel it was totally misled by the local IDL office. In the fact that association members had made direct, written inquiries last summer about the status of Shellworth Island as to whether or not it was/soon would be put up for lease and were told no determination had yet been made to lease the island and none was foreseen. When, in fact, that determination had already been made. The association members had specifically requested to be notified if it were to come up for lease in the future and this request was ignored.

2. Mr. Dustin Miller's recent response to the many letters of protest the IDL has received stated that the IDL will, **in the future**, be changing its process of notification of lease offerings and promising better communications with both city and public entities affected by these leases. While we applaud this step by the IDL it does "Absolutely NOTHING" to address the travesty of this current lease. Therefore, we fervently request the commissioners to place this lease on hold until you can visit this site and actually see the negative impact this lease as already had on the lake (removing trees that served as fishing habitat and removing healthy one hundred year old trees) and will have in the future.

The loss of the deer, fox, bear, and duck habitat that utilize this property, the loss of access by the Church Camps and both the Boy Scouts, and the general public who constantly use this sheltered bay for all sorts of lake activities. This along, with the noise and light pollution this Event Center will cause are totally inappropriate for this site.

For these facts and reasons we ask you take action to visit this site, review the inappropriate and suspicious events surrounding the letting of this lease, and rescind this lease.

We understand the difficult position this places the IDL commissioners in but there are times when the good of the people and the constituency you represent and serve outweigh overturning bad decision and requires. We believe this is just one of those cases. You have the power and responsibility to correct this error and conserve this special legacy for the next generation to enjoy. At the very least we would hope you would re-open the bidding on this lease to ensure an open and fair lease worthy of the IDL.

Thank you for your consideration.

Sincerely,



Kevin McDonald

--

*Kevin*



From: [Rich McDonald](#)  
To: [Comments](#)  
Subject: Stop the lookout on the Lake  
Date: Monday, February 18, 2019 8:51:03 AM

---

Dear Dustin Miller,

No doubt you've already received letters from my friends and neighbors regarding The Grove party venue taking shape on Payette Lake's Tamarack Bay in McCall, so I will only quickly restate the troubling issues surrounding this enterprise, namely: noise and light pollution, damage to wildlife and fish habitat, damage to pristine wilderness that falls within East Side Drive's designated scenic route, the loss of public access to beaches, increased traffic on a narrow gravel road, drunk drivers in close proximity to three youth camps whose children cross this road daily.

**This letter is to officiallv record mv**



**From:** [Nicole Natti](#)  
**To:** [Comments](#)  
**Subject:** Event Center on Payette Lake  
**Date:** Monday, February 18, 2019 10:43:22 AM

---

Dear Dustin Miller,

No doubt you've already received letters from my friends and neighbors regarding The Grove party venue taking shape on Payette Lake's Tamarack Bay in McCall, so I will only quickly restate the troubling issues surrounding this enterprise, namely: damage to wildlife and fish habitat, damage to pristine wilderness that falls within East Side Drive's designated scenic route, the loss of public access to beaches, noise and light pollution, increased traffic on a narrow gravel road, drunk drivers in close proximity to three youth camps whose children cross this road daily.

**This letter is to officially record my opposition to this party venue and to ask for your help in putting a stop to 'The Lookout on the Lake'.**

IDAHO DEPARTMENT OF LANDS

Thank you for your time and consideration,

Best regards,

Nicole Natti

**From:** Governor's Inbox <[governor@gov.idaho.gov](mailto:governor@gov.idaho.gov)>  
**Sent:** Tuesday, February 19, 2019 2:04 PM  
**To:** Renee L. Miller <[RLMiller@idl.idaho.gov](mailto:RLMiller@idl.idaho.gov)>  
**Subject:** FW: IDL Lease No. M500031

**From:** Marty Beck <[mbeck@idahodiocese.org](mailto:mbeck@idahodiocese.org)>  
**Sent:** Monday, February 18, 2019 9:58 PM  
**To:** Governor's Inbox <[governor@gov.idaho.gov](mailto:governor@gov.idaho.gov)>  
**Cc:** [brdexam@sco.idaho.gov](mailto:brdexam@sco.idaho.gov)  
**Subject:** IDL Lease No. M500031

The Honorable Brad Little  
Governor of Idaho  
Chairman of the Land Board

Dear Governor Little,

We are writing to express sincere concern and alarm concerning lease #M50031: The Grove McCall, operating "The Lookout on the Lake."

Paradise Point is an Episcopalian Summer Camp that has been in operation on the northeastern shores of Payette Lake since 1935. For the last eighty-four years it has provided a natural, safe and nurturing environment for generations of Idahoans, young and old, of any denomination. As the Executive Director for the last 10 years and the chair of the Committee responsible for camp governance, we were dismayed to see the approval of the above lease without public notification or communication with the surrounding neighbors.

Our concerns are listed below. We hope you will take them into serious consideration. We ask you to terminate the lease as it stands.

1. Safety:
  - a. Traffic – Eastside Drive, from Lick Creek Road, can barely accommodate traffic at the present levels during the summer. Many pedestrians and bicyclists use this road during all hours of the day. Without designated traffic lanes, bike lanes, or pedestrian paths, the increase of traffic poses a serious safety concern. Speeding and drunk driving will, without a doubt, place children and other pedestrians at risk.
  - b. Accidents – The proposed site is located on an even less maintained section of the dirt road portion beyond the Tamarack Bay Condominiums. This narrow, rarely maintained road has been a source of accidents, rollovers and slide offs for many years.
  - c. Emergency Medical Services – Without securing a Conditional Use Permit from the City of McCall, we are concerned that EMS is not aware of, or at least had the opportunity to evaluate, the impact this venue will have. Our fear is that during an emergency, where seconds count, the congested area of the road would impede emergency vehicles access to our youth summer camp.

- d. Parking – There is an obvious lack of adequate parking for 275 people (250 guests and 25 staff) - potentially impeding access to Paradise Point campers, families, and guests, while exacerbating traffic issues and increasing risk.
2. Impact on neighbors:
- a. Lack of notification and opportunity to submit alternate proposals – The neighboring community had no opportunity to comment or suggest alternate uses for this land prior to the lease being awarded. There was no public auction that we were aware of.
  - b. Noise pollution – Paradise Point’s quiet hours are between 10:00 PM and 7:00 AM. Our young campers get ready for bed at 9:30 PM. Allowing amplification up until 11:00 PM on weekdays is not only disrespectful but infringes on noise ordinances provided by Valley County that all neighboring properties abide by.
  - c. Dark Sky Ordinance – The McCall community values dark skies. Any new installation of lighting at Paradise Point falls within the Dark Sky Ordinances, as we operate within the City Area of Impact. Having more light in direct sight detracts from the natural environment the youth of Idaho need to experience. Hindering access to phenomena like the Milky Way, by not abiding with conditional use regulations, sets a precedent for future generations to overlook the value of the natural world. This is not who we are as Idahoans.
  - d. Waste management –Members of our staff constantly gather trash from the side of the road already. Allowing significantly increased use from large numbers of people who have only a fleeting connection to the property will inevitably increase trash discarded in the beautiful forest. No provision is being made for waste management services with Lakeshore Disposal.
3. Environmental impact and compliance with City of McCall Rural Residential Zone Regulations:
- a. Water quality – Paradise Point operates a licensed Public Water Treatment facility to provide potable water to every part of the facility. There were no visible precautions being used to protect erosion while making changes to the landscape when it was developed in the fall of 2018. This will inevitably have impact on fish habitat and community drinking water.
  - b. 50’ impact zone from high water line – this regulation is being ignored by the developers.
  - c. Land – Without Planning and Zoning regulation by a Conditional Use Permit, nothing has stopped the developer from cutting down old growth trees.
  - d. Sanitary services – No provision is being made to connect the new facility to the sewer, despite it being approved to accommodate hundreds of people simultaneously.

The many points above leave us wondering what other areas of enforcement and regulation have been overlooked.

We are sure that you can understand our concerns. We believe the actions of the board have been conducted without proper regard to neighbors, the wider McCall community and to our responsibility as Idahoans to be good custodians of the environment with which we have been entrusted. We urge the Land Board to terminate the lease immediately.

Respectfully,



Marty Beck  
Executive Director

Will Reilly  
Committee Chair

**MARTY BECK**, Executive Director  
Paradise Point Summer Camp | The Episcopal Church in Idaho  
1858 W. Judith Lane | Boise, ID 83705  
[paradisepointcamp.org](http://paradisepointcamp.org) | w: 208-345-4440 | c: 208-991-7283

*Spiritual Growth and Leadership Development Through Faith, Fellowship, and Fun*





**From:** [Jackie McCleve](#) on behalf of [brdexam](#)  
**To:** [Comments](#)  
**Cc:** [thurst.sos.idaho.gov](#); "[chouck@sos.idaho.gov](#)"; "[darrell.early@ag.idaho.gov](#)"; [Chris Strow](#)  
**Subject:** FW: Stop the Lookout on the Lake  
**Date:** Tuesday, February 19, 2019 9:48:24 AM

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## Board of Examiners



**O.** 208-334-3100 **F.** 208-334-2671

**E.** [brdexam@sco.idaho.gov](mailto:brdexam@sco.idaho.gov)

**W.** [www.sco.idaho.gov](http://www.sco.idaho.gov)

**From:** Rich McDonald <[richmcdonald@gmail.com](mailto:richmcdonald@gmail.com)>  
**Sent:** Monday, February 18, 2019 8:51 AM  
**To:** [brdexam](mailto:brdexam@sco.idaho.gov) <[brdexam@sco.idaho.gov](mailto:brdexam@sco.idaho.gov)>  
**Subject:** Stop the Lookout on the Lake [EXTERNAL]

Dear Lawrence Wadsen,

No doubt you've already received letters from my friends and neighbors regarding The Grove party venue taking shape on Payette Lake's Tamarack Bay in McCall, so I will only quickly restate the troubling issues surrounding this enterprise, namely: noise and light pollution, damage to wildlife and fish habitat, damage to pristine wilderness that falls within East Side Drive's designated scenic route, the loss of public access to beaches, increased traffic on a narrow gravel road, drunk drivers in close proximity to three youth camps whose children cross this road daily.

**This letter is to officially record my opposition to this party venue and to ask for your help in putting a stop to 'The Lookout on the Lake'.**

Thank you for your time and  
consideration,

Best regards,

Rich McDonald



FEB 19 2019

BOISE, IDAHO

February 19, 2019

Dear State Board of Lands Commissioners:

I received correspondence from Idaho Department of Land's Director Dustin Miller dated January 29, 2019 that included a closing paragraph outlining all of the changes planned for improving the way the IDL handles lease applications. These changes included greater public transparency, better advertising to solicit alternative lease proposals, notifying adjacent neighbors and the city and reviewing comparable lease rates within a geographic area.

Since all of these proposed changes were precipitated by the errors committed by the McCall office of the IDL in granting Lease M500031, why are these much needed changes not being applied to that lease? Lease M500031 is a gross mistake that needs to be corrected.

My response to Director Miller dated February 1, 2019, asking for the rescission of this lease has not been answered. I have prepared copies of that letter for this Board's consideration.

Thank you,

Mel Switzer

February 1, 2019

Mr. Dustin T. Miller, Director  
Idaho Department of Lands  
300 North 6<sup>th</sup> Street, Suite 103  
P.O. Box 83720  
Boise, Idaho 83720

Re: Lease M500031

Dear Mr. Miller:

Thank you for your January 25, 2019 communication regarding Lease M500031 to the Grove McCall LLC. I am encouraged that you are currently reviewing your lease process to ensure greater public transparency, and reviewing processes within your endowment leasing program when a change to commercial use is being proposed on endowment land within a city's area of impact. It is also positive to hear that the IDL will be notifying neighbors and the city when a new lease application is received, and that the IDL will improve advertising of lease applications to solicit alternate lease proposals that benefit the endowments. It is sadly surprising that all of these changes and revisions were necessary at this agency, given its published commitment to be the "Stewards of Idaho's Resources". Nonetheless, I look forward to seeing the implementation of these necessary and positive policy and procedural improvements.

Lease M500031 must be rescinded as it was not an arms-length transaction, nor were your attempts to compare Tamarack Bay shoreline property to Tamarack Ski Resort in Donnelly for valuation purposes. When first questioned about the \$4,000 annual lease amount, the local IDL office stated that upland timber value was used for the valuation, not lake and shoreline value. Beyond that, the lease applicant, along with the local IDL office, intentionally tried to deceive the public concerning this lease. As a part of the public records request information supplied by the IDL, there is an email of May 27, 2018, from lease applicant Colby Rampton to local IDL employee Jasen King, where Mr. Rampton writes:

**"I know you guys had talked about putting something in the local paper about it. In our minds, we imagine there probably will be less opposition to the use of the shoreline, but potentially more people may oppose the use of the island.**

**We may consider not initially getting the island lease if we have to have public notice on it. I think we mentioned that our last attempt at this business model ran headlong into vocal opposition and it really made it difficult to get any progress made on it.**

**-do you guys still feel that you need to publish in the local paper?**

**-if we exclude the island from the lease would you still want to publish the shoreline lease in the paper?**

**-if we exclude the island from the lease, what would the lease cost be?**

**Just trying to avoid fights where possible, as fights make for a lot of work lol. Let us know!**

**Colby”**

This chummy exchange between the lease applicants and the local IDL office is anything but transparent and is very troubling. Unfortunately, due to the redacting of the IDL local office responses to the lease applicants in our public records request to the IDL, we do not know what arrangements were made between the parties that kept the lease information from ever being published in the local paper.

Other exchanges between the lease applicants and the local IDL office refer to asking for assistance in obtaining exceptions to water and sewer connections to the property. In an email from lease applicant Colby Rampton to IDL representatives Jasen King and Scott Corkill of May 7, 2018:

**“Our question is this...if we are to look at septic, we would likely need to get exceptions granted on several fronts.**

**How much support should we expect from your office? Do you typically approach these types of situations pretty hands-off? Or would the Dept of Lands be willing to really lean in to help get exceptions granted?**

**Just trying to gauge where we should focus our efforts and what expectations we should have.**

**Thanks!**

**Colby”**

Not only did the local IDL office help the lease applicants hide the application from the public, now they are being called upon to run interference for them with the local sewer officials. Because of the additional redaction of local IDL public records responses, we are unaware of what other “assistance” the local IDL office has provided the lease applicants; this does not paint a picture of transparency.

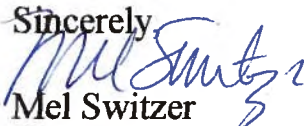
I would also request that you carefully review the January 22, 2019 letter from the Big Payette Water Quality Council outlining their request to stop all activity on this property until appropriate restrictions are developed to protect the shoreline and water quality. The BPLWQC is rightfully concerned about all the disturbance that has already been allowed on this shoreline property without benefit of erosion and runoff protection and disturbances to lake and land habitat.

The vision of importing up to 275 partiers and staff, the vehicles to transport them there, amplified sound from 8AM to 11PM, portable toilets, trash containers, stages and lighting, etc., into this remote serene forest via a narrow windy gravel road, is a nightmare. And yet, in an attempt to paint this travesty in a favorable light, IDL's public information officer, Ms. Sharla Arledge, in responding to the local newspaper inquiry, described this event venue as "a good fit for this piece of endowment land and the low impact was a positive factor". Anyone remotely familiar with this bay on Payette Lake would know that this statement could not be farther from the truth.

As Director of the Idaho Department of Lands, you need to rescind this lease as the first step in restoring public faith in IDL as the manager of Idaho's endowment lands. No one who loves and cares about the future preservation of this Idaho gem believes this "rustic" event venue belongs on this remote pristine bay on Payette Lake. It is an inappropriate use of shoreline property and dangerous to the environment. There are resources available to place this property in trust that would protect it from development, allow for public access, and also provide the revenue promised to the endowment land recipients.

Please take the first step in putting this awful chapter behind us so that we all can pursue more positive solutions for this treasured property.

Sincerely,



Mel Switzer

PO Box 2956

McCall, Idaho

cc: Idaho State Land Board Commissioners



**From:** [Sharla Arledge](#) on behalf of [Comments](#)  
**To:** [Dustin Miller](#)  
**Cc:** [Renee L. Miller](#); [Diane Griffin](#)  
**Subject:** FW: Executive session of State Board of Land Commissioners, March 4, 2019  
**Date:** Thursday, February 28, 2019 4:24:18 PM

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**From:** mel switzer <mswitzerjr@yahoo.com>  
**Sent:** Thursday, February 28, 2019 3:57 PM  
**To:** governor@gov.idaho.gov; Comments <comments@idl.idaho.gov>  
**Cc:** Tamarack Bay Condo Association <tambaycondos@gmail.com>  
**Subject:** Executive session of State Board of Land Commissioners, March 4, 2019

To: Idaho State Board of Land Commissioners

The Honorable Brad Little, Governor of Idaho and Chairman of the Land Board  
The Honorable Lawrence Denny, Secretary of State  
The Honorable Lawrence Wasden, Attorney General  
The Honorable Sherri Ybarra, Superintendent of Public Instruction  
The Honorable Brandon Woolf, State Controller  
Secretary of the Land Board: IDL Director Dustin Miller

From: Camilla and Mel Switzer

Date: February 28, 2019

Subject: Executive session concerning Commercial Recreation Lease #M500031, Eastside Drive, McCall, Idaho

Dear Chairman and Members of the State Board of Land Commissioners:

We were in attendance at the February 19, 2019 State Board of Land Commissioners meeting and listened to the public testimony concerning Lease #M500031 to the Grove McCall LLC for 28 acres on Payette Lake's Tamarack Bay. We are very hopeful that the board members clearly heard the opposition testimony that reflects the constitutional violations that were committed by the IDL: lack of public notice and public auction for the disposal of state endowment land, and the lack of maximization of financial return to public schools of such endowment land disposal.

In addition, numerous negative environmental and safety concerns were not mitigated in the granting of this lease, all of which are morally if not legally compelling reasons for the board to void this lease. The lease applicants, along with the local McCall IDL office, as evidenced by public record disclosure, intentionally tried to deceive the public by keeping notice of this lease application from appearing in the local newspaper.

At your March 4, 2019 executive session meeting, we urge your favorable consideration and action to enable this pristine shoreline property to be placed in trust for the continued enjoyment of the general public and not for any commercial enterprise.

Respectfully,

Camilla and Mel Switzer  
PO Box 2956  
McCall, Idaho 83638



**From:** [Sharla Arledge](#) on behalf of [Comments](#)  
**To:** [Dustin Miller](#)  
**Cc:** [Renee L. Miller](#); [Diane Griffin](#)  
**Subject:** FW: Executive session of State Board of Land Commissioners, March 4, 2019  
**Date:** Friday, March 01, 2019 10:49:16 AM

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**From:** Kevin McDonald <kevinmcdonald1@gmail.com>  
**Sent:** Thursday, February 28, 2019 4:40 PM  
**To:** mel switzer <mswitzerjr@yahoo.com>  
**Cc:** Tamarack Bay Condo Association <tambaycondos@gmail.com>; Comments <comments@idl.idaho.gov>; governor@gov.idaho.gov  
**Subject:** Re: Executive session of State Board of Land Commissioners, March 4, 2019

Excellent Mel and Camilla!

On Thu, Feb 28, 2019 at 3:58 PM mel switzer <[mswitzerjr@yahoo.com](mailto:mswitzerjr@yahoo.com)> wrote:

To: Idaho State Board of Land Commissioners

The Honorable Brad Little, Governor of Idaho and Chairman of the Land Board  
The Honorable Lawrence Denny, Secretary of State  
The Honorable Lawrence Wasden, Attorney General  
The Honorable Sherri Ybarra, Superintendent of Public Instruction  
The Honorable Brandon Woolf, State Controller  
Secretary of the Land Board: IDL Director Dustin Miller

From: Camilla and Mel Switzer

Date: February 28, 2019

Subject: Executive session concerning Commercial Recreation Lease #M500031, Eastside Drive, McCall, Idaho

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In addition, numerous negative environmental and safety concerns were not mitigated in the granting of this lease, all of which are morally if not legally compelling reasons for the board to void this lease. The lease applicants, along with the local McCall IDL office, as evidenced by public record disclosure, intentionally tried to deceive the public by keeping notice of this lease application from appearing in the local newspaper.

At your March 4, 2019 executive session meeting, we urge your favorable consideration and action to enable this pristine shoreline property to be placed in trust for the continued enjoyment of the general public and not for any commercial enterprise.

Respectfully,

Camilla and Mel Switzer  
PO Box 2956  
McCall, Idaho 83638

--

*Kevin*



**DIRECTOR'S OFFICE**  
300 N 6th Street Suite 103  
PO Box 83720  
Boise ID 83720-0050  
Phone (208) 334-0200  
Fax (208) 334-5342



**STATE BOARD OF LAND COMMISSIONERS**  
*Brad Little, Governor*  
*Lawrence E. Denney, Secretary of State*  
*Lawrence G. Wasden, Attorney General*  
*Brandon D Woolf, State Controller*  
*Sherri Ybarra, Sup't of Public Instruction*

Date

Name  
Address  
City, State ZIP

Re: Lease M500031

Dear \_\_\_\_\_:

Thank you for expressing your concerns about the event lease (M500031) issued by the Idaho Department of Lands (IDL) near Tamarack Bay on Payette Lake. This letter attempts to explain our current lease process and provide some background regarding this lease. Also, based on citizen feedback like yours, we are currently reviewing our lease process to ensure greater public transparency moving forward.

As directed by the State Board of Land Commissioners and Article 9, Section 8 of the Idaho Constitution, IDL manages over 2.4 million acres of endowment trust land "...in such manner as will secure the maximum long-term financial return..." to specific endowment beneficiaries.

This rustic event lease covers 28 acres of endowment land owned by the Public School and Normal School endowments. The Normal School endowment benefits Lewis-Clark State College, and Idaho State University endowments. There are also two other leases within the boundaries of the event lease. Lease M500021 is for trail riding and lease G500069 is a grazing lease for domestic livestock. These three non-exclusive leases allow for public access when no paid event is taking place.

The leased endowment land is part of the endowment's timberland asset class. Timberland is considered land capable of growing successive crops of commercial forest products for harvest. Leases on timberland provide income in addition to timber harvesting as the primary revenue source.

In determining the rental rate for the event lease, IDL considered the proposed lease activity, available market comparables, and the land's current timberland asset class. In the IDL Payette Lakes Supervisory Area, the closest market comparable for determining commercial recreational lease rent is Tamarack Resort, which operates a commercial recreation ski resort on 2,000 acres of endowment timberlands for \$150/acre/year. Applying this rate to the 28-acre

Recipient  
Date  
Page 2

event site lease would yield an annual rent of \$4,200. The rental rate in the lease specifies a base rent of \$4,000 and an additional \$400 per developed acre, or portion thereof, which include temporary developments such as pavers for a tent base, a viewing deck, or trail improvements. Establishing rent for the event lease based on the residential asset class as suggested would not be appropriate since the lease area is not located in a platted subdivision, permanent structures do not exist and are not being proposed, nor is infrastructure such as paved roads or utilities available for such development.

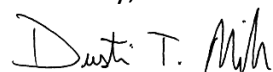
Currently, all new lease applications are advertised on the IDL website for a minimum of 30 days. The IDL advertised the event lease application on its website for 30 days, from April 26 through May 27, 2018. The IDL adds information such as the legal description, county in which the new use is being proposed, acreage and other details and posts the information on its web page. The IDL did not receive any additional lease applications for this property and no other party expressed interest. If other lease proposals are received during this 30-day period, then IDL reviews the lease proposals to determine if the uses are compatible. If the uses are compatible, then IDL issues one or more leases for the same area. If not, then IDL conducts an auction and the winning bidder is awarded the lease upon Land Board approval.

To better address future concerns by members of the public like yourself, we are currently reviewing processes within our endowment leasing program when a change to commercial use is being proposed on endowment land within a city's area of impact. The purpose of this review is to ensure greater public transparency and financial benefits to the endowments by encouraging alternative lease proposals.

In the future, IDL will be notifying adjacent neighbors and the city when a new commercial lease application is received. We will be examining other proposed process changes that include better advertising of lease applications on IDL's website to solicit alternative lease proposals that benefit the endowments, and a review of comparable commercial lease rates within a geographic area.

Thank you for reaching out to me regarding this matter. Please do not hesitate to contact Sharla Arledge at (208) 334-0286 or by email at [pio@idl.idaho.gov](mailto:pio@idl.idaho.gov) if you have any further questions.

Sincerely,



Dustin T. Miller  
Director



INTRODUCED BY MR. LEONARD  
AT FEBRUARY 19, 2019 LAND  
BOARD MEETING

The logo of the Idaho Department of Lands is a large, faint watermark in the background. It features a central diamond shape with a light green center and a yellow border. The diamond is set within a larger, stylized shape that resembles a mountain range or a shield with a pointed bottom. A horizontal bar with rounded ends passes through the center of the diamond, containing the text "IDAHO DEPARTMENT OF LANDS" in white, uppercase letters.

IDAHO DEPARTMENT OF LANDS

# THE LOOKOUT

*On The Lake*

**M<sup>C</sup>CALL, IDAHO**

Land Leased from the State of Idaho : Lease #M500031

The logo for the Idaho Department of Lands is a large, stylized diamond shape. It features a central light green diamond, surrounded by a yellow border, and an outer grey border. The text "IDAHO DEPARTMENT OF LANDS" is written in white, uppercase letters across a horizontal bar that passes through the center of the diamond.

IDAHO DEPARTMENT OF LANDS

**State Board of Land Commissioners Meeting**

**February 19, 2019 – 9:00 AM**

Cougar Island

Paradise Point Summer Camp

The Lookout on the Lake  
-  
Land Lease M500031

Ponderosa State Park

Shellworth Island

Camp Ida Haven




Boy Scout Camp (Waterfront)

Eastside Drive

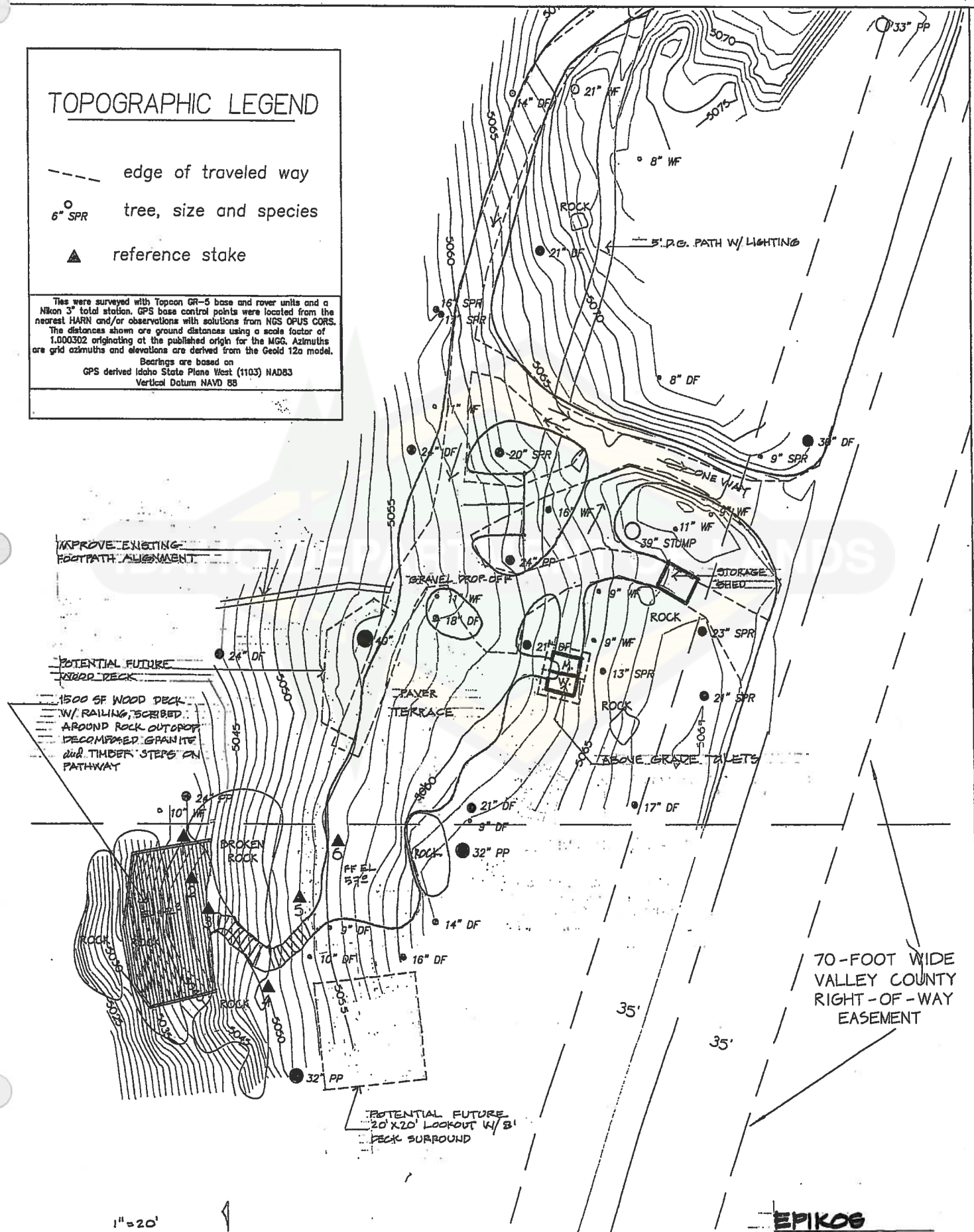
Girl Scout Camp



# TOPOGRAPHIC LEGEND

-  edge of traveled way
-  SPR tree, size and species
-  reference stake

Ties were surveyed with Topcon GR-5 base and rover units and a Nikon 3" total station. GPS base control points were located from the nearest HARN and/or observations with solutions from NGS OPUS CORRS. The distances shown are ground distances using a scale factor of 1.000302 originating at the published origin for the MGS. Azimuths are grid azimuths and elevations are derived from the Geoid 12a model. Bearings are based on GPS derived Idaho State Plane West (1103) NAD83 Vertical Datum NAVD 88



IMPROVE EXISTING FOOTPATH ALIENMENT

POTENTIAL FUTURE WOOD DECK

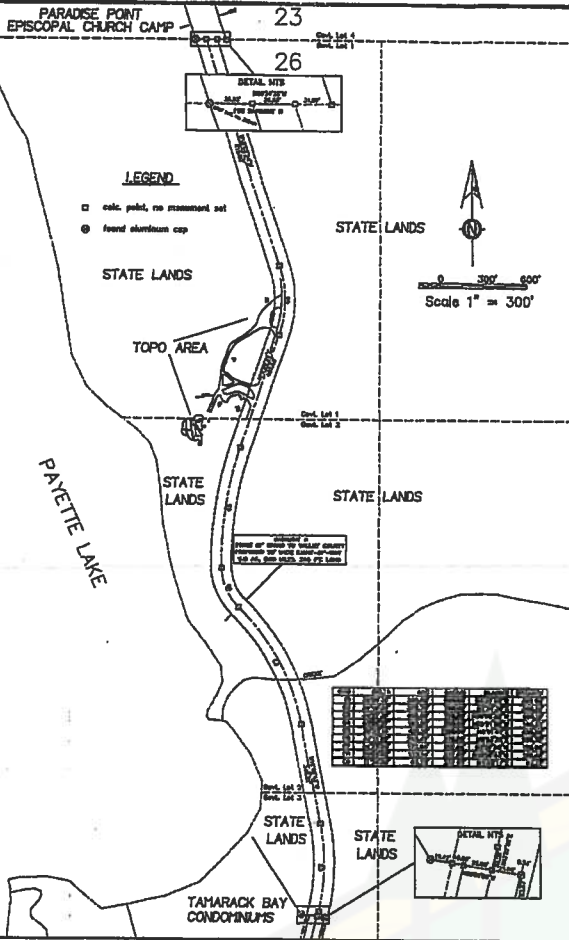
- 1500 SF WOOD DECK
- W/ RAILING, SCRIBED
- AROUND ROCK OUTCROP
- DECOMPOSED GRANITE
- and THINER STEPS ON PATHWAY

70-FOOT WIDE VALLEY COUNTY RIGHT-OF-WAY EASEMENT

POTENTIAL FUTURE 20' X 20' LOOKOUT W/ 8' DECK SURROUND

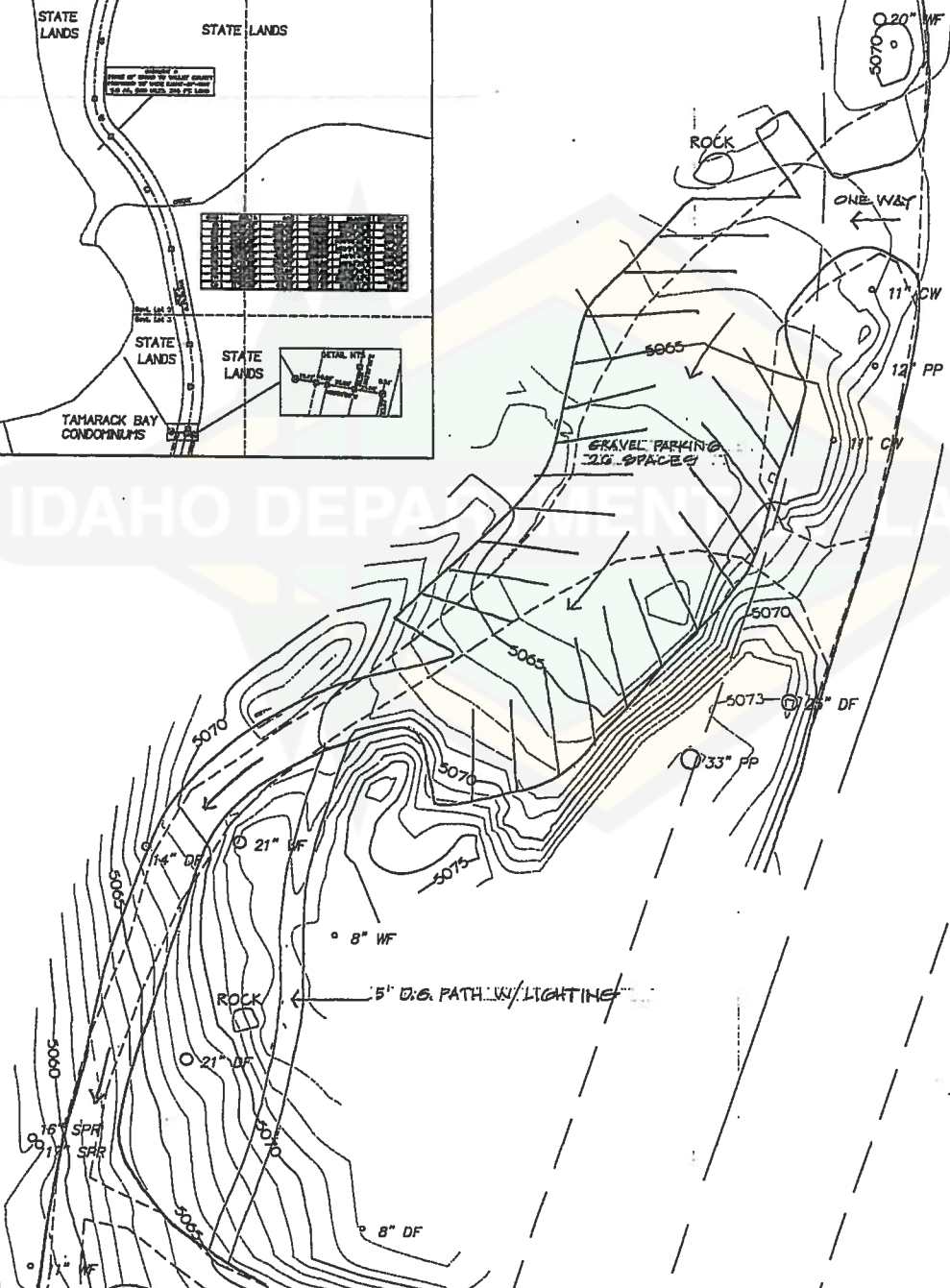
1" = 20'

EPIKOS



70-FOOT WIDE  
VALLEY COUNTY  
RIGHT-OF-WAY  
EASEMENT

IDAHO DEPARTMENT OF LANDS



SKFTUN LAND SURVEYING, INC.  
13784 HIGHWAY 55  
McCALL, IDAHO 83638  
208-634-3696/FAX 208-634-8475

DATE : 5 JULY 2018  
SCALE : 1" = 20' & 1" = 300'  
CONTOURS: 1' Interval  
DRAFTED BY: LAS

REVISIONS	DATE	BY





**Parking**

**Pull Through / Drop Off**

**Pavers Terrace**

**Site for Deck Overlooking the Lake**





**Pavers Terrace**



**Drop Off and Drive Through Area**

