



NEWS RELEASE

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Land Board considers options for reinvesting money from sale of residential and commercial properties

(BOISE) – The Idaho Department of Lands (IDL) is soliciting public comments on plans that lay the groundwork for the reinvestment of millions of dollars from past and future sales of residential cottage sites and commercial properties.

The State Board of Land Commissioners (Land Board) heard an update today from its general consultant, Callan Associates, on the “Strategic Reinvestment Plan.” It recommends IDL consider purchasing timberland or farm land using all or part of the proceeds from recent and future sales of cottage sites and Idaho commercial real estate properties managed by IDL.

Proceeds from the sale of endowment lands are placed in the Land Bank and can be used to purchase Idaho lands in order to provide continued earnings for endowment beneficiaries. The Land Board also can direct money in the Land Bank to the Permanent Fund. Money in the Permanent Fund can never be spent but is invested by the Endowment Fund Investment Board. Earnings from those investments are distributed to public schools and other beneficiaries of endowment lands and funds.

The balance in the Land Bank is \$31.85 million, mostly from the sale of cottage sites since 2015. The [Land Board approved a plan in February](#) that enables remaining lessees of residential cottage sites at Priest Lake and Payette Lake to participate in auctions before the end of 2019 of the lots they lease. The Land Board also approved plans that may result in the sale of most commercial real estate properties managed by IDL before the end of 2017.

The disposition of cottage sites and Idaho commercial real estate is projected to produce additional sales proceeds of approximately \$130 million by FY2020.

Since 2012, the Land Board has transferred approximately \$46 million from land sale proceeds to the Permanent Fund, about one-fourth of the total value of all cottage sites and commercial properties that are expected to have been sold by FY2020. At statehood, Idaho received approximately 3.6 million acres of endowment land, and after 120 years of dispositions approximately 2.4 million acres remain today.

The IDL is soliciting comments on three documents: the Strategic Reinvestment Plan, an updated Asset Management Plan, and the Investment Policy Statement. The last two documents lay the foundation for the recommendation in the Strategic Reinvestment Plan.

Comments must be submitted to comments@idl.idaho.gov by 5 p.m. MST on Friday, April 15, 2016. All documents are posted on the IDL web site at this link: <http://www.idl.idaho.gov/real-estate/reinvestment/index.html>

After comments are evaluated, the Land Board is expected to vote on whether to approve all three documents in May 2016.

The Land Board provides direction to IDL in managing 2.4 million acres of endowment lands in Idaho under a constitutional mandate to maximize long-term financial returns from the use and sale of the lands. Earnings from the lands and invested funds support Idaho's public school system and other State of Idaho institutions.

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