

STATE BOARD OF LAND COMMISSIONERS

January 19, 2021

Regular Agenda

Subject

Owyhee Land Exchange – Final Approval

Question Presented

Shall the Land Board approve the exchange and direct the Department to complete and close the Owyhee Land Exchange?

Background

On December 16, 2008, the State Board of Land Commissioners (Land Board) directed the Idaho Department of Lands (Department) to enter into a land exchange agreement with the Bureau of Land Management (BLM). The intention for the exchange was to dispose of scattered endowment lands in Sage Grouse and wilderness areas for federal lands that would block-up and provide access to endowment land. The exchange was called the Owyhee Land Exchange. In February 2016, the Land Board approved an updated agreement between the Department and BLM containing additional agreed upon conditions of the exchange.

Since 2008, the Department has worked with the BLM on the Owyhee Land Exchange. During that time, a number of tasks and events occurred, including substantial public outreach. The public outreach included communicating with state lessees and federal permittees, onsite tours, and specific due diligence information gathering and analysis regarding the exchange and its effects.

Initially, the proposal for the Owyhee Land Exchange identified 11 parcels (32,793 acres) of federal land and 62 parcels (37,880 acres) of state land¹. In 2016, the Department removed approximately 10,200 acres of state land from the exchange in response to concerns expressed by affected lessees. These lessees were allowed to opt out of the exchange. In 2017, the BLM removed over 7,400 acres of federal land and the Department removed almost 3,800 acres of state land from the exchange to: 1) address Shoshone-Paiute Tribal concerns regarding potential impacts to cultural resources, and 2) aid in equalizing appraised values.

Discussion

The Principal Deputy Assistant Secretary of Lands and Minerals Management has concurred with the BLM's "Review of Proposed Records of Decision and Other Documents" (Attachment 1). The BLM is now prepared to issue the Notice of Decision upon the Land

¹ As referenced in this memo, state land is endowment land.

Board's final approval to complete the land exchange. The following is a summary of the due diligence analysis and the Department's recommendation.

Acreage Being Exchanged

The state lands proposed for exchange consist of 23,878.16 acres of Public School endowment lands located in Owyhee County, Idaho (Attachment 2). The state lands are made up of 40 scattered isolated parcels within, adjacent to, or near federally designated wilderness areas. The state acquired the endowment lands on March 3, 1863, via the Idaho Territorial Act (12 Stat. 808).

The federal lands proposed for exchange consist of 31,030.66 acres located in Owyhee County, Idaho. The federal lands are made up of 11 parcels throughout the Owyhee Mountains north of Mud Flat Road and located adjacent to existing state lands. One large block consisting of approximately 21,000 acres lies along Highway 51, 16 miles south of Bruneau, Idaho. The federal lands have always been owned by the United States of America and therefore have no sales history.

There is a total net gain to the Public School endowment of 7,152.5 acres (federal acreage being exchanged: 31,030.66 – state acreage being exchanged: 23,878.16).

Property Valuation

The appraisals are complete and conclude that the highest and best use of the subject lands is livestock grazing. The opinion of fee simple value for the cumulative lands proposed for exchange is:

State Lands: \$5,331,000
Federal Lands: \$5,361,000

The land exchange will be completed on an equal value basis (Idaho Code § 58-138). Both the federal and state lands were appraised. The appraisals were reviewed by the appropriate federal and state review appraisers and conform to state and federal rules. To the extent possible, value equalization was accomplished through acreage adjustment, leaving a cash equalization value of \$30,000 to be made by the Department.

Increased Endowment Revenue and Other Benefits

The exchange will involve 18 active state grazing leases that allow for 2,141 AUMs and 24 BLM permits that allow for 2,562 AUMs. The state will experience an increase of 421 AUMs. The Land Board's approved annual AUM lease rate for 2021 is \$7.07/AUM. Using the 2021 rate, the annual lease payments total \$18,113.34 with a net gain of \$2,976.47, due to the increase in AUMs. Additionally, the state acquired lands will increase revenue through increased opportunities for production enhancing range improvements, and ownership of planted crested wheatgrass parcels, which tend to be higher producing grazing lands than native rangeland. The state acquired lands will improve the Department's ability to achieve

its mission of maximizing returns to the endowment beneficiaries through increased revenue.

Currently, the state lands are single isolated parcels surrounded by federal lands and in many instances, located within a designated wilderness area. This isolation and scattered ownership limits access and makes management difficult and costly. The state acquired parcels will be blocked-up and will result in more efficient management and improved access. Consolidation of state lands and acquiring access are two of the goals established by the Land Board for pursuing land exchanges.

Improvements

The federal and state lands proposed for exchange have physical improvements associated with livestock grazing. Through the execution of the proposed exchange, each party will acquire title to existing range improvements owned by the other party. The range improvements owned by a state lessee will remain the property of the lessee unless separate arrangements are made between the BLM and state lessee.

Leases and Permits

The state lessees who transfer into a federal permit will be provided a 10-year permit. Those federal permittees transferring into a state permit will have the option of the duration of a state permit. Those who had a federal permit from 5-10 years will be granted a state permit for that duration. Those whose permits were less than 5 years will be allowed to choose a duration up to 5 years. The state permits, upon expiration, will then be available for lease and subject to the lease auction process.

New billing for the year's AUM rate will not begin until the next calendar year of the closing. In other words, if the closing occurs in 2021, the billings from the respective agency will begin in 2022.

Next Steps and Conclusion

The immediate next step includes sending the Department lessees and BLM permittees a letter updating them of the status and schedule of the exchange:

- Obtain Idaho Land Board approval;
- BLM – Sign Environmental Assessment Record of Decision;
- BLM – Publish Notice of Decision;
- BLM – 45-day public comment period;
- BLM – 60-day Governor's Office review;
- BLM – resolve any protests or appeals; and
- Close the exchange via escrow.

The Department will work with the Office of Attorney General on the closing documents and final process to complete the exchange.

In conclusion, the following benefits would be experienced by the Public School endowment if the land exchange is consummated:

- Efficient management of the asset;
- Reduced management costs;
- Acquisition of property with access;
- Blocking up of state land;
- Disposition of state land lacking access; and
- Increased return on investment.

Recommendation

The Idaho Department of Lands recommends that the Land Board approve the exchange and direct the Department to complete and close the Owyhee Land Exchange.

Board Action

A motion was made by Attorney General Wasden that the Land Board fulfill the Department recommendation that is approve the exchange and direct the Department to complete and close the Owyhee Land Exchange. Controller Woolf seconded the motion. The motion carried on a vote of 5-0.

Attachments

1. BLM Concurrence Memo
2. Map
3. BLM/IDL PowerPoint Presentation



REVIEW OF PROPOSED RECORDS OF DECISION AND OTHER DOCUMENTS

Date: June 30, 2020

To: Casey Hammond, Principal Deputy Assistant Secretary, Exercising the Authority of the Assistant Secretary - Land and Minerals Management

From: William Perry Pendley, Deputy Director, Policy and Programs, Exercising the Authority of the Director **WILLIAM PENDLEY** Digitally signed by WILLIAM PENDLEY
Date: 2020.06.30 11:40:07 -06'00'

Bureau/Office: Bureau of Land Management (BLM) – Idaho

Project/Title: Owyhee Land Exchange; IDI-36306 (DOI-BLM-ID-B000-2014-0001-EA)

One Paragraph Summary of Proposed Decision:

The BLM Idaho will convey 11 Federal parcels (31,030.66 acres) to the Idaho Department of Lands (IDL) in exchange for 40 parcels (23,878.16 acres) of non-federal (State) land. The Federal and non-federal lands are appraised at \$5,361,000 and \$5,331,000, respectively. On September 25, 2018, the parties signed a binding exchange agreement to hold the appraised values constant pending completion of the exchange. The State will issue the BLM a \$30,000 cash equalization payment at closing.

Need and Deadline for Issuance:

Environmental Site Assessments (ESA) for the Federal and non-federal lands were completed in 2013 and again in October 2019, finding no evidence that hazardous materials had been stored or released on the properties for one year or more. Prior to title closing, the ESAs will be reviewed to determine if the previous findings are still valid.

Positions of Affected Stakeholders:

The Notice of Exchange Proposal (NOEP), first published on June 13, 2012, identified 32,793 acres of Federal land and 37,880 acres of State land for exchange. Copies of the NOEP were sent to state and local governments, Congressional representatives, Native American tribes, adjacent landowners, right-of-way holders, grazing permittees, interested individuals, and organizations.

During the environmental analysis process, the Shoshone-Paiute Tribe, Shoshone-Bannock Tribe, and the State Historic Preservation Office (SHPO) were consulted. As a result of those consultations, over 3,100 acres of Federal land were dropped from the exchange in response to cultural concerns expressed by the Shoshone-Paiute Tribe. In addition, a Heritage Action Plan is currently being negotiated with the Shoshone-Bannock Tribe to address its concerns regarding potential loss of tribal access to historic homelands. Based on our consultation efforts, the two Tribes and the SHPO have expressed support for the exchange.

Over 10,000 acres of State land were deleted from the exchange in response to concerns expressed by affected grazing permittees and lessees. Additional acres were deleted to help equalize appraised values. Since the Federal and State lands lie within common grazing allotments, currently allocated livestock grazing Animal Unit Months (AUMs) and seasons of use will be unaffected by the exchange.

Following release of the Draft Environmental Assessment, the BLM received two letters asking that the exchange be conducted in a manner that preserves water rights for livestock and avoids administrative issues with maintaining grazing levels. State-decreed stockwater water rights held by the BLM on affected Federal lands will be transferred to the State at title closing. The State currently holds no water rights on the non-federal land.

Owyhee County, within which all Federal and State lands are located, supports the exchange. The Owyhee Initiative, a collaborative stakeholder group that includes conservation, commodity, government, recreation, and livestock grazing interests in Owyhee County, also supports the exchange.

On June 15, 2017, Congressional notification letters were sent to Senators Lisa Murkowski and Tom Udall and Representatives Betty McCollum and Ken Calvert, of the Subcommittees on Interior, Environment, and Related Agencies of the United States Senate and House of Representatives Appropriations Committees. The letters elicited no comments either during or after the 30-day review period.

Key Facts:

- The Federal lands are scattered and isolated parcels lying adjacent to existing blocks of State land. The non-federal lands are located within, adjacent to, and near wilderness areas and wild and scenic river corridors designated by the 2009 Omnibus Public Land Management Act (Public Law 111-11).
- The land exchange will not restrict access to formal recreation areas since no designated off-highway vehicle areas or vehicular trailheads exist on any of the Federal or State exchange parcels. In accordance with Secretarial Order 3373, vehicular access along existing routes on BLM and State parcels outside of wilderness would be unaffected by the exchange. Recreation in the area is limited principally to dispersed backcountry activities, including hunting, fishing, hiking, river floating, antler collecting, horseback riding, and bird watching. Some portions of the wilderness areas are considered prime trophy hunting areas for bighorn sheep. The quality of wilderness-based dispersed recreational experiences in a wild, undisturbed backcountry setting will be enhanced due to Federal land consolidation. Public access to some wilderness areas would be enhanced by acquiring State parcels that provide wilderness access.
- Vehicular access outside of wilderness would be unaffected by the exchange. Federal lands would be exchanged subject to valid existing rights, including U.S. Highway 95, State Highway 51, and county roads, including the Owyhee Uplands Backcountry Byway (Mud Flat Road), Triangle to Jordan Valley Road, Wickahoney Road, and Sommercamp

Road. The few primitive routes that traverse Federal and State parcels outside of wilderness would remain open following the exchange.

- The exchange will consolidate Federal and State land, which will result in more efficient and cost-effective management for both agencies, with no foreseeable change in existing land use.
- Since existing roads will remain open, the exchange could enhance public access to larger consolidated blocks of State land.
- The exchange will benefit the State of Idaho by enhancing opportunities for revenue generation on consolidated State lands. The exchange will increase public opportunities for wilderness-based dispersed backcountry recreation, including hunting, fishing, and river floating. The BLM will acquire nearly 16,000 acres within and abutting four wilderness areas, including 4.5 miles of Wild and Scenic River corridor, three miles of bull trout critical habitat, over 1,000 acres within a bighorn sheep habitat ACEC, and nearly 18,000 acres of priority greater sage-grouse habitat.

State Land Tenure Analysis: Since 2017, the Idaho State Office has issued patents totaling 625.54 acres under the following authorities:

Recreation and Public Purposes Act: 43.35 acres
Special Wilderness Act conveyances: 582.19 acres

Surface acres in Idaho managed by the BLM total 11,617,861 acres. Lands leaving BLM ownership since 2017 equate to the following percentages of the total BLM acres: 2017 – 0%; 2018 – 0.00526%; and 2019 – 0.00011%.

Other Relevant Considerations:

The 1983 Bruneau Management Framework Plan, the 1999 Owyhee Resource Management Plan (RMP), and the 2015 Jarbidge RMP classified the Federal parcels as suitable for disposal by exchange, and the non-federal lands as suitable for acquisition. Public access to some wilderness areas would be enhanced by acquiring State parcels that provide wilderness access. No jobs will be lost because of the exchange.

PRINCIPAL DEPUTY ASSISTANT SECRETARY, EXERCISING THE AUTHORITY OF THE ASSISTANT SECRETARY - LAND AND MINERALS MANAGEMENT REVIEW:

☒ CONCUR ☐ DO NOT CONCUR

COMMENT:

CASEY
HAMMOND

Digitally signed by
CASEY HAMMOND
Date: 2020.07.01
13:52:20 -04'00'

Principal Deputy Assistant Secretary, Exercising the Authority
of the Assistant Secretary - Land and Minerals Management

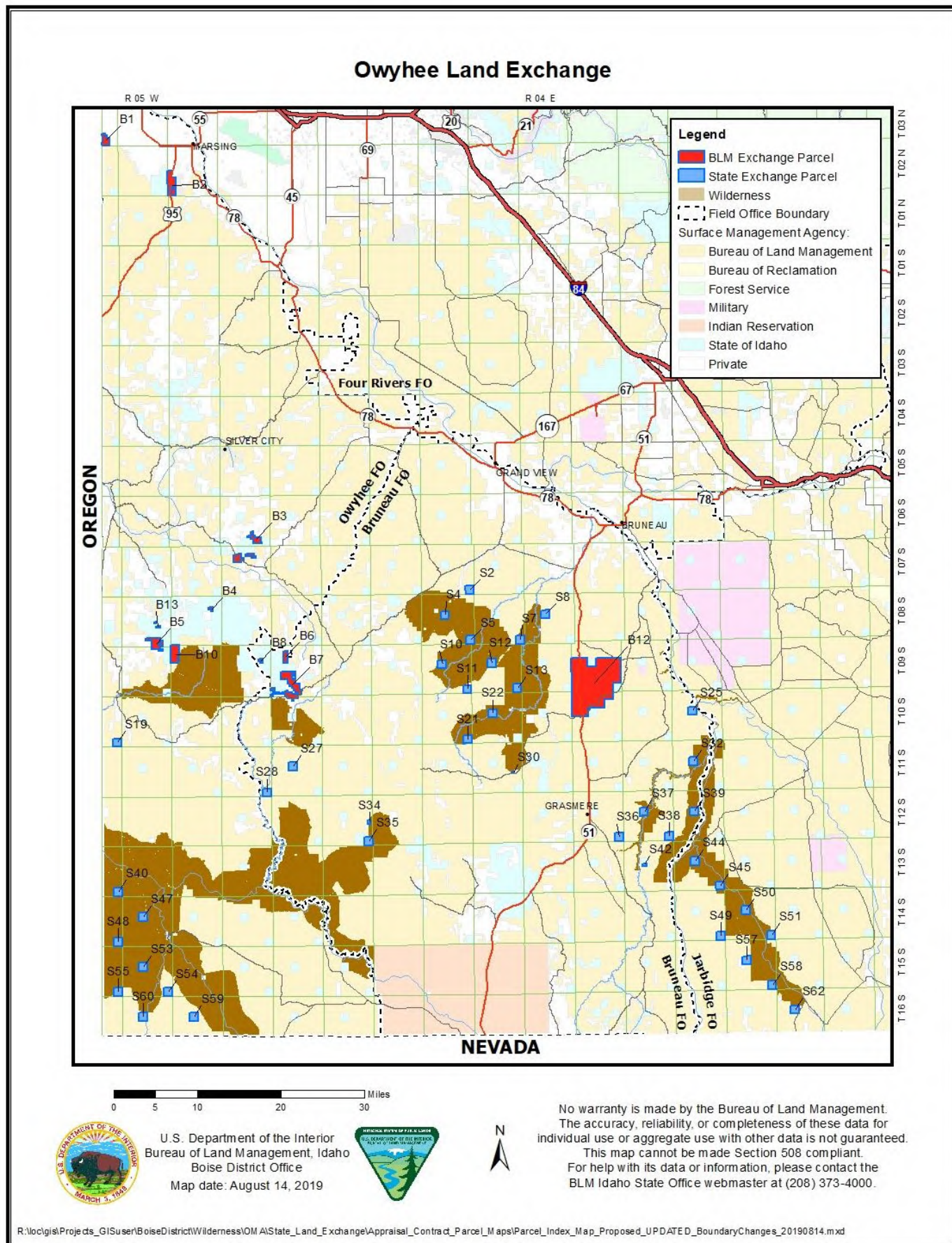


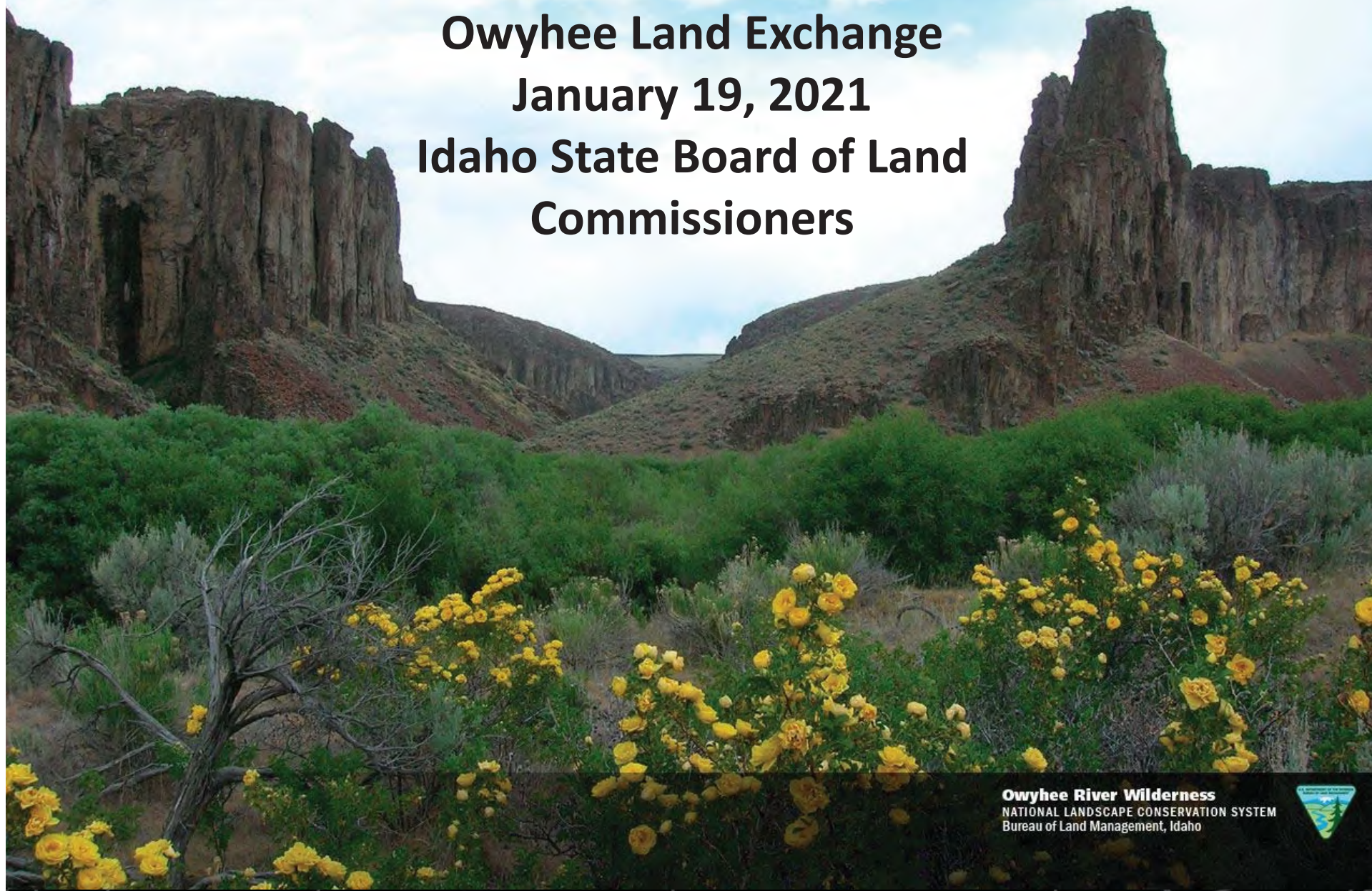
Figure 1. Proposed State and Federal Parcels for the Owyhee Land Exchange



Owyhee Land Exchange

January 19, 2021

Idaho State Board of Land Commissioners



Owyhee River Wilderness
NATIONAL LANDSCAPE CONSERVATION SYSTEM
Bureau of Land Management, Idaho





Purposes for the Owyhee Land Exchange

- Idaho Constitution Article 9 Sec. 8 and Idaho Code 58-138 provide IDL authority to acquire and dispose of lands
- Remove state inholdings from wilderness areas
- Consolidate federal and state lands
- Enhance IDL's ability to derive maximum returns from state land



Timeline and Outreach Process

- July 2008 - BLM and IDL began exchange discussions
- December 2008 - signed initial land exchange agreement
- June 2012 – published the Notice of Exchange Proposal (NOEP)
- Ongoing Agency and Partner Coordination
 - BLM / IDL
 - Owyhee County Commission
 - Owyhee Initiative Board of Directors
 - Grazing Permittees and Lessees
 - Shoshone-Paiute and Shoshone-Bannock Tribes
 - State Historic Preservation Office (SHPO)



Idaho Department of Lands

Concern:

- The constitutional mandate to maximize returns for endowment trust beneficiaries.
- Inability for the state to access and manage state-owned wilderness inholdings.
- Scattered parcels.

Resolution:

- State land is removed from wilderness and consolidated with existing blocks of state land.
- Increased state acreage and larger consolidated blocks of land reduces management costs and enhances the state's ability to maximize revenues.



Owyhee County Commissioners

Concerns:

- Minimize effects to the county economy.
- No impacts to the county's historic ranching heritage.
- The 45-day NOEP public comment period was insufficient.

Resolution:

- Negligible effects to county economy.
- Affected grazing permittees and lessees will be authorized the same number of AUMs and seasons of use.
- The NOEP public comment period was extended to 73 days.
- Commissioners submitted a July 15, 2019 letter supporting the exchange.



Grazing Permittees and Lessees

Concerns:

- Potential impacts to current AUMs and seasons of use.
- BLM permittees were concerned about having to bid for state grazing leases.
- State lessees were concerned about potential future BLM AUM reductions.

Resolution:

- AUMs and seasons of use are unaffected.
- The state will honor a permit with a term over 5 years and will issues permits for any term up to 5 years.
- BLM will incorporate current lease terms into 10-year BLM permits.
- State allowed grazing lessees to opt out of the exchange, affecting over 10,000 acres.



Native American Tribes

Concerns:

- Loss of federal lands that represent their tribal homelands.
- Loss of access to sacred sites.
- Loss of federal jurisdiction over cultural sites.
- Potential damage and vandalism to cultural sites.

Resolution:

- Most lands transferred to the State have been highly disturbed.
- Tribal members have full access to sites on both BLM and State lands.
- Sites located on lands transferred to the State will no longer be managed under the ARPA.
- BLM will acquire and manage lands under the ARPA that contain the highest cultural resource site potential and density.



State Historic Preservation Office

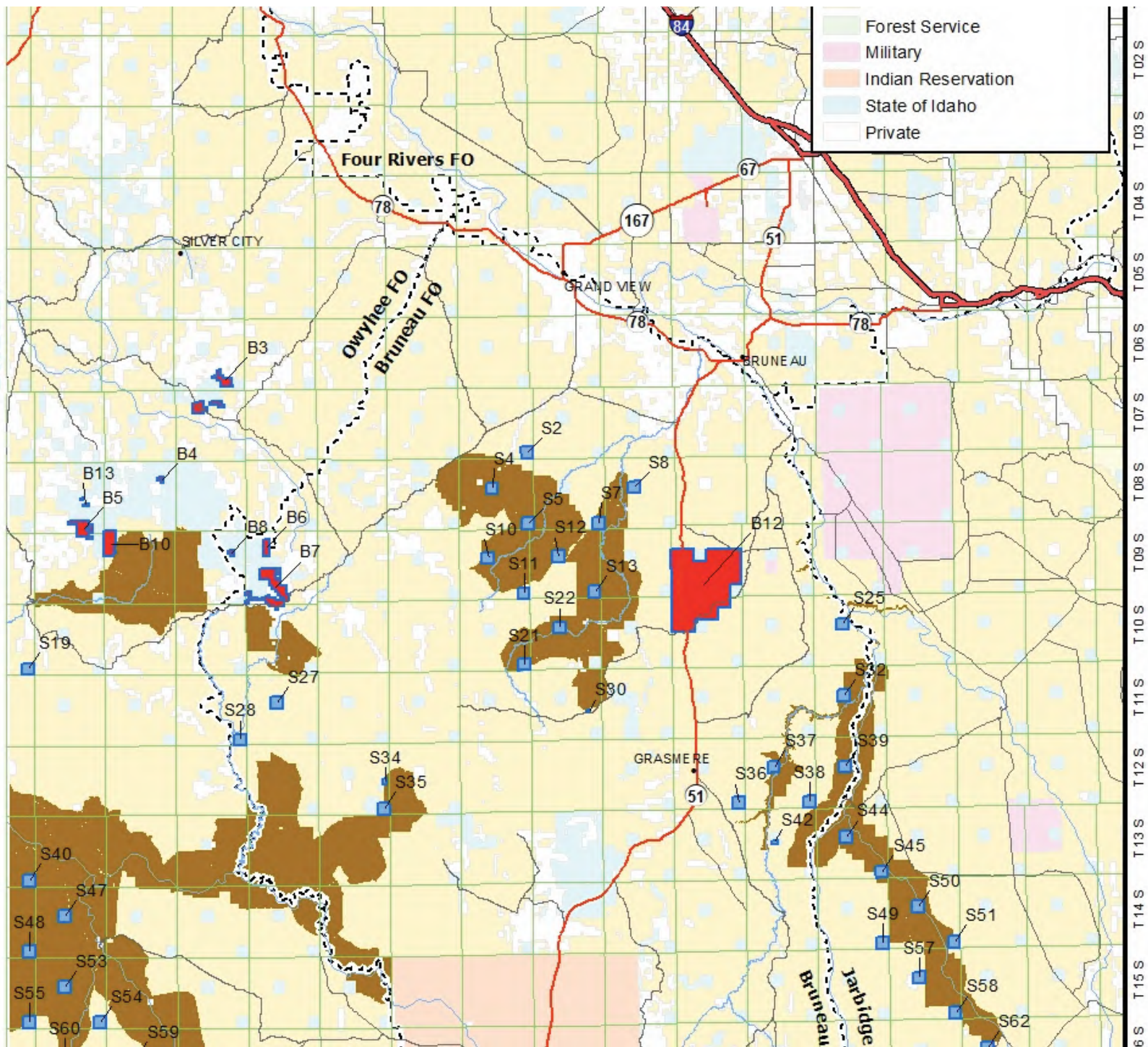
Concerns:

- Adequacy of the landscape-level stratified sampling of cultural resources.
- Ensure that BLM addressed tribal concerns.

Resolution:

- SHPO determined that the sampling strategy adequately identified existing cultural resources.
- Over 3,100 BLM acres were removed from the exchange in response to tribal concerns.
- SHPO issued a letter of concurrence to BLM's finding of "No Effect" to cultural resources.

OREGON





Final Exchange Acreage and Appraised Values

BLM land

- 31,030.66 acres (11 parcels)
- \$5,361,000

State land

- 23,878.16 acres (40 parcels)
- \$5,331,000
- IDL will remit a \$30,000 equalization payment.



Public Interest Determination

- IDL consolidated 40 smaller parcels into 11 larger parcels, most of which adjoin existing state lands
- IDL conveyed over 15,800 acres of wilderness inholdings and 4.5 miles of Wild and Scenic River
- BLM acquired a net increase of 17,825 acres of priority greater sage-grouse habitat
- BLM acquired a net increase of lands designated as high sensitivity for cultural resources
- The exchange enhanced dispersed backcountry recreational experiences, including hunting, fishing, and river floating
- Existing non-wilderness vehicular access routes were unaffected by the exchange



Remaining Exchange Processes

- Obtain Idaho State Board of Land Commissioners' approval
- Sign Environmental Assessment Record of Decision
- Publish Notice of Decision
 - 45-day public comment period
 - 60-day Governor's Office review
- Resolve any protests or appeals
- Close the exchange via escrow



Questions?



OWYHEE COUNTY BOARD OF COMMISSIONERS
COURTHOUSE P.O. BOX 128 MURPHY, ID 83650-0128
TELEPHONE (208) 495-2421

District 1 – Chairman – Jerry Hoagland – P.O. BOX 128 MURPHY, ID 83650-0128
District 2 – Kelly Aberasturi – P.O. BOX 128 MURPHY, ID 83650-0128
District 3 – Joe Merrick – P.O. BOX 128 MURPHY, ID 83650-0128

July 15, 2019

Boise District Office
Attn: (Kara Kirkpatrick-Kreitinger)
3948 Development Ave.
Boise, ID 83705

Re: Owyhee Land Exchange Environmental Assessment (EA) (DOI-BLM-ID-B000-2014-0001-EA)


This document will be delivered electronically to kkirkpatrickkreiting@blm.gov

Dear Ms. Kirkpatrick-Kreitinger:

This letter provides the Owyhee County Comment on Owyhee Land Exchange Environmental Assessment (EA) (DOI-BLM-ID-B000-2014-0001-EA)

We support the proposed exchange of lands as revised by BLM and IDL and briefed to us by Diane French on May 13, 2019.

Sincerely,


Jerry L. Hoagland
Chairman


Kelly Aberasturi
Commissioner


Joe Merrick
Commissioner

From: Russ Hendricks <rhendricks@idahofb.org>
Sent: Friday, July 17, 2020 6:13 PM
To: Comments
Cc: Scott Phillips
Subject: Owyhee Land Exchange Comments
Attachments: Owyhee Land Exchange 0720.pdf

Dear IDL:

Attached are comments from the Idaho Farm Bureau Federation regarding an agenda item which will be on the upcoming State Land Board Meeting on July 21. Please distribute these to the Land Board members and enter them into the record of the hearing.

Please contact me if you have any questions.

Sincerely,

Russ Hendricks
Director of Governmental Affairs
208-342-2688 | cell 208-869-0303
fax 208-342-8585 | rhendricks@idahofb.org



Idaho Farm Bureau Federation®
"The Voice of Idaho Agriculture"™
500 W Washington
Boise, ID 83702-5965
www.idahofb.org

The information contained in this message may be privileged and confidential and protected from disclosure. If you are not the intended recipient of the message, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by replying to the message, and please delete it from your computer.



IDAHO FARM BUREAU FEDERATION

500 W Washington Street
Boise, Idaho 83702
(208) 342-2688 FAX (208) 342-8585

July 17, 2020

Idaho Department of Lands
Attn: Land Board Secretary
PO Box 83720
Boise ID 83720-0050

Dear State Land Board:

On behalf of the more than 80,500 Idaho families who are members of the Idaho Farm Bureau Federation (IFBF), I am writing to express our concern regarding the approval of the Owyhee Land Exchange which is on the Land Board agenda for July 21.

We have members who have a direct economic interest in this transaction. These ranchers possess grazing preference rights as well as state adjudicated stock water rights on the BLM lands that the state seeks to acquire through the exchange.

Idaho Code 25-901 states: "congress acknowledged grazing preference rights and provided for adjudication of allotments on which the grazing preference right was exercised. Livestock ranches are bought, sold, traded and inherited with assurance that the appurtenant grazing preference rights will be transferred to the new base property owner. Therefore, a grazing preference right shall be considered an appurtenance of the base property through which the grazing preference is maintained." Idaho law recognizes both stock water rights and grazing preference rights as legally held property rights that cannot be extinguished without compensation.

Our members have adopted a policy for this very situation. IFBF policy #47 states: "We support requiring any entity which acquires property from the federal government to compensate grazing preference holders on the former federally administered lands for the loss of their property rights if that entity does not continue to maintain and protect those rights."

Our primary concern at this point is that these ranchers have not been given any information about whether the state will continue to recognize either of those rights once the land becomes endowment land or not.

We had previously visited with former IDL Director Tom Schultz several times about this issue, and he assured us that prior to any exchange taking place, we would be notified and the ranchers would be contacted so they could be a part of the discussions on how the exchange would affect their rights. Our members tell us that this has not occurred.

Therefore, if the Land Board believes it must move forward on this project at this time, we respectfully request the Board to provide only provisional approval of the exchange on condition that this issue be

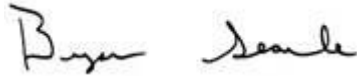
resolved in a manner that is satisfactory to the ranchers involved. In other words, we ask that the Land Board withhold its final approval until this issue is resolved.

It appears there are several additional steps that BLM will have to go through before the exchange can be finalized. This will give time for the parties to reach an acceptable agreement.

Our members are not opposed to the exchange. They are opposed to disregarding the legally recognized property interests of our members who have so far been excluded from this process.

Thank you for the opportunity to provide these comments on this important issue. If you need any additional information, please contact Russ Hendricks in our Boise office at 208-342-2688.

Sincerely,

A handwritten signature in dark ink, appearing to read "Bryan Searle". The signature is fluid and cursive, with the first name "Bryan" and last name "Searle" clearly distinguishable.

Bryan Searle, President
Idaho Farm Bureau Federation

From: Brenda Richards <brichardsbs@aol.com>
Sent: Monday, July 20, 2020 10:01 AM
To: Comments
Cc: Ryan Montoya; Dustin Miller; jruhs@blm.gov; jlhoagland@co.owyhee.id.us
Subject: Owyhee Initiative letter of Support
Attachments: OI Owyhee Land Exchange comments _State Land Board Meeting _07_21_2020.pdf; Attachment 2 _OLEX Map.pdf

Good morning!

Attached is the Owyhee Initiative letter of support for the Owyhee Land Exchange scheduled for tomorrow's (July 21, 2020) Idaho State Board of Land Commissioners meeting as agenda item #6.

Please let me know if there is anything further needed to submit this letter for the record.

Thank you.

Brenda Richards, Chair
Owyhee Initiative, Inc.

OWYHEE INITIATIVE



CHAIRMAN, Brenda Richards; VICE-CHAIRMAN Craig Gehrke

BOARD OF DIRECTORS: The Wilderness Society, Craig Gehrke; Owyhee Borderlands Trust, Inc., Dennis Stanford; Idaho Rivers United, Stephen Pfiefer; Owyhee Co. Soil Conservation Districts, Chris Black; SIDRA (Southwest Idaho Desert Racing Assoc.), Bill Walsh; Owyhee County Cattlemen's Assoc., Frank Bachman; Owyhee County Farm Bureau, Tim Lowry; Sierra Club, Edwina Allen; Backcountry Horsemen of Idaho, Phil Ryan; The Nature Conservancy, Lou Lunte; Idaho Wild Sheep Foundation, Herb Meyr; Idaho Outfitters & Guides Assoc., Grant Simonds; Idaho Conservation League, John Robison

July 20, 2020

Idaho State Board of Land Commissioners
Attention: Dustin Miller, Land Board Secretary
PO Box 83720
Boise, ID 83720-0050

RE: Owyhee Land Exchange, Item #6 on Land Board Agenda for July 21, 2020

This documents will be delivered electronically to comments@idl.idaho.gov

Dear Idaho Land Board:

On behalf of the Board of Directors of the Owyhee Initiative (OI) I would like to submit this letter in support of the Owyhee Land Exchange presented to the Idaho State Board of Land Commissioners on July 21, 2020. The Owyhee Initiative supports the Owyhee Land Exchange as shown on the map accompanying this letter. This is the same map presented by Idaho Department of Lands to the Owyhee Initiative and the Owyhee County Commissioners in 2019. It is also the same map included in the Bureau of Land Management's Environmental Assessment on the Owyhee Land Exchange (DOI-BLM-ID-B000-2014-0001-EA).

The goal of the Owyhee Initiative is "to develop and implement a landscape-scale program in Owyhee County that preserves the natural processes that create and maintain a functioning, unfragmented landscape supporting and sustaining a flourishing community of human, plant and animal life, that provides for economic stability by preserving livestock grazing as an economically viable use, and that provides for protection of cultural resources."

For over a decade, this referenced land exchange has been worked on and considered by the Owyhee Initiative, the Owyhee County Commissioners, the BLM, and the Idaho Department of Lands, as it would help consolidate BLM and State sections for management actions. For the Idaho Department of Lands, specifically, the exchange will reduce management costs, and help

to reduce or alleviate risk, cost and restrictions IDL may have with these lands located within sage grouse habitat and wilderness areas.

Select BLM parcels outside of wilderness that are adjacent to existing IDL lands would be transferred to State ownership. State sections identified, primarily those within or adjacent to BLM wilderness, would be transferred to BLM management.

The current mixed ownership between the State and BLM complicates management for both the BLM and IDL. State sections are managed to maximize the long-term financial yield for State services such as roads and schools, while wilderness is managed by the BLM for wildlife, aesthetics, solitude, and scenery and "...continued livestock grazing where it existed prior to wilderness designation..." as stated in Section 4(d)(4)(2) of the Wilderness Act and Section 1503(b)(3)(A) of the OPLMA.

The purpose of this exchange is to increase management efficiencies, lower management costs, enable more consistent management, and reduce conflicting uses for both agencies. The exchange still provides appropriate access with routes identified and recommended by the Owyhee Initiative while maintaining the wilderness boundaries. The exchange also still allows continuation of livestock grazing in those areas where it is currently taking place.

The Owyhee Initiative Board of Directors has worked for over ten years on details of this land exchange, and strongly supports the fact that the Idaho Department of Lands and the BLM have worked with those directly affected by the land exchange to assure continued use and appropriate accommodations are in place for those grazing livestock on parcels affected by this exchange. The Owyhee Initiative Board of Directors supports the Owyhee Land Exchange presented today.

Respectfully submitted,

Brenda Richards

Brenda Richards

Chair, Owyhee Initiative

Cc: John Ruhs, Idaho State BLM Director
Jerry Hoagland, Chairman of Owyhee County Commissioners

(Owyhee Exchange map attached)

From: Angie Barkell <abarkell@co.owyhee.id.us>
Sent: Monday, July 20, 2020 10:11 AM
To: Comments
Subject: 7-20-20 Owyhee Land Exchange Comment Letter.pdf
Attachments: 7-20-20 Owyhee Land Exchange Comment Letter.pdf

Hello,

Please find a comment letter regarding the Owyhee Land Exchange from the Owyhee County Board of Commissioners.

Thank you,

ANGELA BARKELL

Clerk of the District Court | Ex-Officio Auditor & Recorder

Owyhee County | PO Box 128 Murphy, ID 83650

☎: (208) 495-2421 | ✉: abarkell@co.owyhee.id.us

Responsibility | Input | Empathy | Positivity | Communication



This message and any files attached hereto are intended strictly for the use of the intended addressee and may contain information that is PRIVILEGED AND CONFIDENTIAL. If you are not the intended recipient, and have received this communication in error, please delete all electronic copies of this message and any attached files, destroy any hard copies in existence, and notify me immediately. *



OWYHEE COUNTY BOARD OF COMMISSIONERS
COURTHOUSE P.O. BOX 128 MURPHY, ID 83650-0128
TELEPHONE (208) 495-2421

District 1 – Chairman – Jerry Hoagland – P.O. BOX 128 MURPHY, ID 83650-0128
District 2 – Kelly Aberasturi – P.O. BOX 128 MURPHY, ID 83650-0128
District 3 – Joe Merrick – P.O. BOX 128 MURPHY, ID 83650-0128

July 20, 2020

Idaho State Board of Land Commissioners
Idaho Department of Lands
Attn: Dustin Miller, Land Board Secretary
PO Box 83720
Boise ID 83720-0050

Re: Owyhee Land Exchange

This document will be delivered electronically to comments@idl.idaho.gov

Dear Idaho Land Board:

This letter provides Owyhee County's statement of support for the Owyhee Land Exchange which is an action item on your July 21, 2020 Agenda.

The proposed land exchange arose out of the recommendations of the Owyhee Initiative (OI) Working Group which was created by the Owyhee County Board of County Commissioners. The Commissioners tasked the OI Working Group to develop a strategy to resolve the seemingly never ending litigation over BLM grazing permits and other actions on the federal lands in our county which had become seemingly become the "new normal."

The Commissioners challenged the Working Group to develop an agreement which would become the basis for federal legislation and would create *"a landscape-scale program in Owyhee County that preserves the natural processes that create and maintain a functioning, unfragmented landscape supporting and sustaining a flourishing community of human, plant and animal life, that provides for economic stability by preserving livestock grazing as an economically viable use, and that provides for protection of cultural resources."*

Included in the OI Agreement, which was presented to the Board for review pending delivery to Senator Crapo, was a listing of proposed land exchanges which were developed under the group's stated intent to provide for economic viability of ranching operations. Those initial proposed land exchanges were federal-to-private land or private-to-federal land exchanges. After the passage of OPLMA which enacted the OI Agreement into law, Idaho Department of Lands saw benefits in incorporating state lands into the proposed exchanges as a means to simplify management while still providing the fiscal benefits to the various public entities which are supported by funding from state land revenues.

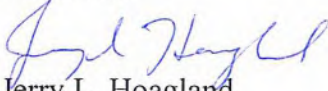
As IDL proposed various state parcels for exchange, Owyhee County and the potentially affected lease holders and BLM land permittees maintained a close relationship with both IDL and the BLM to ensure that the exchanges would not be harmful to the operations that the OI had expressly wished to make more economically viable.

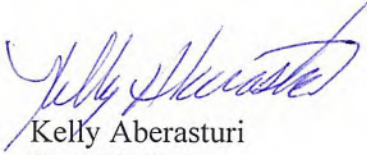
From our review in July 2019 of Bureau of Land Management's Environmental Assessment on the Owyhee Land Exchange (DOI-BLM-ID-B000-2014-0001-EA), and a briefing to us by Diane French regarding the specifics of the exchange, we provided a letter of support for the EA to BLM.

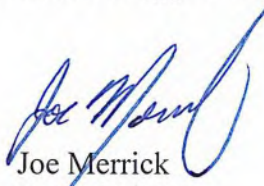
Our current review of the proposed exchange is that it is unchanged from the parcels on which we were briefed in 2019 and which were in the BLM EA which we reviewed and supported. We have also heard from those grazing operators who have interests in the parcels to be exchanged, that they support the exchange.

We support the proposed exchange of lands and encourage the Land Board to approve it.

Sincerely,


Jerry L. Hoagland
Chairman


Kelly Aberasturi
Commissioner


Joe Merrick
Commissioner

cc:

Idaho BLM State Director John Ruhs
OI Board Chair Brenda Richards

From: Russ Hendricks <rhendricks@idahofb.org>
Sent: Tuesday, September 8, 2020 5:04 PM
To: Comments
Subject: Owyhee Land Exchange
Attachments: State Land Board.pdf

Dear IDL:

Attached are comments from the Idaho Farm Bureau Federation regarding an agenda item which will be on the upcoming State Land Board Meeting on September 15. Please distribute these to the Land Board members and enter them into the record of the hearing.

Please contact me if you have any questions.

Sincerely,

Russ Hendricks
Director of Governmental Affairs
208-342-2888 | cell 208-889-0303
fax 208-342-8585 | rhendricks@idahofb.org



Idaho Farm Bureau Federation*
"The Voice of Idaho Agriculture"
500 W Washington
Boise, ID 83702-5985
www.idahofb.org

The information contained in this message may be privileged and confidential and protected from disclosure. If you are not the intended recipient of the message, you are hereby notified that any dissemination, distribution, or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by replying to the message, and please delete it from your computer.



Idaho Farm Bureau Federation

500 West Washington Street
Boise, Idaho 83702
(208) 342-2688

September 8, 2020

Idaho Department of Lands
Attn: Land Board Secretary
PO Box 83720
Boise ID 83720-0050

Dear State Land Board:

On behalf of the more than 80,500 Idaho families who are members of the Idaho Farm Bureau Federation (IFBF), I am writing to again express our concern regarding the Owyhee Land Exchange which is still on the Land Board agenda for September 15.

As we indicated in our July 17 letter, we have members who have a direct economic interest in this transaction. These ranchers possess grazing preference rights as well as state adjudicated stock water rights on the BLM lands that the state seeks to acquire through the exchange. The ranchers have been told that their grazing preference rights will no longer be valid or recognized when the land is acquired by the state, and it is still unclear how the stock water rights will be handled.

Unfortunately, the issues we raised in July have not yet been resolved. Director Miller and other IDL personnel have finally met with our members on September 3, but as of today, no agreement has been finalized to ensure they are fully compensated for their legally recognized rights which will be extinguished through the exchange.

As a reminder, Idaho Code 25-901 states: "congress acknowledged grazing preference rights and provided for adjudication of allotments on which the grazing preference right was exercised. Livestock ranches are bought, sold, traded and inherited with assurance that the appurtenant grazing preference rights will be transferred to the new base property owner. Therefore, a grazing preference right shall be considered an appurtenance of the base property through which the grazing preference is maintained."

Idaho law recognizes both stock water rights and grazing preference rights as legally held property rights that cannot be extinguished without just compensation.

Our members have adopted a policy for this very situation. IFBF policy #47 states: "We support requiring any entity which acquires property from the federal government to compensate grazing preference holders on the former federally administered lands for the loss of their property rights if that entity does not continue to maintain and protect those rights."

This is not a new issue that has surfaced at the last minute. IDL was informed in writing back in 2015 by one of the ranchers involved that these issues would need to be resolved prior to the exchange moving

forward. Therefore, we respectfully request that the Owyhee Land Exchange be removed from the agenda until these issues are fully resolved.

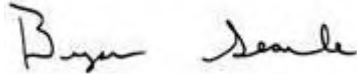
If there is some over-riding reason why the Land Board must move forward before a complete resolution of these issues, we respectfully request the Board to provide only provisional approval of the exchange on condition that these issues be resolved in a manner that is satisfactory to the ranchers involved. In other words, we ask that the Land Board withhold its final approval until all parties are satisfied.

It appears there are several additional steps that BLM will have to go through before the exchange can be finalized. This will give time for the parties to reach an acceptable agreement.

Our members are not opposed to the exchange. They are opposed to disregarding the legally recognized property interests of our members who have only very recently been included in this process.

Thank you for the opportunity to provide these comments on this important issue. If you need any additional information, please contact Russ Hendricks in our Boise office at 208-342-2688.

Sincerely,

A handwritten signature in black ink, appearing to read "Bryan Searle". The signature is fluid and cursive, with the first name "Bryan" and last name "Searle" clearly distinguishable.

Bryan Searle, President
Idaho Farm Bureau Federation