7/16/2020 **DEPT. OF LANDS**JUL 16 2020

BOISE, IDAHO

Bruce Smith PC Partners LLC 2809 S Shadywood Way Boise, ID 83716

Idaho Board of Land Commissioners c/o Idaho Department of Lands 300 N. 6th Street, Suite 103 Boise, ID 83702

Re: Comments on Endowment Land Management Plan Schedule, McCall Area Dear Commissioners:

PC Partners LLC (the Applicant) is an applicant to lease certain endowment lands in the McCall area. One of its applications has been pending for over a year. It has also filed two tort claims (attached) against the state totaling in excess of \$2.5 million for actions and lack of action by the Land Board and IDL which have damaged its economic interests and the interests of the endowments. The Applicant has testified to the Land Board about its applications and the Land Board's obligations to the endowment. The Applicant also addressed the Land Board Subcommittee on Re-investment about measures the Land Board members should consider taking to meet their fiduciary obligations (attached). The Applicant testified at the June 16, 2020 Land Board meeting when the suspension of leasing activities was announced, a step targeted directly at the Applicant (attached). Notwithstanding Applicant's efforts to enhance revenue for the endowments by undertaking publicly available business activities on certain endowment lands—business plans consistent with present Land Board policy, the Land Board has refused to even consider the applications. Instead it has taken steps to contradict its previous directions to the IDL to lease the lands. These actions, as explained in the tort claims, undermine the Applicant's efforts and damage the endowments. Under the guise of a "study" and a "schedule", the Land Board and the IDL continue to shirk their duties and take actions directly contrary to the interests of the endowments. Politics again takes the fore in a manner that is expressly prohibited.

1. The suggested schedule is arbitrary and a bad faith attempt to avoid the Land Board's obligations.

The suggested schedule is arbitrary because it does not match requirements of a "study", a study which has never been described or requested by the Land Board. According to the staff memorandum, the schedule is supposedly designed to allow IDL to prepare some report as directed by the Land Board at its June 16, 2020 meeting. The Land Board did not direct the IDL to prepare a study or report of anything--at least not in public. At the June 16, 2020 meeting the Land Board merely agreed to allow the suspension of new leasing activities while allowing all existing activities to go forward. This highlights in part why the schedule is so arbitrary. The schedule and the study are simply contrived facades to allow the Land Board to delay decision making while it has time to consider the political

ramifications of its decisions. Failing to make decisions thereby costing the endowments revenue is a violation of the Land Board's obligations. Many of the lands in the McCall area, including those included in the Applicant's submissions, historically earn no revenue for the endowments. In fact, they cost the endowments. Yet the Land Board has failed to take even the most reasonable steps to alleviate this problem. As described below, the Land Board has gone in the opposite direction.

2. The history of the Land Board's actions on endowment lands in the McCall area is replete with misguided efforts to inject politics into what should be a straight forward economic analysis.

Land Board politics in McCall is most exemplified by the transfer of endowment cottage sites to private parties generally through the use of suspect auction procedures designed to minimize economic impacts on cottage site lessees while assuring the lessees get title to endowment cottage sites. This is despite the fact that cottage sites earn the highest returns per acre of any endowment land. In 2019, politics again showed up when the Land Board, without notice or explanation, rescinded a private lease that would have earned over \$2.1 million and provided earnings to the endowments. The Land Board rescinded the lease because of personal objections and political lobbying by Tamarack Bay HOA members and their compadres. The net effect was that schools and students suffered at the expense of the political coordination between the Land Board and Tamarack Bay HOA. Damage did not end there. The Applicant also had separate business plans tied to the leased lands. As part of its rescission, the Land Board directed the IDL to prepare the lands for a new lease. The IDL did not do so, and the Land Board failed to allow the lands to be leased. Again the endowments suffer the impacts. The Applicant is damaged as well. Now the IDL has come up with a plan for a "study" that is unplanned, not directed, and with no detail. The scheme suggests a delaying tactic designed to allow for yet more political input. There is simply no basis for knowing if the schedule makes any sense because no one can tell what the IDL is actually doing. The Land Board has never directed the IDL to undertake a study or defined a study or discussed a study. The Land Board actually directed IDL to lease lands.

3. If the IDL is going to undertake some kind of study, in order to determine a schedule that is not arbitrary, the Land Board would have to tell the IDL what the study is to include.

Because the Land Board has never defined a study, instructed IDL to do a study, and has no idea whether a "study" would even comport with the Land Board's obligations, the Land Board should first describe what information it thinks might be helpful in such a study. A "study" with no parameters, no description, and no basic structure is nonsense. Coupled with a "schedule" that has no explanation as to why certain dates are or are not workable, the whole exercise is arbitrary at the best. The fact the purported schedule just happens to match with an upcoming legislative calendar suggests politics is again at play. (Trying to explain trust obligations to the legislature has always been a unique undertaking.)

4. A plan and a legitimate schedule should include an evaluation of all McCall lands and activities, not just select lands or activities.

The "plan" and "schedule" appear to be for only a select group of lands and activities—notably omitting existing or pre-approved activities such as selling cottage sites. Given the Land Board's retroactive review and rescission of an existing lease (Lease 500031 known as the wedding site lease), it is arbitrary—not to mention just plain weird—to exclude existing activities and lands in the "plan" and "schedule". The Land Board's rescission of the wedding site lease has left hundreds or thousands of de facto invalid leases in the McCall area. Excluding these leases as "already approved" activities in the suspension of new leasing demonstrates the arbitrary nature of the Land Board and IDL actions and the "schedule". Notable among the leases that appear to be invalid because of the Land Board's wedding site rescission are the Tamarack Ski lease, the Laski lease on Cougar Island, the Whitehead lease on Shellworth Island, several communication sites leases, and numerous grazing leases—all leases in the purported McCall area plan. The Land Board has refused to even address this problem. The purported IDL plan does not either. Questions anyone?

Conclusion

The schedule proposed by the IDL is, like the "plan" it supposedly supports, arbitrary, frivolous, and lacks any foundation. There is no identified "plan" so knowing whether the schedule makes sense in regard to the "plan" is really an impossible challenge for the Land Board and the public. The Land Board did not instruct the IDL to do a plan so the schedule is as nebulous as the plan. It appears the plan and the schedule represents nothing more than a delay in progress designed to allow testing of the political landscape. The endowment loses again.

Sincerely,

Bruce Smith
PC Partners LLC

June 25, 2020

Bruce Smith 2809 S. Shadywood Way Boise, ID83716

Secretary of State Lawerence Denney State of Idaho PO Box 83720 Boise, ID 83720-0080

Re: Tort Claim

Dear Secretary of State Denney:

In compliance with Title 6, Chapter 9, Idaho Code, the undersigned hereby presents a claim against the State of Idaho for damages arising under the circumstances as described below:

On June 16, 2020, the State Board of Land Commissioners (Land Board) made a decision to suspend processing of certain lease applications for endowment lands in and near McCall, Idaho. This decision was targeted at Complainant and made specifically to prevent the processing of Complainant's two pending applications to lease certain endowment lands. The action damaged Complainant and the endowment.

As the Land Board and each member of the Land Board are aware, Complainant filed a tort claim dated May 11, 2020 based on Land Board and IDL actions associated with the rescinding of Lease 500031 (wedding site lease). That tort claim and its details are incorporated by reference and made a part of this second claim. The first tort claim noted that Complainant had submitted a lease application on the wedding site lease lands in order to mitigate damages to Complainant resulting from the Land Board's action. Subsequent to submitting the first lease application, Complainant filed a second lease application seeking to lease additional endowment lands in order to further mitigate damages caused by the Land Board. The second lease application, to the extent not needed to mitigate, also provided for additional business income for leased lands that would benefit the endowment. The IDL has never attempted to process either application. In fact, the IDL has refused to process the applications apparently at the direction of the Land Board. With regard to the first application, the refusal to process the application directly contradicted the specific process the Land Board had ordered as part of the rescission of the wedding site lease.

On June 16, 2020 at its regularly scheduled meeting, the Land Board, without notice, unexpectedly decided to suspend leasing of endowment lands in the McCall area pending an unannounced "study" of endowment lands in the area. However, in what can only be kindly described as bizarre, the Land Board decision allowed all previously approved and other activities to continue, thus contradicting the very explanation of the need for the study. In actuality, the decision affects only the Complainant's two lease applications. When

Complainant raised this point during the meeting, no Land Board member denied that the action was designed solely to prevent the processing of the Complainant's applications. The Land Board disclosed no basis for suspending the processing of Complainant's applications.

Complainant pointed out the "study" was previously unannounced, had no established parameters or timeline or even objectives. A study of possible endowment management options while still implementing permanent transactions belies the very need for the study. In truth, the study was simply a cover for justifying the suspension of processing Complainant's applications. The Land Board adopted the suspension even before the previously approved public testimony was allowed thus giving evidence to the predetermined nature of the decision. Nothing was going to stop the Land Board from preventing the processing of the applications.

During the meeting, each Land Board member had to suddenly reveal that they and/or their staff had met privately with representatives of Trident Holdings LLC to discuss a 28,000 acre private land trade with the state. Lands included in the proposed trade appear to incorporate the very lands involved in the Complainant's two applications and the wedding site lease. It was not clear which Trident entity the Land Board members met with or when as there are two related Trident entities according to the Secretary of State records. Based on Complainant's past dealings with the Land Board and IDL, there is no doubt that the private meetings were sought and organized by lobbyists and/or attorneys for Trident. The Land Board's political machinations with regard to endowment lands noted in the first tort claim continue unabated.

After the June 16, 2020 meeting, Complainant filed public record requests with the IDL. One document provided was a response to an inquiry by a member of the press. In the response, provided on behalf of the governor's office, it was stated the rescission of the wedding site lease was in order to enhance returns for the endowment and because the wedding site lease had been issued in error due to a failure to conduct a public auction. These statements contradict IDL documents and records showing exactly why the lease was cancelled—documents provided with the first tort claim. It was pure political pressure that led to the cancellation of the wedding site lease. The "failure to conduct an auction" argument flies in the face of the fact that not a single other lease issued under the same procedures as the wedding site lease has been rescinded. If there was an auction defect, the defect applies to many hundreds of existing leases issued with the same process.

There was and is no legitimate explanation for the rescission other than political pressure. The cancellation of the wedding site lease, the actions to prevent the processing of the Complainant's applications, the behind-the-scenes meeting with lobbyists and private parties to engage in a land trade, and the unfathomable explanations offered all explain the political motivations underlying the Land Board's actions. As Land Board members know full well, in terms of judicial review, these actions have less chance of surviving than an anti-agricultural bill in the Idaho legislature. So be it.

This second tort claim is directed at the Land Board as a whole and each member because of their direct and intentional acts in suspending the processing of Complainant's applications. Co-

trustee liability clearly applies. The collective and individual actions have damaged the Complainant and the endowment. Damages suffered as a result of the Land Board's actions now amount to between \$2,340,000.00-\$2,844,000.00 in lost profits, \$200,000.00 in residual asset value, income from other activities on leased property, loss of Goodwill, attorney and expert witness fees, prejudgment interest, and out-of-pocket expenses. As with the first tort claim, Complainant reserves the right to file additional claims against the state and individual Land Board members in the event other actionable activities are discovered or take place, a circumstance which seems almost predictable at this point.

In keeping with the above, at the June 16, 2020 meeting, the Governor made the statement that "we can always reclassify the lands." Although not explained in detail, this may have been a reference to changing the classification of state timberlands since timberland assets are part of the endowment lands at issue. As the Land Board is aware, the sale of endowment timberlands is prohibited. Attempting to reclassify timberlands so they can be sold is an exercise in futility. To reclassify timberlands as cottage sites so they can then be sold to friends will run headlong into the same kind of political mess as has been visited in the past. It appears the Land Board has the view that waving the fiduciary obligation flag is absolution for whatever action it wants to undertake. Far from it. A simple explanation often used in classrooms is that robbing a bank with the intent to distribute money to the needy does not negate the fact it is still a violation of the law to rob a bank. Here, a violation of the law under the guise of meeting a fiduciary obligation violates not only the law but the fiduciary obligation itself.

As for all the outstanding leases that are de facto invalid based on the Land Board's rescission of the wedding site lease and the "auction" response to the press inquiry, this is a request on behalf of Idaho school kids that the Land Board immediately take steps to address the leases. Lessees and beneficiaries are entitled to understand. Furthermore, the Land Board should undertake a review of cottage site sales to make certain the endowment has not been shortchanged. The retroactive review reflected in the wedding site mater validates the appropriateness of such a review and investigation.

Thank you.	
Sincerely,	
PC Partners LLC	
Bruce Smith, Manager	

Attachments:

Testimony of Bruce Smith at June 16, 2020 Land Board Meeting Tort Claim dated May11, 2020 w/o attachments November 18, 2018 email to Governor's Office by Dee Dee Smith March 27, 2020 letter to Land Board Re-Investment Subcommittee June 19, 2020 email from Sharla Arledge to Rocky Barker

Testimony of Bruce Smith

State Board of Land Commissioners Meeting June 16, 2020

My name is Bruce Smith. I am one of the McCall area lease applicants noted in the Department's memorandum/recommendation dated June 16, 2020, and submitted to the Land Board for its June 16, 2020 meeting. The Department is recommending that it be directed to suspend all leasing and disposition of endowment lands in the McCall area. Exceptions would be made for current leasing, selling of cottage sites, and issuing land use permits for three years. The suspension would last until some undefined study is completed to figure out what to do with endowment lands in the area.

I oppose the Department's recommendation. First, my application has been sitting for over a year with no action. That is long enough. My application proposes activities which are straight forward, temporary, follow Land Board direction, and earn income for the endowments. Given Land Board fiduciary obligations, my application should not be controversial. Second, the Department memorandum and recommendation are illogical, violate specific Land Board direction, and offer not a shred of rationale or basis to support the requested Land Board approval. The recommended actions are inconsistent. For instance, the recommendation suggests authorizing permanent actions but ignoring temporary ones while the Department does its study on what to do. If you are going to do a study on what to do, common sense and logic dictate that you don't take permanent steps that might contradict or foreclose actions identified in the study. Approval of the recommendation given what has been made public would be the most arbitrary and capricious of actions.

The memo's request for direction does indirectly highlight a problem- not with endowment lands themselves- but with Land Board vacillation and contradictory behavior— behavior leaving the Department not knowing what to do and the public wondering what is going on. An obvious problem for the Department staff is that if they do something following Land Board direction which then changes, as shown in certain instances, under the bus they go. Second, staff spends time and effort pursuing actions that turn out to be inconsistent as between the various Department programs. For the public, at a minimum, there is a waste of time, energy, money and other damages. Endowments can suffer as well.

The Land Board's breach of the wedding site lease in McCall (Lease 500031) last April, referenced in the memo, highlights these problems. With no notice and no specific explanation of its action, the Land Board, apparently because of political pressure, chose to breach an existing business lease – a lease that had been approved by the Land Board and its legal staff and signed by the governor and the secretary of state. The breach destroyed business plans and investments, deprived the endowments of revenue, generated two tort claims, cost the endowments \$355,000.00 in settlement, shut down the Department of Lands leasing program, and left hundreds of invalid leases in its wake. Damages to the Land Board's ability to generate endowment revenue over the long term remain to be seen. People are going to be reluctant to invest time and money based on a state contract that can be cancelled at any time for no reason.

Endowment land management in the McCall area can be complex because some people do not understand the Land Board's obligations. If the Land Board decides to do something in response to the memo and recommendation, it needs to be fair and reasonable—something the Department's recommendation is not.

Rather than pursue the recommended course of action, the Land Board needs to consider a broader, more comprehensive fix for the issues raised by the Department. No one questions that Land Board members and Department staff have a challenging job. Good faith efforts and intentions should not be questioned. However, there are some inherent obstacles that Land Board members face, in particular the political influence concern. Given the wedding site situation and ongoing management issues in McCall, this problem needs to be acknowledged and addressed. Recognizing these challenges, there are some specific steps for the McCall area the Land Board can take to help its present and future members do a better job in McCall and in general:

- Open up your activities and deliberations to the public. You should be proud of your efforts on behalf of the endowments, not secretive. Active participation by all members will be beneficial. Encourage and accommodate public comment at the Land Board meetings. Help the public understand what your role and obligations are.
- You have to send notices to existing lessees explaining that their current leases are invalid and
 assuring them you are taking steps to fix the problem as you did with the grazing lessees. In the
 McCall area, probably Tamarack and cottage lessees are most critical. Priest Lake lessees should also
 be notified.
- 3. If you choose to suspend leasing, stop it all, not just some. Be reasonable.
- 4. If the Department is going to do a McCall study, publicly define what it is, what it has to contain and when it has to be completed, and stop all permanent activities until the study is complete. Be open about the process and progress. This means temporarily suspending cottage site sales. This should not be a problem because cottage sites are the highest returning assets per acre in the endowment portfolio and have the highest appreciation. The endowments actually gain from this suspension.
- 5. Hire an ombudsman to interact with lessees and applicants. This will free up Department staff to do their jobs.
- 6. Hire an independent inspector general to examine Land Board/Department practices, help deal with the political influence problem, identify past mistakes and make recommendations to correct them.

Thank you.

Attachments: March 27, 2020 Letter to Reinvestment Subcommittee regarding cottage site assets

May 11, 2020 Tort Claim with attachments

May 11, 2020

Bruce Smith 2809 S. Shadywood Way Boise, ID 83716

Secretary of State Lawerence Denney State of Idaho PO Box 83720 Boise, Idaho 83720-0080

Re: Tort Claim

Dear Secretary of State Denney:

In compliance with Title 6, Chapter 9, Idaho Code, the undersigned hereby presents a claim against the State of Idaho for damages arising under circumstances as described below:

On January 2, 2020, the State Board of Land Commissioners (Land Board) and the Idaho Department of Lands paid \$355,000.00 to settle a claim against the state by The Grove McCall LLC based on Land Board lease 500031. The Land Board had previously, without any notice or explanation other than vague references to "processes", unilaterally rescinded The Grove McCall lease which had been executed by then Governor Butch Otter and Secretary of State Lawerence Denney. However, rather than allowing The Grove McCall's business under the lease to go forward, the settlement actually provided for payment of substantial money damages to The Grove for the Land Board's rescinding the lease. Complainant inadvertently learned of the settlement on January 2 or 3, 2020 as a result of ongoing discussions between The Grove McCall and Complainant about planned activities on the site leased to The Grove. Complainant later learned of the substance of the settlement. The settlement, which kept the rescission in place, was a shock to Complainant and others who learned of it. Complainant had verified with the Idaho Department of Lands prior to the rescission and settlement that the lease was valid, would remain in effect, and would be defended. The Department of Lands had even issued a letter to that effect signed off on by the Attorney General's office. Complainant relied upon the lease terms and the representations by the Department of Lands to engage with The Grove and move forward with Complainant's business plans and efforts on portions of the leased property.

The Land Board's breach of the lease had far-reaching impacts and caused significant damages. It cost the state \$355,000.00 to settle with The Grove. It cost the school endowments substantial returns as The Grove had anticipated income of \$2,100,000 during the term of the lease while using only three of the twenty-eight leased acres. The breach damaged the Land Board's role and credibility in securing returns for the school endowments. Critically, the rescission and settlement decisions by the Land Board rendered all previously issued leases,

which used the same process as that for issuance of The Grove lease, de facto invalid and void. These leases include grazing leases, commercial leases, communication site leases, cottage site leases and related sales, and others. To the best of Complainant's knowledge, as further evidence of the Land Board's improper actions, the Land Board did not rescind any other lease suffering the same alleged processing defects as in The Grove lease. Lease 500031 was the sole lease subject to the extraordinary act of unilateral rescission without notice or explanation. The Land Board's breach forced the Department of Lands to place on hold all leasing activities and many other land management decisions while it undertook a months' long effort to revamp the advertising process for future leases. The rescission and settlement also effectively killed Complainant's planned business undertakings at the site, a fact made known to the Attorney General's office and the Department of Lands.

As later discovered, the Land Board's breach of the lease was not based on processing issues, but rather because of political concerns. A number of residents of McCall, including the Tamarack Bay HOA and others, had learned of the lease and decided they did not want The Grove McCall's business to go forward. A review of the records involving Lease 500031 revealed the Tamarack Bay HOA consortium had not paid attention to the state leasing process, never objected prior to its issuance, did not file a competing application, did not understand the lease, and lacked any viable legal objection to the lease. This was all made clear in the Department's letter to the Tamarack Bay consortium. The records also indicate the Department of Lands staff had followed established Land Board approved steps in issuing the lease. However, despite its legal shortcomings, the Tamarack Bay HOA and its members started a campaign to get The Grove business shut down. The clearest route was political—get the Land Board to terminate the validly issued lease. As one request to the Governor's office clearly explained: "We want this lease terminated and want this issue to go away quietly...." The Land Board and the Tamarack Bay consortium worked to achieve that very result, damages to the endowments and others notwithstanding.

Complainant's claim is against the Land Board and its members, the Idaho Department of Lands acting through its director, and the office of the Attorney General. Witnesses include the Land Board members and their staff, certain Idaho Department of Lands personnel, and members of the Tamarack Bay HOA consortium. Because some activities were concealed through the Executive Session process all witnesses cannot be identified at the present. A review of public records have identified the following people with some connection to or knowledge of events: Land Board members, Donna Caldwell, Deborah Burk, Angela Kaufman, Darrell Early, Dustin Miller, Bill Haagenson, Joy Vega, Dave Groeschl, Jennifer Williamson, Denise "DeeDee" Smith, Steve Bergstrom, Tom Russell, Larry Hettinger, Shawna Arledge, Scott Corkill, Emily Callahan, Jasen King, Tamara Armstrong, Barbara Tate, Ray Ryan, Bruce Belzer, Sam Parry, Mike Murphy, Marin Sanborn, Greg Wilson, Tim Hurst, Brian Benjamin, Chad Houck, Chris Strow, Scott Philips, Larry and Carla Hettinger, Randall and Gayle Stauffer, Lynda and Jay Smithman, Brianna Bambic, Bruce and Susan Belzer.

Complainant's claim is based on Tortious Interference with Prospective Economic Advantage, Conspiracy with the Tamarack Bay HOA consortium to Commit Tortious Interference with

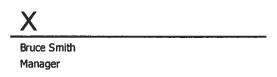
Prospective Economic Advantage, Constitutional Violations of Due Process, Equal Protection, and Takings. Possibly there were violations of the Open Meetings Act as well. Complainant reserves the right to file additional claims against the state in the event other actionable activities took place without disclosure or through concealment. Thus the state is on notice that additional tort claims may be filed in the future.

Complainant's business plan involved establishing a Glamping business to serve the public. The proposed business plan was profitable, would have created income for the endowments, would have reversed years' of negative returns from the endowment property, and would have preserved valuable endowment assets while affording the Land Board future options with regard to the endowment property. The carefully limited development avoided the kinds of complaints voiced by the Tamarack Bay consortium. Using removable yurts, instead of building cabins and permanent infrastructure also avoided the cottage site leasing problems of other areas. The Complainant's business and location were unique and not likely to be economically replicable in the McCall area. All of this was lost though the Land Board's actions.

The damages suffered as a result of the Land Board's and Department's actions include between \$1,170,000.00-\$1,422,000.00 in lost profits, \$100,000.00 in residual asset value, income from other development opportunities on the leased property, loss of Goodwill, Attorney and Expert Witness Fees, Prejudgment Interest, and certain out-of-pocket expenses which are still being determined.

As a final matter, Complainant has used its best efforts to mitigate damages. As the above described unprecedented circumstances were unfolding, Complainant submitted a Lease Application to the Department of Lands to lease the same property that was subject to Lease 500031 in the event the rescission of the lease was not reversed. Given the terms of the settlement, Complainant then sought the cooperation of the Attorney General's staff and Department of Lands' staff to have the application processed without success. Complainant also asked for assistance from Superintendent of Public Instruction Ybarra's office to have the application reviewed and processed but has never received any response. Viewed differently, this claim should not have been necessary.

Sincerely Yours, PC Partners LLC



Attachments:

December 19, 2018 Letter to Tamarack Bay/Nelson from IDL

Email from D. Smith to Governor's Office
Page 5 of 6 from March 19, 2019 Land Board Meeting
April 26, 2019 letter to Travis Leonard
Comment letter from Brianna Bambic
Comment letter from Lynda and Jay Smithman
Comment letter from Bruce and Susan Belzer
Comment letter from Randall and Gayle Stauffer
Application by PC Partners LLC and Receipt

Please let me know what you think I should do next. We want this lease terminated and want this issue to go away quietly but it might be too late for that. Thanks so much.

Dee Dee

Denisa Smith to Governor

Bruce M. Smith 2809 S. Shadywood Way Boise ID 83716

March 27, 2020

Governor Brad Little
Attorney General Lawrence Wasden
Mr. Irving Littman
P.O. Box 83720
Boise, ID 83720

Re: Endowment Reinvestment Subcommittee
Sale of Public Lands/Cottage Sites and Commercial Property

Dear Members of the Endowment Reinvestment Subcommittee,

The recent deliberations and data reviewed by the Endowment Reinvestment Subcommittee (Committee) have been helpful in understanding the current status of the state endowment funds and related endowment land issues. The Committee has unearthed several important questions and is to be commended for its efforts. In fact, the discussions, questions, and dialogue among the Committee members have exceeded discussions and dialogue among the collective Land Board members during the entirety of the year. One of the most obvious outcomes from the Committee's efforts is that it is time to end the process of selling leased and unleased cottage sites. Doing so is a matter of fiduciary obligations and being a prudent investor. The Land Board should also reconsider the selling of commercial properties

I have had the opportunity to observe many of the deliberations of the Land Board and the Committee, at least those that have been public. Since the Committee is preparing to provide recommendations to the entire Land Board, it is particularly relevant at this stage to consider some of the more salient aspects of the Committee's deliberations. Committee members have made the following points:

- 1. Governor Little correctly noted the importance for periodic review of underlying facts, assumptions, and data when making investment decisions dealing with endowment lands. Annual review of the investment hurdle rate was one telling example.
- Attorney General Wasden and Land Board counsel noted the Land Board is limited in some of the actions it can take such as the prohibition on selling timberlands, and that there are potential conflicts between statutory and constitutional obligations that would require the Land Board to resolve the conflicts as part of its decision making. For

- example, redefining timberlands as cottage sites or another class so they could then be "sold" would certainly be unconstitutional, a breach of fiduciary obligations, and the Prudent Investor Rule. The Attorney General noted fiduciary obligations extend to present and future beneficiaries.
- 3. Governor Little, Attorney General Wasden, and Mr. Littman all emphasized the fiduciary obligations of the Land Board members, as well as the critical nature of the Prudent Investor Rule.
- 4. All three members acknowledged that political considerations can play no role in investment decisions. The endowment investment advisor agreed. Mr. Littman also pointed out questions regarding whether the Land Board could consider tax implications for counties. The unanimous response was "no". The same principle applies to existing cottage site lessees. For example, on one leased cottage site in the Payette Lake area, a 2019 appraisal valued the lot at \$1,008,000.00. A second appraisal in 2020, 12 months later, valued it at only \$800,000.00 -- in a market that is supposed to be increasing. The effect is to shift at least \$208,000.00 of "value" to the lessee, thus benefitting the lessee at the expense of the endowment. Problems with the VAFO program are numerous and serious.

The above details of the Committee's deliberations require that the sale of public lands such as leased and unleased cottage sites be ended. The sale of commercial properties likewise needs to be carefully considered. In other words, the Land Board needs to slow down, take a deep breath, and think about this before permanent mistakes are made. Business as usual will not do and will not meet Land Board fiduciary obligations. Each Land Board member needs to make an independent, individual assessment of this situation and their own obligations, in particular since some members were not on the Board in 2010.

The beginnings of the current cottage site sales program, as described in the 2010 Heartland LLC report, began around 2009. All Land Board members at the time recognized the program was designed largely as an ill-disguised effort to transfer ownership of state cottage sites at Payette Lake and Priest Lake to current lessees. The Heartland report uses statements, assumptions, and data from 2010 and prior years to justify its recommendations. It also references the political aspects of the decision to sell cottage sites. The Heartland report has never been revisited or updated. Continuing to make investment decisions using the outdated Heartland report only exacerbates the original concerns, including the political implications embedded in the report's recommendations. The current Land Board is not bound by and should not be making investment decisions using outdated assumptions by some previous Land Board members.

Cottage sites and commercial properties represent individual asset classes that add critical balance and diversification to the endowment portfolio. These two asset classes provided, and have the potential to continue providing, the highest returns per acre of any asset class. Their rates of return are approximately three-to-five times that of other classes. For the past three years, cottage sites and commercial properties have appreciated approximately three-to-four times the rate of other asset classes. Selling off these public lands is an irretrievable

disposition of valuable endowment assets. The Land Board can buy stocks and bonds all day long – not so with cottage sites at Payette and Priest Lakes. Cottage sites, once sold, are likely gone forever, thus foreclosing significant revenues that out compete all other classes.

Governor Little pointed out in the March 12, 2020 meeting that approximately 80% of cottage sites and commercial properties have been disposed of since 2011. Over 342 cottage sites at Payette and Priest Lakes have been sold, the vast majority being sales at no more than the minimum appraised value to existing lessees holding potentially illegal leases. For most sales to existing lessees under the VAFO program, there is no competitive bidding at all, in part due to questionable auction procedures. These circumstances alone should alert a fiduciary/prudent investor and generate scrutiny and questions as to substance and process. That sales have continued for so many years with no review of underlying assumptions, data, and procedures should be a concern for the Land Board, with constitutional concerns at the fore. No fiduciary/ prudent investor would sell, through constitutionally suspect procedures, the most valuable, highest returning assets from their "Sacred Trust" portfolio in 2020 based on 2010 assumptions and data that have not been updated or reviewed.

The Committee has had an opportunity to examine many aspects of the endowment in much greater detail than the Land Board as a whole. The Committee needs to recommend, and the Land Board needs to take, immediate action to stop the sale of public land cottage sites and commercial properties. The Land Board needs to make certain its information is timely, and that its actions comply with constitutional and statutory obligations before even considering selling these lands. Each member of the Land Board needs to fully understand and grasp their individual obligations. As seen in the recent undertakings regarding Lease 500031 in McCall, mixing constitutional questions and political considerations creates a toxic brew. Constitutionally questionable sales pose a two-prong risk of devaluing the overall trust fund and jeopardizing previous sales agreements.

Sincerely,

Bruce M. Smith

cc: Superintendent of Public Instruction Ms. Sherri Ybarra Secretary of State Mr. Lawerence Denney State Controller Mr. Brandon Woolf Director Dustin Miller From: Thomas Manning, MD <TManning@idneuro.com>

Sent: Friday, July 17, 2020 12:00 PM

To: Sharla Arledge

Subject: Re: Comments regarding the Upcoming Agenda Item: Endowment Land Management

Plan Schedule, City of McCall/Vicinity

Thanks Sharla,

I would like my below letter included as part of the record for this coming Tuesday's Land Board meeting, as regards the agenda item, "Endowment Land Management Plan Schedule, City of McCall/Vicinity". I believe that it is agenda item #8 on the published Final Agenda. Thanks for making sure this letter gets included as part of the formal record. My comments are directed at considering the transparency of the "Endowment Land Management Plan Schedule, McCall/Vicinity".

All the best, Tom Manning

Sent from my iPhone

On Jul 17, 2020, at 9:29 AM, Sharla Arledge <sarledge@idl.idaho.gov> wrote:

Dr. Manning-

Thank you for your email, we appreciate your concern. All of your emails have been reviewed and provided to the director and Land Board members. Please note, Trident has recently withdrawn its request and will not be presenting at the July 21 Land Board meeting. As mentioned to you previously, IDL, with the help of our expert consultants, is conduction its own study of endowment lands in and around McCall. The item on the agenda that you refer to is specifically regarding the IDL study. Trident has presented an idea of an exchange, however, there has been no formal application. There is nothing before the board being considered.

Materials for the Land Board meeting can be found here: https://www.idl.idaho.gov/about-us/land-board/meeting-materials-minutes-archive/

We have developed a list from emails sent in and I plan to send an email out if there is a new development before the Land Board. I hope this puts you more at ease. Sharla

From: Thomas Manning, MD < TManning@idneuro.com>

Sent: Friday, July 17, 2020 8:56 AM

To: Comments < comments@idl.idaho.gov>; Sharla Arledge < sarledge@idl.idaho.gov>; Renee Jacobsen < rjacobsen@idl.idaho.gov>

Subject: Comments regarding the Upcoming Agenda Item: Endowment Land Management Plan Schedule, City of McCall/Vicinity

Please forward to all members of the Land Board and to Dustin Miller:

Public lands are among the most important entities that the citizens of our state collectively own together. How we take care of these lands, and what we allow to

happen to these lands, will reflect back upon us in 50 to 100 years as to the quality of the citizenry we are now.

I am concerned about the "Endowment Land Management Plan Schedule, City of McCall/Vicinity" being discussed at this Tuesday's Land Board Meeting (July 21st). My letter pertains to that agenda item, and I would ask that this letter be included as part of the record for the July 21st Land Board meeting.

I have concerns over the openness of this process. Concerns heightened by events of the last six weeks. I read closely the minutes of the June 16 Idaho Land Board meeting. I also watched the Idaho PBS video recording of the meeting. In that meeting, each of the five elected officials who sit on the land board had to state for the record that (outside of and in advance of the Land Board meeting), they (or in one case their staff) had each met with Alec Williams of Trident Holdings to be briefed on his proposal to gain control of 28,000 acres of the public land around McCall.

This 28,000 acres is land that is used daily by wildlife and Idaho citizens. Land tracked by elk in their migration from the mountains to the valley. Meandering riverbeds crisscrossed by moose. Land that serves as home for innumerable other species of wildlife. Public Land cared for and appreciated by Idahoans treading lightly upon it. In the video, first, Attorney General Wasden admits to having been briefed on May 7th by a lobbyist team representing Trident Holdings. Each of the other elected officials, Governor Little, Secretary of State Denney, Comptroller Woolf, and Superintendent Ybarra later in the video also acknowledged that they (or in one case their staff) had received similar briefs.

At the June 16 meeting, Trident and it's proposed McCall area land swap proposal came before the board and Mr. Alec Williams spoke before the board regarding an outline of his proposal. The issue is now BEFORE THE BOARD.

The Trident Holdings LLC team that briefed our elected officials using insider access was made up of:

1) Alec Williams: 33-year-old Ivy League-educated MBA/JD. Brief, fairly unremarkable service as a Navy SEAL (as a frogman, this kid was certainly no Bill McRaven, no Eric Olson, no Rudy Boesch, and no Chris Kyle). Degrees from Princeton, Yale, Harvard. Now trying to capitalize upon and sell the SEAL brand (the gold emblem worn on the chest and affectionately known as the "Trident"). After getting his Harvard MBA, Alec cut his teeth in New York working for private equity and most recently working at Table Management LP, a firm that manages the personal wealth of Hedge Fund Billionaire Bill Ackman. Alec is intimately connected with New York private equity firms. After not quite a year of working for Bill Ackman, Alec has now returned to Idaho and has assembled financial backing and a high-priced team of lobbyists and lawyers and is attempting to portray himself as a local boy trying to "preserve" these 28,000 acres of public land.

- 2) Greg Casey: Lobbyist, formerly CEO of BIPAC. Founding partner at Veritas Advisors LLP. Made headlines in 2014 for parking his Bentley sports car mere yards from the U.S. Capitol. Casey came up in the politics game hitching his wagon to that of Sen. Larry Craig (the same Larry Craig whose career finally spun out of control in 2007 following his arrest in a Minneapolis Airport men's room). Now he seems to be focusing on delivering access to politicians here in Idaho. Casey is a consummate "money buys access" guy. In 2017, the Spokesman-Review quoted Casey as saying, "As long as the people who are the voters know where the support comes from, it's really their decision whether a campaign contribution constitutes corruption. . . . I don't think there's too much money in politics. I think it's the mother's milk of our republic." Casey is now facilitating high-level, closed-door meetings with Idaho's elected officials on behalf of Alec Williams.
- 3) Erika Malmen: Natural resources lawyer with Perkins Coie. Her client list reads like a "who's who of Idaho's extractive industries," according to reporters in 2015. Erika's back-door nomination to become a federal judge in 2015 faltered under the light of public scrutiny. At the time that she was put forward for judgeship, she had essentially zero judicial experience. Please read Betsy Russel's article in The Spokesman-Review detailing the failed back-door judicial appointment. Erika's husband, Jeff Malmen is one of the top political operatives in the state, having most recently served as chief of staff to governor Butch Otter. Erica's husband Jeff now works to direct Idaho Power's political campaign donations in his role as Senior Vice President for Public Affairs at Idaho Power. The Malmen family has made a family business out of insider access, corporate representation, and courting political favors with campaign donations. Now Erica is serving up the insider access for Alec Williams.
- 4) David Lehman: Lobbyist with Primus Policy Group. David came up in the politics game as a policy advisor to then-Gov. Kempthorne. Followed Kempthorne to the Department of the Interior in 2006. Has now spent the last decade as a private lobbyist.
- 5) David New: Timber industry consultant. Formerly at Boise Cascade. Now the principal at Growing Excellence, Inc., a forest business management consultant firm whose recent clients have included the Idaho Department of Lands. Now he's been hired by Alec Williams to facilitate a heist of those same Public Lands.
- 6) Financial backing: Unknown. Alec Williams refuses to disclose. Likely a lot of lot of New York City telephone area codes in his list of contacts and east coast money writing the checks to underwrite expensive lobbyist work. Remember that Alec's last job before coming to Idaho was working for Hedge Fund Billionaire Bill Ackman.

Please shine the bright light of public scrutiny upon these back-room dealings! The North Fork Payette watershed is too special a place to allow for these sorts of closed-door meetings organized by lobbyists. Let prospective land speculators who are hoping to get their hands on the Public Lands know that closed-door private meetings are no

longer acceptable. Discussions need to be in the public forum, going forward. Long term protection for this watershed will be necessary. Concerned citizens and organizations are working towards solutions for long term protection. Please work with all the stakeholders in an open, public manner to preserve the Payette watershed and preserve the quality of Idaho lakes and wildlife habitat.

Respectfully,

Tom Manning

McCall and Boise

Sent from my iPhone

From: Sheree Sonfield <sonfield@telus.net>

Sent: Friday, July 17, 2020 2:32 PM

To: Comments

Subject: Comments for Agenda item 8 on July 21

Attachments: 072120 comment IDL Endowment Lands Management Plan McCall .pdf

Good afternoon,

Please see my comments attached RE the Item #8 on the July 21 agenda, Report on Endowment Lands Management Plan McCall/Vicinity. Thank you for making my comments available to the Land Board. Sheree

Sheree Sonfield

Email: sonfield@telus.net

US Cell: 208.720.6889 (Works worldwide)

SHEREE SONFIELD PO Box 295, McCall, ID 83638 208.720.6889 sonfield@telus.net

July 17, 2020

Idaho State Department of Lands Board:
Governor Brad Little, Chairman
Secretary of State Lawerence Denney
Attorney General Lawrence Wasden
State Controller Brandon Woolf
Superintendent of Public Instruction Sherri Ybarra
Secretary to the Board, Dustin Miller, IDL Director
comments@idl.idaho.gov

RE: Item #8 July 21, 2020 agenda: Report on Endowment Land Management Plan Schedule, City of McCall/Vicinity

An <u>Endowment Land Management Plan for the City of McCall/Vicinity</u> seems like a good idea on the surface, but I urge you to develop such a plan over a timeframe that allows plenty of public input over a period of time and from stakeholders and interests in the areas affected. Public workshops that gather input, educational meetings and the like usually lead to the best plans and approaches for the long term.

I understand the Land Board's mission is a long-term viewpoint and that the Land Board has fiduciary responsibilities as follows:

"To professionally and prudently manage Idaho's endowment assets to maximize longterm financial returns to public schools and other trust beneficiaries and to provide professional assistance to the citizens of Idaho to use, protect and sustain their natural resources."

The best decisions and plans are not made or created in isolation. Often there are unintended consequences of decisions and plans that inadvertently have not considered all the ramifications. In the case of these lands and who owns them, there are downstream and statewide interests as well as local interests that might be surprising.

I urge you to set a timetable that allows time for public input into the elements and provisions of the <u>Endowment Land Management Plan for McCall/Vicinity</u>. Please then consider the proposed plan carefully (and with public input) prior to approving it.

In the end, the plan will be a better and more effective plan.

Thank you for your consideration,

Sheree Sonfield McCall, Idaho From: m_awood@frontiernet.net

Sent: Friday, July 17, 2020 3:16 PM

To: Comments

Subject: Comment for July 21,2020 State Board of Land Commissioners Regular Meeting

Attachments: Idaho State Board of Land Commissioners.pdf

To whom it may concern,

In regards to the July 21,2020 Agenda of the State Board of Land Commissioners Regular Meeting and in more particular to Agenda Item #8-"Report on Endowment Land Management Plan Schedule, City of McCall/Vicinity", I would appreciate the opportunity make a public comment.

My comment is attached below and I would appreciate the opportunity to have it shared with the Commissioners at this meeting.

thanks,
Mark Wood
PO Box 1857
McCall, Idaho 83638
m_awood@frontiernet.net

Idaho State Board of Land Commissioners Boise, Idaho

To the Honorable Commissioners,

I would like to share with you some issues to consider when you discuss Endowment Land Management in Valley County.

As I am sure you are aware, the major industry of Valley County is recreation. This recreation is not limited to walking the streets of McCall, Donnelly, or Cascade and enjoying the breath taking views of the surrounding area. Nor, is it limited to the fantastic golf courses, ski hills, or bicycle and hiking trails that are enjoyed in the county. It is also a fantastic area for OHV (Off Highway Vehicle) and OSV (Over Snow Vehicle/snowmobile) use.

In particular, I would like to share with you the impact of OSV use in the county. From an economic impact study that was completed in 2017 for the snowmobile seasons of 2014/2015 and 2015/2016 many financial figures arose that were quite astounding. This study was done by Boise State University under the direction of Idaho Parks and Recreation. It was revealed that Valley County's economy in 2014/2015 was impacted in a positive fashion by \$34.2million directly and \$32.9million indirectly. These amounts are eye opening, to say the least. The financial impact to the State of Idaho by snowmobiling was \$197.5million directly and \$157.3million indirectly. These are impressive amounts and are experienced annually. And I am not even considering the Induced Economic Affects.

In regards to the financial impact for Endowment Land acres in Valley County, I realize this is not a situation that the Land Commission receives any direct payment. It does create, though, the opportunity to maintain a primary industry that promotes an economy that enhances the tax base of the county, along with the state, by creating employment and business opportunities that support schools, communities, and economies statewide. As for a direct benefit, there has been discussion of increasing Snowmobile Tag fees to include \$1 that would go to the Idaho State Lands Department for the use of Endowment Lands. It could be conceived that this might be an avenue to get all users to "pay to play" when they use Endowment Lands for mountain biking, OHV, and other recreational activities. This concept is similar to the \$1 from the sale of each hunting licenses that goes to the Idaho State Lands Department for the opportunity of hunting and fishing on Endowment Lands.

Currently, in the northern part of Valley County there are three snowmobile parking lots that are situated on Endowment Land that are the trailheads to four different particular areas. These parking lots are used for year round activities and annual lease payments are made to retain them. Extensive improvements have been made on some of these lots and are for the use by the general public.

From a study that was done in the 1990's, it was determined that the loss of ONE trailhead could impact a snowmobile program by 15-20%. The impact to four trailheads would be catastrophic.

I don't believe it would be out of line to say that 60% of the snowmobile activity in Valley County is out of these three parking lots. If the loss of four trailheads were to become a factor this could easily mean a negative impact of \$24million to\$32million. I believe this figure is quite conservative and is probably quite a bit more. One thing to take into consideration is that this is only for OSV use. If you figure this with OHV in the same areas, you are creating yet a larger financial impact. OHV and Boating, combined with OSV use, is over a \$1billion economic direct impact to the State of Idaho along with around an additional \$500million of an indirect impact. A particular study of OHV use in Valley County has not been compiled like the one done for OSV use.

I do need to emphasize that OSV use is drastically different than OHV use. With snowmobiling, a participant can choose to stay on a designated trail or they can go off trail wherever they would like as long they do not trespass on private property or encroach on particular closed areas. This type of riding and exploring is not available or allowed with OHV use. This means that snowmobilers are riding upon every acre of Endowment Land, in Valley County. Not just because the land is currently open to snowmobiling, but also because it is great terrain to explore. There are many snowmobilers that never get more than 5 air miles from these current parking lots because they can achieve the pleasure of boondocking or exploring in that immediate area. These areas consists almost exclusively of Endowment Land.

Granted, the acres of Endowment Land in Valley County might not be the best suited for timber production, but it is vital to the watershed of the area which is crucial to the local area and recreationists as well as so many downstream user groups that have been given certain expectations such as irrigation, stock water use, and more recreation.

In light of this information that I share with you today, I humbly ask that you consider that all of the Endowment Land in Valley County be "reserved from sale and set aside as state forests" as stated in the Idaho Code 58-133.

I appreciate the opportunity to share this information with you and I make myself available for any questions or further comment.

Yours truly, Mark Wood PO Box 1857 McCall, Idaho 83638 m_awood@frontiernet.net From: Julie Murphy <juliegmurphy@gmail.com>

Sent: Friday, July 17, 2020 11:52 PM

To: Comments

Cc: Renee Jacobsen; Sharla Arledge

Subject: Comments regarding the upcoming agenda item: Endowment Land Management Plan

Schedule, City of McCall/Vicinity

I would like my letter below included as part of the record for this coming Tuesday's Land Board meeting, as regards the agenda item, "Endowment Land Management Plan Schedule, City of McCall/Vicinity." Agenda item #8 on the published Final Agenda. Thanks for making sure this letter gets included as part of the formal record. My comments are directed at considering issues related to "Endowment Land Management Plan Schedule, McCall/Vicinity

Dear Land Board,

Let me please add one more thought. The two multi-million dollar houses that were allowed to be built at the north end of Payette Lake rarely have anyone in them, the latest one, maybe two weeks in the entire calendar year. (I get that stat from it's onetime caretaker.) It makes no sense to tear up the face of a mountain, destroy huckleberry bushes, habitat, the environment and natural intrinsic beauty to build houses for the fly-in rich who come only at most 30 days out of the entire year. The mountain would become ugly layers of 80% vacant houses.

Leave the mountain to deer and bear and loveliness.

Sincerely,

Julie Murphy

From: Julie Murphy <juliegmurphy@gmail.com>

Sent: Friday, July 17, 2020 11:14 PM

To: Comments

Cc: Renee Jacobsen; Sharla Arledge

Subject: Comments regarding the upcoming agenda item: Endowment Land Management Plan

Schedule, City of McCall/Vicinity

PO Box 884 McCall, ID 83638

July 11, 2020

I would like my letter below included as part of the record for this coming Tuesday's Land Board meeting as regards the agenda item, "Endowment Land Management Plan Schedule, City of McCall/Vicinity." Agenda item #8 on the published Final Agenda. Thanks for making sure this letter gets included as part of the formal record. My comments are directed at considering issues related to "Endowment Land Management Plan Schedule, McCall/Vicinity."

Dear Land Board.

Endowed lands given to the State of Idaho and its citizens were a one-time gift not to be squandered. They represent income from natural rights, tourism, but also they represent a beautiful Idaho. They represent biological diversity and preservation.

They require long term protection for two reasons:

One, Idaho's population is exploding like never before. Due to the small population living in the state up until now, the need to protect lands has not been so urgent. That is quickly changing.

Two, because of our lack of dense population over time, Idaho continues to have areas of natural beauty that have not been overrun with people. Those lands have been discovered as some of the last unspoiled areas of epic natural beauty in the USA and developers are drooling. They come not to cherish. They don't come with the love Idahoans feel for their state's natural beauty.

In making any decisions for Idaho lands, not just money has to be taken into account. Specifically, Payette Lake is already stressed by human habitation, pesticides, nutrients in the water. Cascade lake had a major outbreak of toxic blue/green algae. That water problem began upstream in Payette Lake. As Boise grows, so do the human numbers in and around the lake as do the boat numbers that are creating erosion on one of the rare natural lakes in the USA that also has natural beaches. Payette Lake is a Gem.

Right now you can make the decision to manage Payette Lake lands with thoughts towards what the lake needs. It does not need more, permanent people-pollution. It has as much multi-use as it can tolerate. It is not a big lake like Lake Pend Oreille. It is more fragile.

Lake Payette is one of the rare natural mountain lakes in the USA. It's size and beauty is a natural wonder and should be cherished by the State of Idaho. Further, I must emphasis, it is one of the rare natural lakes that has natural beaches, maybe the only one. It should be considered a rare site of excessive beauty and protected as such.

Because we are blessed with lakes in the State of Idaho, we can easily take them for granted. We must not consider Payette Lake as one of the last bits of real estate of its kind in the USA.

I suggest that in viewing the endowed lands around Payette Lake through the lens of today, any endowed lands close to the lake or river system should be changed to park lands or national forest, if possible. Basically, endowed lands in the McCall area need preservation not development and out-of-the-box thinking.

Doubtful any school or institution or citizen of Idaho wants the money from the privatization of Payette Lake lands. Doubtful that any school or institution, or citizen of Idaho wants any state held lands around the Great Payette Lake to be unprotected and in private hands for any amount of money.

Ringing Payette Lake with more over-large houses, sewer systems, paved roads, will forever create a deep anger within the hearts of the citizens of Idaho towards the government of Idaho who did the deed. Remember when Albertsons was sold.

My grandfather, O.A. Fitzgerald, a picture of him still hangs in the Agricultural School at the University of Idaho, wrote about the lands and people of Idaho. He also photographed the state. He nearly had a coronary as he watched a short-lived industry of huckleberry harvesters ripping out the bushes with their mechanical harvesters. You all do realize that the huckleberry bush cannot be domesticated. When they are pulled out for roads, houses etc. they are gone, as would be these endowed lands

There is a responsibility to areas of natural beauty to be lightly inhabited. Look at the problem in Brazil, its Amazon forests being slashed and burned in the interest of industry. While Idaho lands are not cleaning the world's air, there is still a responsibility here for areas of natural beauty for posterity. Giving away endowed lands to private entities is permanent and not for-looking.

Idaho is lucky to have her natural wonders mostly still intact. Slow population growth, up until this time, has been good to us. Stewards of lands in Idaho have weighty decisions ahead to keep our environment healthy and our scenic wonders intact. Be those people.

Sincerely,

Julie Murphy

Sent from my iPad

From: Jeffrey Mousseau < Jeffrey Mousseau@msn.com>

Sent: Saturday, July 18, 2020 6:30 AM

To: Comments

Cc: Renee Jacobsen; Sharla Arledge

Subject: Comment for the Record for July 2020 Land Board Meeting

Please disregard previous comment submitted, this is what I intend to say at the Land Board meeting pertaining to Agenda Item 8. I have requested 3 minutes of speaking time at the meeting and plan to attend in person.

I am commenting on the report on Idaho Department of Lands (IDL) Endowment Land Management Plan, Schedule, City of McCall and Vicinity agenda item as part of the July 2020meeting. My name is Jeff Mousseau, I am a native of Idaho, a resident of McCall, a University of Idaho graduate, and a licensed engineer in the State of Idaho. Most of my career was spent at the INL cleaning up nuclear and hazardous waste at the Idaho National Laboratory, and I am now retired. Environmental issues and pristine lands are important to me. I also know the importance of long-term planning and applaud the Idaho Department of Lands for undertaking this Management Plan.

I fundamentally believe that the State of Idaho endowment lands in the McCall area remain as public land for generations to come, but I also believe they can be better managed providing additional financial benefit for the Endowment Fund. These McCall area lands are precious and have three distinct benefits. First they provide that critical wildlife habitat; second that they provide the watershed for Big Payette Lake, the sole drinking water supply for McCall; and third they provide unlimited recreational opportunities. In visiting McCall, you can look up and still see undeveloped forests and pristine lands around Payette and Little Payette lakes. These lands are what fundamentally makes McCall, McCall. These benefits need to be considered, weighted, and factored into the IDL Management Plan and considered by the Land Board in any proposal to privatize and develop it.

That there has been a lot of local opposition to transfer or sale of these lands is an understatement. Over 500 comments of opposition were provided to the McCall City Council, multiple petitions of opposition have been signed by over a thousand people, and local rallies and demonstrations have been held. People care and care passionately about this. But let me be clear, residents of McCall and Valley County who make this our home desire to be part of the solution, not just to point out problems. We would ask that a team of representatives be able to work with the Department of Lands in the developing this plan. We have a lot of smart people in McCall and Valley County and would like to contribute to ideas of revenue growth for these endowment lands to meet objectives. I am uncertain of revenue numbers to date because there have been so many and all different. But I do know that we can implement additional actions that will increase revenue and far exceed average per acre profit. With a lot of numbers floating around, I do request that a clear financial analysis and proposed financial targets be included in the IDL Management Plan.

Lastly, I know the importance of education and the need to properly fund it. My mother was a high school teacher in Idaho Falls her entire career. I know of no one who cared more deeply about education or the betterment of students. A balanced approach in priorities between public land use and endowment fund revenue generation needs factored into the IDL Management Plan. These endowment lands should not be sold or likewise traded, I'm not certain that is even legal. Let's work together in developing this IDL Management Plan to keep these lands as Endowment Lands while at the same time evaluating and putting in place actions that will increase revenue for the education-based funds. Thank you for your time..

Jeff Mousseau McCall, ID From: Department of Lands <no-reply@idl.idaho.gov>

Sent: Saturday, July 18, 2020 1:36 PM

To: Comments

Subject: Comment Submitted

From: Marilyn Olson at mjolson71@hotmail.com

Phone: 2086304851 Address: P.O. Box 455

City: McCall State: Idaho

Comment:

I am commenting on the possible swap of endowment lands around McCall (item #8) of your next meeting on July 21, 2020. I oppose the privatization of the state endowment lands near Payette and Little Payette Lakes. Please do not hand over control of our local watershed and our community's future to developers whose bottom line is profit.

Thank you for your time and consideration.

From: Barbara McClain <bobwamcclain@aol.com>

Sent: Saturday, July 18, 2020 8:08 PM

To: Comments

Cc: Renee Jacobsen; Sharla Arledge

Subject: Comments regarding the Upcoming Agenda Item: Endowment Land Management Plan

Schedule, City of McCall/Vicinity

I would like my below letter included as part of the record for this coming Tuesday's Land Board meeting, as regards the agenda item, "Endowment Land Management Plan Schedule, City of McCall/Vicinity". Agenda item #8 is on the published Final Agenda. Thanks for making sure this letter gets included as part of the formal record. My comments are directed at considering issues related to "Endowment Land Management Plan Schedule, McCall/Vicinity". As a McCall property owner McCall land (and the surrounding land which compromises the McCall watershed) is important to me and my family. I believe the land is also important to wildlife that I care about. I think the process of deciding on the proposal by Trident Holdings needs to be in the open, and not in a closed meeting. I strenuously object to lobbyists participation in this decision. I believe this land requires long term protection - for recreation, the health of the Payette Lake watershed and the health of the wildlife in the area. I am unhappy to learn that Trident is really composed of out-of-state individuals that hope to capitalize on a special piece of Idaho that I think should be saved for the citizens of Idaho. I believe it is VERY important to get the "Endowment Land Management Plan Schedule" correct. When you consider Agenda item #8 and the importance of the watershed in general please keep my thoughts in mind.

Barbara A McClain
!2 Grump Blvd, PO Box 374
Idaho City, Id 83631
&
1030 Fireweed
McCall, Idaho

From: David Simmonds <dsimmonds50@gmail.com>

Sent: Saturday, July 18, 2020 8:31 PM **To:** Comments; Renee Jacobsen

Cc: Rich Holm; Deb Fereday; Tom Tidwell; Paul Street; Paul Street; Susan Bechdel; Scott

Harris; Gary Lyons

Subject: Testimony, Land Board Meeting, 7/21/2020, Agenda item #8

Attachments: BPLWQC Comments on Land Board agenda item 8 for July 21 2020.pdf

Please accept the attached letter from the Big Payette Lake Water Quality Council regarding agenda item #8, McCall / vicinity endowment land management plan schedule.

Ms. Jacobsen, I also plan to present a summary of our testimony remotely via webinar during the meeting. Thank you for your assistance.

Dave

David Simmonds, President
Big Payette Lake Water Quality Council, Inc.
PO Box 3108
McCall, Idaho 83638
Cell 208-634-6929



Big Payette Lake Water Quality Council, Inc. P.O. Box 3108 McCall, ID 83638

July 18, 2020

Idaho State Board of Land Commissioners Idaho Department of Lands 300 N. 6th Street, Suite 103 Boise, ID 83702

For the Record, Meeting of July 21, 2020 Comments on Agenda item 8, Endowment Land Plan Schedule, City of McCall / Vicinity

Members of the Land Board and IDL Staff,

Looking back, there have understandably been challenges and flaws in planning and executing endowment land management in the Payette Lake area. The inherent complex mix of values and competing interests don't lend themselves to simple solutions out of closed processes. The Big Payette Lake Water Quality Council ("Council") appreciates the Land Board's decision to commission a detailed plan for those endowment lands.

The Council requests that the IDL planning process include local stakeholders and robust public involvement to help insure the result is responsible, defensible, and can be adopted without unnecessary rancor or wasted motion. We're ready to participate, and request a seat at the table along with important stakeholders such as City of McCall, Valley County, State resource agencies and the Payette Land Trust. Such public process may not be the norm for endowment land planning, but clearly this isn't typical endowment land. The reasoning behind our request follows.

It's not a stretch to conclude that there is a symbiotic relationship between Payette Lake and the nearby State endowment lands, in that sustaining the quality and values of the lake tends to sustain the quality and values of endowment lands, and vice versa. While much endowment land is managed to produce timber or grazing value over time, the corpus of Payette Lake's endowment land values is far more diverse. First, it's the apex watershed of the Payette River system, producing both the primary drinking water for thousands of residents, and a predictable supply of irrigation water for downstream agriculture. Next, it's the dominant source of the lake's water quality, scenic quality, property values and derived economy. Taken together - which we assert is the only sensible way they may be taken - the lake and its watershed are a major engine driving the economy of west central Idaho.

Meaningful study and planning processes for the lake and its watershed are again underway, building on the work of Peter Johnson's original Council in the 1990's, and will be most effective if well coordinated and driven by good data. The Council is currently supporting work by the University of Idaho to measure and characterize shoreline erosion and resulting nutrient pollution in Payette Lake as well as other studies focused on the effects of waves and wakes on shorelines and near-shore lake bottoms to understand and control eutrophication (nutrient pollution leading to algae growth and oxygen deficit). The IDEQ Payette Lake water quality monitoring program supports a long record of

data and compliance with statutory goals. A County / City commissioned lake management plan process is also beginning, which will entail additional studies and data gathering. We ask that IDL, in its planning of watershed endowment lands, be a partner in these studies and processes, rather than operating in an isolated fashion.

The end result of such study and planning should be sustainable management of the values of the lake and its watershed, in a way that its stakeholders can agree protects beneficial uses of the water, protects the derived values of both lake and watershed, and returns value to the State endowment in perpetuity. The timing to tackle this challenge with a team effort couldn't be better.

Thank you for your consideration.

Sincerely,

David Simmonds, President
Big Payette Water Quality Council

Web: www.bigpayettelake.org Email: info@bigpayettelake.org **Board of Directors:**

Scott Harris

David Simmonds, President
Tom Tidwell, Vice President
Laura Shealy, Treasurer
Deb Fereday, Secretary
Rich Holm, Government Liaison
Paul Street
Gary Lyons
Susan Bechdel

From: Anna Wingert <banana27453@yahoo.com>

Sent: Sunday, July 19, 2020 7:24 AM

To: Comments
Cc: Renee Jacobsen

Subject: Comments for the Upcoming Meeting Agenda Item: Endowment Land Management

Plan Schedule, City of McCall/Vicinity

Dear Land Board,

I would like my below letter included as part of the record for this coming Tuesday's Land Board meeting, as regards the agenda item, "Endowment Land Management Plan Schedule, City of McCall/Vicinity". Agenda item #8 on the published Final Agenda. Thanks for making sure this letter gets included as part of the formal record. My comments are directed at considering issues related to "Endowment Land Management Plan Schedule, McCall/Vicinity."

My family has always enjoyed spending time in the outdoors in McCall. We visit there multiple times a year. This land is so important to me and my extended family, I also care about wildlife protection and hunting. I hope that my children can continue to participate in all of the outdoor activities at McCall as they grown up.

I believe that the process of deciding whether to sell land needs to be in the open, and without lobbyists. I believe the land should be protected for the long run, without the public having to worry about buyers. Let's keep McCall wonderful!

Thank you for your consideration, Anna Wingert 2409 N 22nd St. Boise, ID 83702 From: Julie Manning <j4manning@yahoo.com>

Sent: Sunday, July 19, 2020 10:48 AM

To: Comments

Subject: Agenda Item #8 Report on Endowment Land Management Plan Schedule, City of

McCall/Vicinity

This comment regards Agenda Item #8 for the Land Board meeting scheduled for this Tuesday, July 21, 2020, Report on Endowment Land Management Plan Schedule, City of McCall/Vicinity.

The 28,000 acres of Endowment Land around McCall are irreplaceable, and we are paying close attention to them and to the Idaho Department of Land's (IDL) work on developing a management plan. I hereby demand that:

- (1) the IDL obtain all the necessary resources to adequately undertake this most important work;
- (2) the Land Board and IDL maintain continuous and open communication with the public about the development of this management plan; and
- (3) the Land Board and IDL provide continuous opportunities for all stakeholders, including citizens of McCall, Valley County, and the rest of Idaho, to provide input and participate in the process of developing this plan.

Thank you for performing this most important work that will support protecting our shared Idaho heritage for us and for future generations.

Sincerely, Julie Manning From: Molly Priest <priest.molly@gmail.com>
Sent: Sunday, July 19, 2020 10:54 AM

To: Comments

Subject: Agenda Item #8 Report on Endowment Land Management Plan Schedule, City of

McCall/Vicinity

To Whom it May Concern,

I care deeply about the irreplaceable 28,000 acres of Endowment Lands in and around McCall. I demand that the Land Board and the IDL provide continuous communication to the public about the management plan and public input and participation in developing it.

Sincerely Idaho Public Lands lover/user/owner, Molly Priest

From: Kerrick, Michelle <mkerrick@deloitte.com>

Sent: Sunday, July 19, 2020 11:21 AM

To: Comments

Cc: David Rousseau; Kerrick, Michelle

Subject: Agenda Item #8 Report on Endowment Land Management Plan Schedule, City of

McCall/Vicinity

David and I care deeply about the irreplaceable 28,000 acres of Endowment Lands in and around McCall. I demand that the Land Board and the IDL provide continuous communication to the public about the management plan and public input and participation in developing it.

Michelle Kerrick and David Rousseau

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From: Scott Schoenherr <scotts@rafnah.com>
Sent: Sunday, July 19, 2020 11:35 AM

To: Comments

Subject: Agenda Item #8 - Report on Endowment Land Management Plan Schedule, McCall Area

My name is Scott Schoenherr and I have been a long time property owner in both Ada and Valley counties. I care deeply about the irreplaceable 28,000 acres of Endowment Lands in and around McCall. I would really appreciate it if the Land Board and the IDL will provide continuous communication to the public about the management plan, as well as public input and participation in developing it.

Thank you.

Scott Schoenherr 208-631-7611 From: Kristin Sinclair <khoffsinclair@gmail.com>

Sent: Sunday, July 19, 2020 11:54 AM

To: Comments

Subject: Land Board Meeting on 7/21 Agenda item 8

As a 5th generation Idaho native and full time resident of McCall, I care deeply about the endowment land surrounding Payette Lake. I live in a community that sits just across from the Crestline Trail area and have seen first hand the extensive use and increasing traffic in the area. The greatest concern is the increasing pressure on the lake and the quality of the water (our drinking water) that also feeds the Payette River, Cascade Reservoir and Treasure Valley farmers. I am also greatly concerned about accessibility for the generations to come. There are many of us that are willing to put in volunteer hours to support the IDL to keep as much land as possible available to Idaho residents and their families. Thank you.

Kristin Sinclair c. 208-890-3155 khoffsinclair@gmail.com From: Larry Prince < Iprin24@msn.com>
Sent: Sunday, July 19, 2020 12:44 PM

To: Comments

Subject: Agenda Item #8 Report on Endowment Land Management Plan Schedule, City of

McCall/Vicinity

I care deeply about the irreplaceable 28,000 acres of Endowment Lands in and around McCall. I demand that the Land Board and the IDL provide continuous communication to the public about the management plan and public input and participation in developing it. Thanks.

Sent from my iPhone

From: Craig M. Elliott <celliott1@astound.net>

Sent: Sunday, July 19, 2020 12:46 PM

To: Comments
Subject: Agenda Item #8

In the matter of Agenda Item #8, The Report on Endowment Land Management Plan Schedule, City of McCall/Vicinity:

Our family has owned property in McCall for almost 80 years. As a result, we care deeply about the environment in and around McCall. It is an irreplaceable resource to our area, and the State of Idaho.

We request that the Land Board, and the Idaho Department of Lands, weigh the value of these <u>irreplaceable</u> resources against the value of the <u>replaceable</u> timber when developing its management plan for the 28,000 acres of Endowment Lands in and around the McCall area.

We applaud your efforts to be transparent, and to gather public input, and participation.

Sincerely,

Craig and Susan Elliott 2550 Warren Wagon Road McCall From: k shanafelt <augustglass1@gmail.com>

Sent: Sunday, July 19, 2020 12:47 PM

To: Comments

Cc: Renee Jacobsen; Sharla Arledge

Subject: Comments regarding the Upcoming Agenda Item: Endowment Land Management Plan

Schedule, City of McCall/Vicinity

I would like my below letter included as part of the record for this coming Tuesday's Land Board meeting, as regards the agenda item, "Endowment Land Management Plan Schedule, City of McCall/Vicinity", agenda item #8 on the published Final Agenda. Thanks for making sure this letter gets included as part of the formal record. My comments are directed at considering issues related to "Endowment Land Management Plan Schedule, McCall/Vicinity"

My family has had a cabin on Sylvan Beach since the 1940s, and as a Boise native, I've gone there myself for the last 54 years. My whole family has an attachment to the land and the unique beauty of McCall. Allowing the land, (which is owned by the citizens who have lived there and paid taxes) to be sold to the highest bidder and occupied by the few who can afford to buy our land is wrong. It is public land and we are all entitled to use and protect it.

I've lived in Colorado for 29 years and have seen what the influx of money has done to the towns, the local people, the economy and cost of living. The wild lands of Idaho are essential not only for watershed and wildlife, but also for nurturing all people.

The process needs to be in the open, and without lobbyists. The land requires long term protection.

I hope the land will remain protected and preserved for the many.

Thanks,

Kelly Shanafelt

From: Frederick <jfrederickmack@gmail.com>

Sent: Sunday, July 19, 2020 1:10 PM

To: Comments

Subject: Mack comments re: agenda item 8 of the July 21, 2020, Idaho State Board of Land

Commissioners

Attachments: Mack comments on plan for Payette Lakes' endowment lands and Trident.docx

Attn: Land Board Secretary

Please include the attached written comments, regarding agenda item 8, in the record of the July 21, 2020, meeting of the Idaho State Board of Land Commissioners.

Please confirm by email that this has been done.

Thank you for your attention to this matter.

Fred and Mona Mack

Sent from Mail for Windows 10

J Frederick Mack • Mona Dobaran Mack

1326 Beach Way • P.O. Box 2904 McCall, ID 83638 ifrederickmack@gmail.com

Submitted: July 18, 2020, for State Board of Land meeting to be held July 21, 2020 Re: Report on Endowment Land Management Plan Schedule, City of McCall/Vicinity

Commissioners of the State Board of Land:

We recognize that the State Board of Land Commissioners (Land Board) is considering in item 8 the schedule for the Department of Lands' development of a plan(s) for the 28,000 acres of endowment land in the Payette Lakes' vicinity (the Lakes' Endowment Lands) and not the proposal of Trident Holdings LLC (Trident) to acquire this land through an exchange of unidentified timber lands (the Proposed Exchange). However, the contact Trident has already had with the Land Board and the Department of Lands (Department) and the public campaign it has initiated to garner support make it timely to raise some of the legal issues the Proposed Exchange creates.

These legal issues concern: 1.) The exclusion in Idaho Code § 58-104(8) of private entities from the legislature's grant of power to make exchanges; 2.) The Article IX, § 8, limit on how many endowment land acres a private entity can acquire; 3.) The breach of trust obligation if the endowment land of one beneficiary is used to benefit other beneficiaries; 4.) Prudent-business-person considerations in securing maximum long-term financial return from management of the Lakes' Endowment Lands; and 5.) The maximization of financial return through a competitive process when disposing of endowment land. We are not attempting to resolve these issues through these comments, our purpose is simply to identify potential plan pitfalls.

The legality of the Proposed Exchange is questionable under state law.

Under Article IX, § 8, of the Idaho Constitution, the Land Board only has the power to exchange endowment lands if the legislature grants it. The grant of power to exchange public land is found in Idaho Code § 58-104(8). Subsection 8 appears to be a limited grant because it glaringly omits corporations, companies, and individuals. This omission can only be interpreted as purposeful. Idaho Code § 58-138 does not nullify subsection 8. This later section is concerned chiefly with types of ownership interests and process and, unlike other sections of title 58, is not identified as an extension of power.

An interpretation of Idaho Code § 58-104(8) as not authorizing exchanges when the title or disposition of the land to be acquired is held by a private party is consistent with the Article IX, § 8, 320-acre limit. The 320-acre limit is the greatest amount of endowment land that can be sold in a transaction with a private entity. While it can be argued that this limitation applies only to sales and not exchanges, such an interpretation would effectively defeat the constitutional objective in establishing it. Any transaction can be structured to change the nature of consideration—money or other land—given to acquire property, allowing more than 320 acres to be readily obtained.

Any disposition of the Lakes' Endowment Lands must benefit the designated beneficiary.

The Proposed Exchange brings into question whether some endowment beneficiaries' assets may be managed to their detriment to enhance the holdings of Public Schools (K-12 education). This concern also arises because of uncertainty about what is entailed in "a holistic" approach (mentioned at the last Land Board meeting) to developing a future management plan.

Article IX, § 8, imposes a duty of undivided loyalty to manage endowment lands for the sole benefit of the endowed institution. Idaho Supreme Court holdings make clear that satisfying the duty is the only criterion the Land Board can consider when making endowment land decisions. Under this duty, an endowed institution's land cannot be managed for the benefit of the general public, existing lessees—or a different endowed institution.

Most of the Lakes' Endowment Lands were granted for endowment beneficiaries other than Public Schools, namely, State Hospital South, School of Science, Normal School, and Charitable Institutions. These lands include all the acres abutting water, which are arguably the most sensitive and most valuable ones—and the ones that Trident really wants. They are so unique that it is difficult to conceive of a mass exchange or one single management approach that will maximize the long-term financial return to each of these institutions.

Making the Proposed Exchange is not a prudent business decision.

Earning potential of Lakes' Endowment Lands: The Department's annual reports indicate the Lakes' Endowment Lands have produced an income mix from lands leased, sold, or licensed/permitted for such varied uses as grazing, logging, mining, recreation, conservation, commercial, and residential. Because of historic mismanagement forced upon the Land Board by the legislature, revenue has been artificially low. But it need not continue to be. Tax appraisals of neighboring properties indicate the Lakes' Endowment Lands contain some of the most potentially valuable land in the state for residential and commercial uses.

Trident's website indicates that at least one possibly prudent business person—Trident—believes the Lakes' Endowment Lands can provide significant financial return. The descriptive phrases from Trident's website reveal not just the company's purpose in acquiring the Lakes' Endowment Lands (which is not philanthropic conservation). The following phrases also suggest the land's earning potential: "Capture opportunistic transactions" • "Provide significant created value to investors" • "Identify assets with uncaptured investment potential" • "Provide strong risk-adjusted returns." As potentially valuable as the Lakes' Endowment Lands are to Trident, they are to current beneficiaries.

Trident is attempting to garner public and legislative support for the Proposed Exchange by triggering fear for public school funding. The company has made a facile claim that the Lakes' Endowment Lands are being operated at a loss and another ridiculous claim that without the Proposed Exchange "impoverished rural school districts" must "subsidize" lands around McCall. Depending upon the position someone is trying to support, they can manipulate numbers through the assumptions they make, the methodologies they employ, and the specific endowed acres they examine. However, given the multiple beneficiaries' interests in the Lakes' Endowment Lands, in no profit/loss scenario can the suggested subsidization occur.

While it may be true that financial returns from possible residential and commercial development of the Lakes' Endowment Lands are not currently maximized, they do not have to be if this occurs as a result of a plan to benefit only the appropriate endowed institution. The Land Board's constitutional trust mandate is to maximize long-term—not short-term—financial return. The Idaho Supreme Court has repeatedly recognized that the Land Board has large discretionary power over endowment lands, which includes discretion over the current degree of improvement to them to maximize the long-term return to the beneficiaries.

A chief reason for this discretion is because, as was recognized at Idaho's Constitutional Convention, "Neither I nor you have any definite idea of what this land is worth today which lies under the sun of Idaho or what it is going to be worth in the future." 33 *Idaho Constitutional Convention Proceedings* vol. I, p. 647 (1889).

Earning potential of lands acquired through Proposed Exchange: What would the beneficiaries of the Lakes' Endowment Lands receive in exchange? Apparently, land that relies upon logging for financial return. However, as noted at the last Land Board meeting, the current price for wood and paper products has dropped. Long-term financial return from timber harvest is also questionable. The Forest Service's 100 year "Analysis of the Timber Situation in the United States" shows a significant ongoing decline in per capita consumption of wood and paper products and a tie with GNP that renders the market volatile.

Greatly adding to the risk of depending chiefly upon logging for financial return is having the trees physically located in one geographical area. Fire, insects, and disease can harm a block of trees in one part of the state, while a block of trees in another part may be untouched. This added risk may offset any management cost savings achieved from implementing the larger-block management philosophy being considered.

Any disposition of the Lakes' Endowment Lands should be competitive.

The Land Board cannot deal with only one private individual or company and not employ a competitive process, because the exclusion of the rest of the public does not ensure the highest financial return for endowment land beneficiaries. Receiving appraisals of market value does not cure this failing. Because of the inherent subjectivity of appraisals, which can lead to vastly different conclusions as to market value, they are best done only to establish a floor in a competitive process. They should not replace interested third-parties' opportunities to submit bids or offer other proposals.

Many (most?) of the contested cases that have arisen involve the Land Board's disposal of endowment land without a proper competitive process. In dealing solely with Trident, the mistake is being made again. There is nothing about the earning potential of timberland the Land Board might receive from Trident that could make acquiring it the most desirable of all investment opportunities. As recognized in the Attorney General's opinion on the legality of the leasing process (Idaho Op. Atty. Gen. No. 10-1), endowment land beneficiaries have already lost untold millions of dollars because of preferential treatment afforded private third parties.

No further consideration should be given to Trident's Proposed Exchange.

Trident's proposal is speculative land development by a newly created, underfunded limited liability company. Trident is using the Land Board to color the Proposed Exchange with legitimacy to attract additional investors. Too often in Idaho, we have seen government be an unwitting participant in what becomes a Ponzi scheme.

During the planning process the Department may request preliminary approval for one or more alternatives or options to allow for a complete evaluation. We respectfully request that Trident's Proposed Exchange be rejected and not be subject to further evaluation. If the Proposed Exchange proceeds, untold time and money will be wasted fighting in the legislature and courts over this meritless matter.

Respectfully submitted,

J Frederick Mack

Mona Dobaran Mack

Mona Mack

From: gotlegs <gotlegs@att.net>
Sent: Sunday, July 19, 2020 1:50 PM

To: Comments
Cc: Renee Jacobsen

Subject: Comments regarding the Upcoming Agenda Item: Endowment Land Management Plan

Schedule, City of McCall/Vicinity

To Whom It May Concern:

I would like my below letter included as part of the record for this coming Tuesday's Land Board meeting, as regards the agenda item, "Endowment Land Management Plan Schedule, City of McCall/Vicinity". Agenda item #8 on the published Final Agenda. Thanks for making sure this letter gets included as part of the formal record. My comments are directed at considering issues related to "Endowment Land Management Plan Schedule, McCall/Vicinity".

McCall has been a part of my family history for at least 100 years. My Great Grandfather Ross Ertter visited as a young man in the early 1900s and purchased a lot and small cabin on Sylvan Beach for his son after WWII. Members of our family have been exploring and enjoying the wild forests, meadows and waters that make this place precious every year since. As much as we enjoy being voyers of this wilderness, there are also wild animals and plant species dependent on the existing land as it is. There is already a residential space in McCall, development of the Endowment land would risk the character of the region and is not in the best interest of the local people or the wildlife. Entrusting the safety and wellbeing of this land and watershed to any entity that would sell it for profit is like the proverbial fox guarding the hen house. The management of this land should be discussed in complete transparency and unmuddied by lobbyists who cannot be trusted to be good stewards of this public land and watershed despite any lip service they may pay to the contrary. Please insist that the Endowment Land Management Plan Schedule is handled with detail, accuracy and complete transparency.

Sincerely, Hailey Brown

Sent from my Verizon, Samsung Galaxy smartphone

From: Julie thompson <jekpt@icloud.com>
Sent: Sunday, July 19, 2020 2:21 PM

To: Comments **Subject:** Item Agenda 8

I am writing in regards to the Endowment Land Management Plan. I hopeful that there can be a creative solution that will both preserve the 28,000 acres that Alec Williams (and in the future- others) want to trade for forest lands up North and fulfill the obligations of the land board. Does that fulfillment have to sacrifice the 28,000 acres? Please consider other options that will not be as egregious.

Thank you, Julie Thompson From: Noreen Shanafelt <noreen.shanafelt@gmail.com>

Sent: Sunday, July 19, 2020 2:44 PM

To: Comments

Cc: Renee Jacobsen; Sharla Arledge

Subject: comments regarding the upcoming agenda item: endowment land management plan

schedule, city of mccall/vicinity

Regarding the endowment land agenda I would like to have my letter included as part of the record for this coming Tuesday's land board meeting, Regarding the agenda item "endowment land management plan schedule city of McCall and vicinity agenda at number 8 on the published final agenda. Thanks for making sure this letter gets included as part of the formal record. My comments are directed at considering issues related to endowment land management plan schedule, McCall vicinity.

I have been a resident of McCall part time for the last 50 years. I am against the land swap. My family and friends enjoy the surrounding area where we can hike and walk and pick berries and picnic. We enjoy Mccall even though it is becoming quite overpopulated for such a small community and this plan we feel might lead to a lot more development. we don't need it. Someone is looking to get rich off our land surrounding our community and we feel it is not a good idea. We ask the landboard to please consider the quality of life in this community please do not ruin it.

Sincerely, Noreen Shanafelt

From: Julie Hauger <tolofarm@connectwireless.us>

Sent: Sunday, July 19, 2020 3:24 PM

To: Comments

Cc: Renee Jacobsen; Sharla Arledge; jhauger123@gmail.com

Subject: Comments regarding the Upcoming agenda item: Endowment Land Management Plan

Schedule, City of McCall/Vicinity

Attachments: 2020 Letter to Land Board re endowment Land Management Plan Schedule.pdf

Tolo Lake Land Co LLC



532 Tolo Lake Road Grangeville, ID 83530 (208) 983-6098 Cell Phone for Julie Hauger Email:jhauger123@gmail.com

July 19, 2020

State Department of Lands

Attn: Land Board

RE: Comments regarding the Upcoming Agenda Item: Endowment Land Management

Plan Schedule, City of McCall/Vicinity

I would like this letter to be included as part of the record for the Tuesday Land Board meeting to be held on Tuesday, July 21, 2020

This letter is in regard to the agenda item :Endowment Land Management Plan Schedule, City of McCall/Vicinity".... Agenda item #8 on the published Final Agenda.

I understand that the State of Idaho has been working to put together a land trade with Trident Holdings which would include trade of State owned lands around Payette Lake and McCall.

We have had a home here for 40 years in cottage sites that have remained pretty untouched through the years. I want it on the record that I am against turning this precious Idaho land over to developers. I have concerns that the area's resources will not support the added impacts to wildlife, watershed, lake use and beaches. The public beaches are already a premium here and dock space is at a maximum. I can't imagine the numbers of population that would be moving here to enjoy this wonderful area and the impact that would have on our environment!

I realize that the State Endowment is about providing monies for education but there is more to our state than money.....We have something here in McCall that money can't buy and the State Dept. of Lands should live up to its name and provide for the protection of the Land we love here in Idaho.

I ask the land board to consider the quality of life we all enjoy here....Please do not make any deals with land developers....the future of Payette Lake area and valley is at stake!

Julie Hauger 2229 Tamarack Rd, McCall, ID 83638 **From:** Galen Shaver <shaver.anderson@gmail.com>

Sent: Sunday, July 19, 2020 4:23 PM

To: Comments

Subject: submitting comments for Land Board meeting of July 21

July 19 2020

Re: Report on Endowment Land Management Plan Schedule, City of McCall / Vicinity

To: Land Board Members and Staff of IDL,

Hello, I am very glad you are continuing this process of discovery and evaluation of the management of this particular piece of the endowment lands. As you know those lands are very precious to us who live here as well as many other Idahoans. I am a retired school teacher having taught at McCall Donnelly for my whole career. I can tell you that the light in student's eyes when they talked about their favorite places(which were many times on endowment lands) was never matched when dealing with our regular curriculum. I had always thought that their experiences on the endowment lands were a big part of my students' education.

I am writing to encourage you to include the public as much as you can in your deliberations about the management of the land in question. I would even ask you to consider something like the Payette forest coalition where citizens are involved in generating ideas and looking at alternatives. I am especially anxious to better understand the finances as there has been quite a recent muddying of the waters around this issue and it is hard to tell what is accurate. I think there is a general understanding of the mandate you are under in managing the land, but I feel there are options within that mandate that we could all contribute to. Thank you

Sincerely, Judy Anderson Lake Fork, Idaho From: Kara Cadwallader < karacadwallader@hotmail.com>

Sent: Sunday, July 19, 2020 5:30 PM

To: Comments

Subject: Agenda Item #8 Report on Endowment Land Management Plan Schedule, City of

McCall/Vicinity

Dear Folks

I am an Idaho resident and I care very much about the 28,000 acres of Endowment Lands in and around McCall. I demand that the Land Board and the IDL provide continuous communication to the public about the management plan and public input and participation in developing it.

Thank you for your consideration

Kara Cadwallader, MD

From: Debra Staup <ikaria@cableone.net>
Sent: Sunday, July 19, 2020 8:01 PM

To: Comments

Subject: Report on Endowment Land Management Plan Schedule, City of McCall/Vicinity

We are writing you regarding our strong opposition of any thoughts or plans to trade, lease, or sell the 28,000 acres of Endowment Land around McCall for development. We do not feel this is in the best interests of our community and county. In the 60 plus years we have been here, we have seen how much Public Land and Public Access to our lake have been sold or swapped to private entities or have just 'mysteriously disappeared'. To lose this Endowment Land would be wrong. The beauty of Public Land, and this Endowment Land in particular, is that everyone, regardless of economic status, are able to enjoy it equally. We believe trading, leasing, or selling it for development will eventually turn it into a playground for a select few. Keep in mind the purpose of any developer, realtor, lessee is to ultimately make money for their clients, company, and investors. Any altruistic overtures by private developers, realtors, lessees mean nothing to the public who now enjoys access to these lands. There are other more economically sustainable opportunities which should and need to be explored for the management of these Endowment Lands, such as year round Pay to Play Recreation. We understand the purpose of Endowment Lands is to generate money for the benefit of the State, for instance to fund schools, etc. However, we feel development of these lands will impact our area negatively, i.e. environmentally and economically. Our infrastructure can't support the influx of people and growth we have now. We could elaborate more, but suffice to say we are against any plan to sell, trade, or lease this land for development, and strongly maintain there are better options to administer and garner funds from these 28,000 acres of Endowment Land for continued year round public use.

1

Respectfully,
James and Debra Staup

From: Stephen Nies <wsnies@gmail.com>
Sent: Sunday, July 19, 2020 8:37 PM

To: Comments

Subject: Agenda Item #8 - Endowment Land Management Plan schedule

The 28,000 acre parcel of Endowment Lands around McCall is irreplaceable and unique for its access to public lands, recreation, conservation and resource protection. This area almost completely surrounding the city is more valuable under state control than anything a private land manager could plan or build.

Please look at ways to keep these lands under state control perpetually, and avoid selling them off to the highest bidder. The wedding venue fiasco was bad enough, but this is an even scarier prospect. Other ideas such as conservation easements and recreation fees should be considered. Perhaps it is time to change the mandates for IDL.

Sincerely,

Stephen and Ann Nies 1150 Heavens Gate Court McCall, Idaho 208-6304545 From: Lynn Siegel <lynnsiegel@hotmail.com>

Sent: Sunday, July 19, 2020 10:07 PM

To: Comments

Cc:Sharla Arledge; Renee JacobsenSubject:Regarding Agenda Item #8

I would like my below letter included as part of the record for this coming Tuesday's Land Board meeting, as regards the agenda item, "Endowment Land Management Plan Schedule, City of McCall/Vicinity". Agenda item #8 on the published Final Agenda. Thanks for making sure this letter gets included as part of the formal record. My comments are directed at considering issues related to "Endowment Land Management Plan Schedule, McCall/Vicinity.

The public lands surrounding Payette Lake and McCall are jewels in Idaho's forest crown. Their value cannot be measured in timber revenue alone. When the state designated them as endowment land, it did not foresee the multiple use future that is presently accepted practice in the management of our lakes, rivers, and forests. The value of the lands whose future is under consideration will only continue to grow.

I believe that these lands belong to future generations; that revenue to support schools can be raised in many ways, not just timber receipts. User fees and LOT income are just two additional ways that endowment fund demands can be met.

I also believe that actions and decisions concerning these lands should be made in openness with fairness and transparency, not through lobbyist pressure and deep purse deals.

Thanks for letting my voice be heard,

Lynn Siegel McCall, Idaho

С

From: Karla Gearheard < karlagear@icloud.com>

Sent: Monday, July 20, 2020 3:10 AM

To: Comments

Subject: Regarding agenda item #8

As an Idaho resident for the last 30 years, I have seen many changes in this state. Some are great such as improved interstate highways and some not so great. One of the most special places in the entire state for my large family is Payette lake in McCall. As we love the outdoors, we often camp in Ponderosa State Park. Over the years it has become increasingly difficult to get a reservation there due to how many people want to enjoy this amazing natural part of our environment. To offer these endowment lands to Trident holdings is basically giving them away for a small one time only profit. The land could be much more financially solvent in the long term by expanding the camping and outdoor access and increasing the year round use. More campsites and cabins could be developed which would generate income. A land swap with Trident would simply end up with huge beautiful cabins but less ability for most citizens to use this natural lake and the surrounding mountain areas. Please consider other options and keep this endowment land open for public use. Thank you, Karla Gearheard Boise resident Sent from my iPhone

From: Alex Brockmann <idva.alex@gmail.com>

Sent: Monday, July 20, 2020 8:49 AM

To: Comments
Cc: Renee Jacobsen

Subject: Comments Regarding Agenda Item #8, Report on Endowment Land Management Plan

Schedule, City of McCall/Vicinity

To whom it may concern:

1.Article IX, Section 8 of the Idaho Constitution mandates that state endowment trust lands are to be managed to secure the maximum long-term financial return to the endowment beneficiaries. Manage by definition does not constitute "SELLING" of State endowment lands. Selling Endowment Lands is literally the opposite of managing it and seems to be in violation of the Idaho Constitution.

- 2.The city of McCall has been built around recreation and access to forests lands within a short distance from town. If this land is sold and becomes private, the Public will lose many of the primary access points to the National Forests, and will cause congestion in the few remaining access corridors. The vastness and the ability to recreate with minimal congestion is what makes McCall and Valley County desirable and different from Tahoe and Park City. If this land is sold, the lack of access will negatively impact the local economy and depreciate the property values. What good is a beautiful area if it doesn't have the ability to sustain itself because the major source of commerce is no longer available due to a land trade. This seems like a situation of Inverse Condemnation by the State of Idaho to the property owners. This is especially true for the property Owners that directly border the property being disputed. One day they have the ability to Market their Property as "Bordering Public Lands" and the next day they cannot. Has the IDL and Trident Holdings factored the required "just compensation" for impacted property owners into their cost analysis?
- 3.The Public School Fund contribution from Endowment land accounts for only 3.7% of the total Public School Fund and the 28,000 Acres being discussed would be responsible for less than 1.4% of the total 3.7% (~\$519,000). It seems disingenuous to suggest that selling this land is in the best interest of the Public Schools when boosting commerce in the local economy will yield the largest contribution to the schools. 49.3% of the Public School Fund is generated through State funding compared to the 3.7% generated by Endowment lands. The more that the ability for recreation is maintained, the more money our businesses and residents will make, which directly increases the money being generated for the Public Schools. It seems that the revenue from recreation is sustainable; whereas, the trees will inevitably be logged and then the State is left with bare; non desirable land that isn't in close enough proximity for the majority of Idaho's population to enjoy on a regular basis (IE: Treasure Valley and Southern Idaho).
- 4. What is the valuation of both of the subject properties? I am making the assumption that the land around Payette Lake is far more valuable than with regards to the bare land, excluding the timber. Is Trident Holding going to provide bonding that guarantees that the state gets the value in timber that they stated in their investigation? What about insurance against fire or incidents? Is the Payette Lake property going to be used as collateral in the event that the timber sales are not as beneficial as estimated? What systems does the IDL have in place to ensure that this is a mutually beneficial trade, that isn't going to hurt the State financially?
- 5. The City of McCall and the rest of Valley County should be afforded the opportunity to vote on this and potentially implement a local tax to keep this as Public Land before it is traded to a Private Entity in a backdoor deal. Why is this being put in place during a worldwide pandemic! Any local and state elected officials that have been working on this behind the distractions of Covid19 should be ashamed of themselves and are not doing what is in the best interest to their constituents or the great State of Idaho.

From: elaine key <elainekeymd@yahoo.com>

Sent: Monday, July 20, 2020 8:50 AM

To: Comments

Cc: Sharla Arledge; Renee Jacobsen

Subject: Re: Comments Regarding Agenda Item #8, Report on Endowment Land Management

Plan Schedule, City of McCall / Vicinity

Dear Committee and Board

I am writing as a concerned citizen. The endowment land, for which you are entrusted, is our home. This is where we forage for mushrooms, hunt and observe God's creations, and maintain some memory of our intrinsic human heritage. Our health, as a society, is dependent on its existence.

This land is already heavily pressured by the growing influx of the same people who flock to its majestic beauty. We threaten the watershed, encroach on wildlife, and crowd the small slivers of beaches and single track trails that we have public access to. I ask that you consider another way to steward the land then the archaic method of selling it off, piece by piece, eroding the trust, for a "hope" it will be better off in private hands. It never is. Life has changed in these hundred years. School is online now, populations are booming, and now more than ever, we need a safe place away from this world

I ask that you lead us in another direction, open the great possibility of your imagination, that will have the outcome we need without the longterm and irreversible sacrifice. This could be in the form of an eco-tourism tax, working with other state agencies to legalize new markets in agriculture where the product is state managed, heavily regulated, taxed, and ear marked for the purpose of managing our lands and educating our children, as the surrounding states have done, or help create an internet tax for the abundant commerce that comes to this state. I ask that you give yourselves time. Time that is needed to develop a new VISION and work with colleagues and the community.

Thank you for listening. I will continue to pray, "Dear God, please show Brad, Lawrence E, Lawrence G, Brandon, Sherri, Dustin, and the great people they work with, the way. Give them strength, wisdom, and courage. Open their hearts and minds to see what has not been seen. Amen."

In Him, Elaine Key, MD From: Kelly Martin <kellymartinmn@gmail.com>

Sent: Monday, July 20, 2020 9:02 AM

To: Comments
Cc: Renee Jacobsen

Subject: Comments Regarding Agenda Item #8, Report on Endowment Land Management Plan

Schedule, City of McCall/Vicinity

To whom it may concern,

I would like the below letter included as part of the record for this coming Tuesday's Land Board Meeting, as regards the agenda item, "Endowment Land Management Plan Schedule, City of McCall/Vicinity." Thanks for making sure this letter gets included as part of the formal record.

I am deeply opposed to the possibility of a land exchange with Trident Holdings. As an eight year resident of McCall, I value the stewardship of this unique and beautiful land and the numerous opportunities it affords our community to enjoy being outside. There must be a better way to meet the criteria of state endowment lands to produce an incomethis land exchange is definitely not the way. Public lands are sacred places that EVERYONE can enjoy, and if we lose this land around the lake we will never get it back. Those of us that reside in McCall live here because we care about clean water, fresh air, wildlife, and healthy forests...it's what makes our community so special. The proposed land exchange would threaten our thriving ecosystems, which need to be preserved and protected. Please seek other options in managing endowment lands- our community and surrounding public lands are too precious to waste.

Sincerely,

Kelly Martin McCall, Idaho 612-242-0270 From: Ray and Ginger MITCHELL <mitchellsinidaho@msn.com>

Sent: Monday, July 20, 2020 9:36 AM

To: Comments

Subject: Regarding agenda item #8

Public lands are so important to Idahoans. Please do not give in to selling them so they can be developed, especially in the McCall area. Idaho is one of those special places we can all enjoy and I don't want to see any of it taken away.

Ray and Ginger Mitchell, 105 Prouse Ln, Blackfoot, ID 83221

From: Blake Axsom

Sent: Blake Axsom

Monday, July 20, 2020 9:39 AM

To: Comments

Cc: Renee Jacobsen; Sharla Arledge

Subject: Comments Regarding the Upcoming Agenda Item: Endowment Land Management Plan

Schedule, City of McCall/Vicinity

To Whom It May Concern:

I would like the letter below included as part of the record for this coming Tuesday's Land Board meeting, as regards the agenda item, "Endowment Land Management Plan Schedule, City of McCall/Vicinity". Agenda item #8 on the published Final Agenda. Thanks for making sure this letter gets included as part of the formal record. My comments are directed at considering issues related to "Endowment Land Management Plan Schedule, McCall/Vicinity".

Having grown up on the east coast, I can confidently say Idaho has a resource few other states have. The land to our east is largely developed with scant refuge for those looking to escape the urban jungle. By contrast, the protected forests and watersheds of Idaho offer beautiful vistas and untouched habits for wildlife, all of which make for a wealth of riches for Idahoans to appreciate and enjoy. Make no mistake, in our increasingly urbanized society, these riches have and will continue to disappear before our eyes. Indeed, Idaho's lands are perhaps it's greatest asset. It would be beyond heart-breaking to see this resource freely destroyed so a select few may profit.

To be clear, this is not simply about the tract of land outside McCall. It's about precedent. If Trident Holdings are permitted to proceed, it will open the floodgates to future developers, looking to personally gain from the devastation of our inheritance. You have the power to determine that precedent today. I urge you to let the precedent be one of conservation and preservation. Please let Idaho continue to be a beacon for all those looking to connect with the land. For our families, our wildlife, and all future generations, the choice is yours.

Sincerely, Blake Axsom **From:** Jimmy Smith < jimmy.smith.b@gmail.com>

Sent: Monday, July 20, 2020 9:47 AM

To: Comments
Cc: Renee Jacobsen

Subject: Endowment Land Management Plan Schedule, City of McCall/Vicinity

I would like my below letter included as part of the record for this coming Tuesday's Land Board meeting, as regards the agenda item, "Endowment Land Management Plan Schedule, City of McCall/Vicinity". Agenda item #8 on the published Final Agenda. Thanks for making sure this letter gets included as part of the formal record. My comments are directed at considering issues related to "Endowment Land Management Plan Schedule, McCall/Vicinity.

I bring my concern to the land board as an Idaho native born in Caldwell. My family on both sides have lived in this part of Idaho for several generations. I have gone to the mountains in and round McCall all my life to recreate and escape the summer heat and ski in the winter.

McCall and the adjacent area represents the future wild place to recreate and relax for my children and their children. I want to protect our open places so they can enjoy the mountains just has I have. Like most people in Idaho that are working class families, it is unlikely my children will have the means to buy a place in the mountains. Please don't sell or trade land that offers the working family access to the beauty of McCall and the mountains around it.

In addition to my personal reasons I have an economic reason to keep open public space in McCall/Vicinity. Have you noticed the huge increase in folks looking to the mountains to camp and escape city life? It is nearly impossible to find a camp spot on a weekend and many places are booked for the spring, summer, and fall. This is a trend that will likely become the new normal. It is in McCall's and Idaho's best interest to take advantage of our mountain assets. Let's not sell our golden goose for short term income when we can have long term recreational income that supports Idaho businesses.

Respectfully yours,

Jimmy Smith

From: Jennifer Weske <weskej@outlook.com>
Sent: Monday, July 20, 2020 10:27 AM

To: Comments

Subject: "Agenda Item #8 Report on Endowment Land Management Plan Schedule, City of

McCall/Vicinity

Hello,

I care deeply about the irreplaceable 28,000 acres of Endowment Lands in and around McCall. I demand that the Land Board and the IDL provide continuous communication to the public about the management plan and public input and participation in developing it.

Thank you,

Jennifer Weske

From: James Herzog <silverbullet555@gmail.com>

Sent: Monday, July 20, 2020 10:28 AM

To: Comments

Cc: Renee Jacobsen; Sharla Arledge

Subject: Upcoming Agenda item: Endowment Land Management Plan Schedule, City of

McCall/Vicinity

Good day,

I would like my below letter included as part of the record for this coming Tuesday's Land Board meeting, as regards to the agenda item, "Endowment Land Management Plan Schedule, City of McCall/Vicinity. Agenda Item #8 on the published Final Agenda. Thanks for making sure this letter gets included as part of the formal record. My comments are directed at considering issues related to "Endowment Land Management Plan Schedule, McCall/Vicinity.

To whom it may concern:

I recently heard about a proposal for a development company to swap lands from Northern ID with 28000 acres in and around McCall, ID. I must say, I am vehemently opposed to this for several reasons. First and foremost, there is no second chance when it comes to these lands. I fully understand that the land trust is directed to maximize returns for the benefit of our school system. However, I'd like to reiterate that once these lands are traded, there is no getting them back. We need to do everything in our power to preserve these lands to both create revenue and keep them open to the public.

These lands represent so much more than just income potential for the state. They represent my family's opportunity to learn about nature, harvest meat, gather fruits and vegetables, and the opportunity to learn how to do it while benefiting the environment. Putting these lands into private hands, no matter who, and no matter what promises they make, will ultimately limit access to the people of Idaho.

We should explore other alternatives such as utilizing NGOs to purchase the land and gift it to IDFG, let IDFG raise funds and purchase/lease the land, etc. I know Trident has been meeting with lawmakers in private which I find very concerning. It is critical that there are no backroom conversations, secret deals or other subverting of the openness of the process. The fact that this has already occurred tells me that money is pushing this through.

If this swap, or other disposal of the lands happens, it will significantly impact the residents of all of Idaho. Companies like Trident exist to make a profit and can't possibly fathom the non dollar costs associated with the loss of 28000 acres to the people and wildlife of the area. It's not an implication that they are out to cause harm. But, the owners/investors are out of town money and none of us will be able to even afford what they are building. We haven't even scratched the surface to the loss of lake access where this property is. There are also issues with the impact to McCall and the surrounding communities as it relates to infrastructure and resources. Nothing good comes of this. We can do better, and we should.

If we need to come up with a better plan to generate revenue while keeping the land in the public hands, let's do that. Selective logging, lease by IDFG, NGO buyout, etc. There are a lot of options that will preserve this space and ensure it is around for my kids and their kids!

In closing, we don't get a second chance to get it right. The process needs to move slow, it needs to be transparent and it needs to be more involved than it has been.

Respectfully, James Herzog From: Mike Maciaszek <maciaszek@frontiernet.net>

Sent: Monday, July 20, 2020 10:30 AM

To: Comments
Cc: Renee Jacobsen

Subject: Comments Regarding Report on Endowment Land - McCall Area

Idaho State Board of Land Commissioners,

As you all are well aware "highest and best use" is the likely use, selected from a number of available choices to which an area of land or a building may be put, based on what is physically possible, in compliance with zoning and building regulations, is legally permissible, appropriately justified, financially feasible, and which produces the most profitable present value of the land. Sometimes this can be a simple determination, other times it can be quite complex.

In addressing questions related to management and highest and best use of the +/-28,000 acres of endowment lands in the McCall area, there are many factors to consider, as such, any change in use should be carefully considered, and planning should be done in a thorough way, and not without consideration of how a change would affect other elements.

We're not just assessing short term value, or the present day value of the land. We as Idahoans need to consider all aspects of value, and how potential use affects other aspects of the land and how it's management affects surrounding economic, and environmental components. Many of these lands, particularly those within the Payette Lake watershed enhance the quality of life through open space, water quality, habitat, and desirability of the McCall area, which in turn strengthen property values, tourism, and recreational revenues. Revenue that these items generate through sales and occupancy taxes go back to counties in the form of property tax, and to the state in travel and convention taxes. If the endowment land can generate revenue through a variety of channels, and supports city, county, and state taxing entities, isn't it relevant to consider all aspects, even indirect ones as you evaluate the future of these endowment lands? With continued increased desirability of these lands, couldn't there be other potential revenue streams generated that haven't yet been considered?

If there is a problem identified in the current management of these lands, let's identify the problem through proper study, then consider all of the options as to how to address and/or solve the problem. Let's bring a variety of stakeholders to the table to find solutions to any identified problems that address both short and long term benefits while following the mandate for endowment lands.

In vetting various suggested solutions, let's be sure to consider how any such proposal would affect other aspects. Let's work together as Idahoans to find the best solutions together. Are there recreational opportunities and associated fees which would increase revenues, complimenting timber harvest revenues for instance? Please consider the value of extractive industry along with tourism and recreation. McCall was a timber town, and when the mill closed, the community shifted to a recreation and tourism based economy and McCall/Payette Lake has become one of Idaho's most significant and treasured destinations. Highest and best use needs to take into consideration generating revenue in the short term and it also include how to generate the most revenue into the future. To exchange this land for other timberlands in Idaho could have dramatic affects on other economic aspects. If this land were to be exchanged for other timber lands, at what point do the exchanged lands cease to provide the greatest long term revenue stream? Is it possible that recreation might be a valuable component for long term benefit? Isn't the best investment strategy diversification, to generate revenue in a variety of different classes so as not to be reliant upon just one?

There are many scenarios to be vetted, and the starting point is proper study and planning to assess current conditions and identifying areas for improvement. Please follow proper planning, please engage our greater community in the process, and please consider the long term affects prior to any decisions being made.

This is significant, and we as Idahoans, residents, and businesses in the McCall area greatly appreciate you working towards planning and solutions which provide the greatest benefit for many generations to come both in the management of the lands and in generating revenue for the endowment land beneficiaries.

Mike Maciaszek, Broker Real Estate of McCall 1306 Roosevelt Ave, Suite B McCall, Idaho 83638 (208) 315-2945

http://realestateofmccall.com

http://www.searchmccallhomes.com https://www.zillow.com/profile/mike9254/ From: tonislaymaker@frontiernet.net
Sent: Monday, July 20, 2020 10:33 AM

To: Comments

Subject: Report on Endowment Land Management Plan Schedule, City of McCall/Vicinity

We implore you to deny the proposed exchange of Payette Lake endowment lands in Valley County and to work with local and statewide sources to develop alternative programs to fund our schools.

The lands of concern return far and above the economic values and rates of return derived through polished, undocumented forecasts by private, profit motivated interests.

Impacts on our local and state economy, traffic, wildlife, water shed impacts, eco system, fish - the list goes on and on but we believe all are in peril should these lands fall into private hands.

These lands are PRICELESS and we believe they are one of the most tremendous assets in our great state of Idaho - for ALL and for many generations to follow! Please keep them in public hands!

Thank you for your service.

Respectfully,

Toni and Joe Slaymaker 1635 Lakeridge Drive McCall, Idaho 83638 From: Gabe Weske <gweske@microsoft.com>
Sent: Monday, July 20, 2020 10:34 AM

To: Comments

Subject: Agenda Item #8 Report on Endowment Land Management Plan Schedule, City of

McCall/Vicinity

I care deeply about the irreplaceable 28,000 acres of Endowment Lands in and around McCall. I demand that the Land Board and the IDL provide continuous communication to the public about the management plan and public input and participation in developing it.

Regards

Gabe Weske 202 Morgan Drive McCall ID 83638

Gabe Weske | Org Blueprint Lead | Microsoft M&O Field Operations

2 425.722.3480 **2** 208.890.6108 **gweske@microsoft.com**

From: Karen Smith <stablewoman2@gmail.com>

Sent: Monday, July 20, 2020 10:43 AM

To: Comments

Subject: Comments regarding Agenda Item: Endowment Land Management Plan Schedule, City

of McCall/Vicinity

I would like my below letter included as part of the record for this coming Tuesday's Land Board meeting, as regards the agenda item, "Endowment Land Management Plan Schedule, City of McCall/Vicinity". Agenda item #8 on the published Final Agenda. Thanks for making sure this letter gets included as part of the formal record. My comments are directed at considering issues related to "Endowment Land Management Plan Schedule, McCall/Vicinity.

As somebody who was born and raised in Idaho, I had the great fortune every summer of having access to a small cabin on Sylvan Beach my grandfather bought in the 1930's. It was passed on to my late father, and is now shared by me and my four siblings as a family trust. What I most remember about summers at the lake is that it was not just a playground for the super-wealthy, but a haven for middle-class families like my own. There was also lots of camping available for people who did not own properties there.

Things have changed. It would be impossible for my family to afford to purchase property there now. The small cabin across the road from us was recently sold and demolished. It is being replaced by a multi-million dollar structure that will take over two years to build. This has definitely been the trend in our neighborhood over the past decade, and appears to be the fate of this special area. It is very questionable whether my combined family will be able to afford to keep it as our property as taxes, maintenance, and insurance continue to rise. So what is left in Valley County for the average Idahoans who still hope to recreate and spend their tourist dollars in the area? Camping is great, but camping areas are full now during high season and require reservations up to a year in advance. As the population grows, we need more public space, not less. As much as I have enjoyed my postage-stamp size private property in McCall, I have often felt that it was a mistake to allow so much of the beach around the lake to have been privatized in the first place. How nice it would have been to have it left open for more to enjoy.

With due respect to Trident's promises, we have repeatedly seen land that was once open to the public sold and gated off. We have witnessed the debacle that was ValBois/Tamarack drag on for years because what the area needed was not another high-priced Aspen, but another Brundage that average Idahoans could afford and consistently support. It seems that every few years a new developer "discovers" McCall, makes a slew of promises of how they are doing the area a massive favor, and then defaults spectacularly. It is an easy trick for a corporation to market promises, but it is not so easy for the public to enforce those promises later. What have we learned?

On another note, I remember looking across the lake a couple of decades ago and seeing the lightning strike that burned the entire area currently under consideration. It has taken many years to regenerate. Once it is private land, who pays the bill when fires need to be fought and the damage addressed? Who pays for the access roads and other infrastructure? My guess is that a disproportionate chunk of public taxpayer funds will go to those projects. These lands need to be left in public hands. The real gold in those hills for the state in the long-term is recreational dollars.

Thank you, Karen Smith 3416 Hawthorne Drive Boise, Idaho 83703 From: Thomas Welty <thomaswelty@gmail.com>

Sent: Monday, July 20, 2020 11:17 AM

To: Sharla Arledge Cc: Sharla Arledge

Subject: Comments for Land Board meeting July 21, 2020

Attachments: Ltr to the Land Board July 21, 2020.docx; Ltr to the Land Board July 21, 2020.pdf

Thank you Sharla for answering our questions and for the update on the IDL plans on how to manage the 28,000 acres of Endowment Lands near McCall,

We appreciate that IDL will pause the new leases, exchanges and sales of endowment lands around McCall while studying how to use endowment lands to generate the maximum long-term financial return to the beneficiaries. There are many concerned citizens (including us) who will provide input into the planned study which is on the agenda of the Land Board meeting on July 21 as well as joining the meeting virtually using the link below. Thank you for making this a transparent and open process that facilitates input from concerned citizens. Attached are our comments as both an MS word and pdf file. Use whichever one it most convenient. Please place them in the meeting record and share with all the Land Board members. Thanks again.

Sincerely,

Tom and Edie

Thomas K. Welty, MD
Edith R. Welty, MD
939 Flynn Lane
McCall, ID 83638
Cell phone 208-989-0340 (Tom)
Cell phone 208-315-4339 (Edie)
E-mail thomaswelty@gmail.com

On 7/16/2020 10:20 AM, Sharla Arledge wrote:

Thomas-

A quick update since my last communication. Trident has withdrawn its request for a July 21 Land Board audience to present its idea for an exchange. The item has been removed from the agenda.

You are always welcome to look at the agenda for upcoming meetings along with meeting materials at https://www.idl.idaho.gov/about-us/land-board/. The live stream of the meeting can be found at https://www.idahoptv.org/shows/idahoinsession/ww02/.

I'll answer your additional questions below (in blue).

Sharla

From: Thomas Welty <thomaswelty@gmail.com>

Sent: Monday, July 13, 2020 7:22 AM

To: Sharla Arledge <sarledge@idl.idaho.gov>

Cc: Welty Julie and Alexander, Jared <juliar@frontiernet.net>

Subject: Fwd: Fwd: Re: More economic info - Actual numbers and Portfolio Management

Dear Sharla,

My daughter, Julie Welty, corresponded with you about the Trident proposal to trade State Endowment lands in the McCall area for timber lands in N. Idaho (see correspondence below). There has been a lot of opposition to this proposal, including over 500 comments to the McCall City Council prior to their meeting last Thursday (see attached). I anticipate that the ID Land Board will get a lot of comments for their July 21 meeting. Some questions:

1. Is it best for all comments to be sent directly to you, or should they be sent to the e-mail addresses of individual Land Board members?

You can send them to me. We review every comment, undertake a good faith effort to acknowledge each message with a response, make copies of the emails and provide them to the Land Board members.

- 2. What is the link for the livestream broadcast? See above
- 3. Can participants on the broadcast ask questions? If so what is the procedure?

Comments are typically limited it the agenda item being discussed and the informational item about Trident's proposal has been removed from the agenda at Trident's request. There will be an update regarding IDL's study and timeline on the agenda.

4. What is the best way for the McCall Council, Valley County commissioners, and concerned citizens to have input into the IDL study the Endowment lands around McCall, focusing on options to preserve and retain public access to these lands, and consider ways to enhance the financial benefits for the 9 beneficiaries of Endowment Land revenue?

Thomas, this is a fantastic question – thank you for asking this! My advice for concerned citizens is to: 1) stay engaged; 2) expand your education about the role of endowment lands and how they differ in mission from lands managed by agencies like the US Forest Service, BLM and even the Idaho Parks and Recreation department; and, 3) know that thoughtful comments exploring potential solutions are more impactful that automatically-generated form letters. There's a 45-page <u>publication titled Endowment Lands: A Matter of Sacred Trust on our website</u>; this study by the University of Idaho is an incredible resource for understanding why we have endowment lands and the role they serve.

5. Finally, I am aware of the possible auction of Cougar Island property in Fall 2020 (see notice below). Will that auction now be cancelled?

The auction of Cougar Island was previously approved by the Land Board. However, the lessee has withdrawn their request to bring the parcels to auction, so Cougar Island will not go to action at this time. This is a new development and the property will be removed from the auction website shortly.

Tom

Thomas K. Welty Edith R. Welty 939 Flynn Lane McCall, ID 83638 Cell phone 208-989-0340 (Tom) Cell phone 208-315-4339 (Edie) E-mail thomaswelty@gmail.com

n Jun 29, 2020, at 9:52 AM, Comments <comments@idl.idaho.gov> wrote:

Julie-

I'm sorry I'm not able to reach out to you in person, but I want you to know your email was received.

During last Tuesday's Land Board meeting, the Department of Lands asked and received permission to put a hold on leasing, selling, or exchanging endowment trust land in the McCall area, unless that land was already part of a previously approved action. The Land Board directed us to take a holistic look at all at endowment trust lands in and around McCall, evaluating what will bring the best, long-term return to the endowment beneficiaries. We'll present a timeline for the study at the Land Board meeting in July.

There seems to be concern that the Department of Lands is liquidating all endowment land in the McCall area. While the Land Board has received proposals from private individuals and companies offering to lease and exchange lands, everything is on hold, unless previously approved to move forward. IDL will complete its own study before anything new moves forward for consideration. The Board has not taken action on those offers.

When the Board meets next month, a variety of interests have requested time before the Board to present information, which is a courtesy the Board extends. One informational item will be presented by a company proposing the exchange of timberland for McCall area endowment land. However, the Board will not act on this proposal or any other until it has received information and analysis from the IDL and its expert advisers. The public is welcome to attend the July Land Board meeting or tune into it via a livestream broadcast.

Pease feel free to contact me if you have additional questions. The director and Land Board members will receive all the emails and comments sent here.

Sharla

Sharla Arledge

Public Information Officer

Idaho Department of Lands

208-334-0286 / 208-315-7396

sarledge@idl.idaho.gov

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<image003.jpg>

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

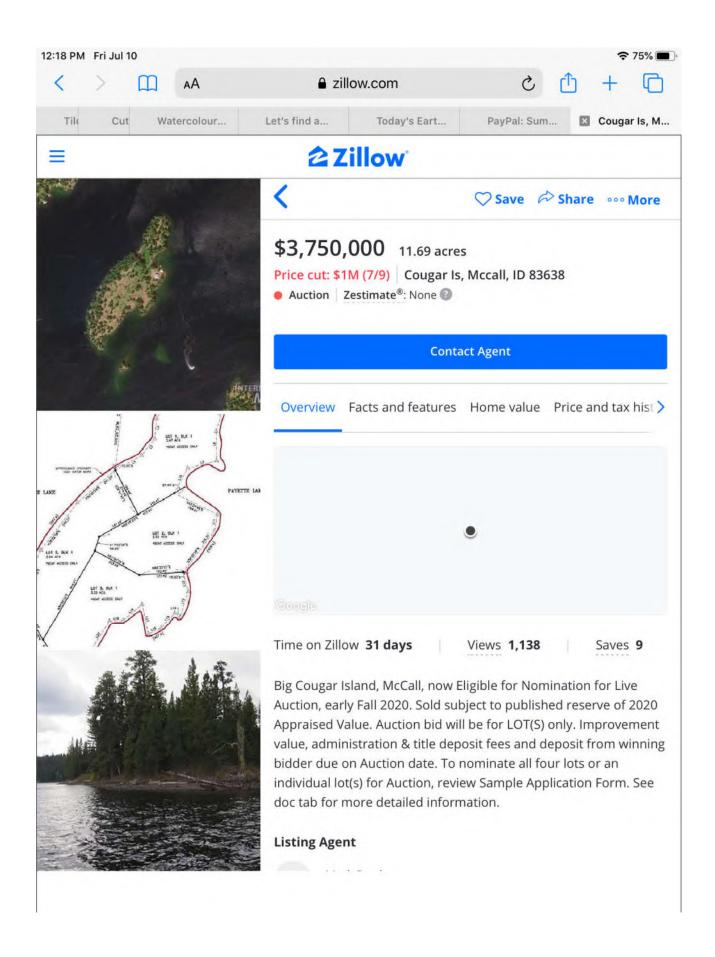
From: Jared Alexander < juliar@frontiernet.net>

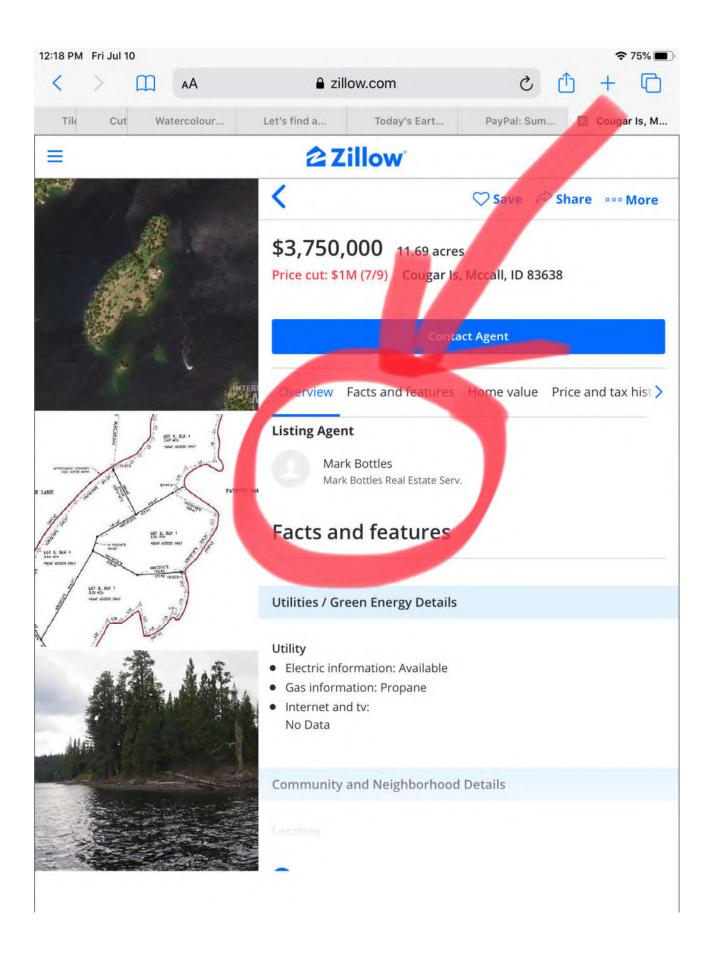
Sent: Friday, June 26, 2020 9:01 AM

To: Sharla Arledge < subject: State lands around Payette lake

My name is Julie Welty and I am a resident of McCall. I read in the local star news that the state is thinking about selling state land around the Payette lake to a private company. I work as a family physician here and I am quite concerned about the prospect of the state selling land privately and not having open space for people to recreate and exercise. There are hundreds of McCall residents that would also be opposed. Please send me the contact information for where I can have people write letters opposing this. I would also like more information on the possible options. Thanks!

Julie Welty





July 20, 2020

From Drs. Thomas and Edith Welty

Reference: "Agenda Item #8 Report on Endowment Land Management Plan Schedule, City of McCall/Vicinity

Comments for the Idaho Land Board to consider at the July 21, 2020 meeting

We appreciate that Idaho Department of Lands (IDL) will pause new leases, exchanges and sales of endowment lands around McCall, while studying how to use endowment lands to generate the maximum long-term financial return to the beneficiaries. There are many concerned citizens (including us), who will provide written comments about the planned study, which is on the agenda of the July 21 meeting. Many will also join the meeting virtually and some may make oral statements as well. Thank you for making this a transparent and open process that facilitates input from concerned citizens.

We recommend the following:

- 1. Please review the century old constitutional mandates for the IDL in relation to the changing priorities for Endowment Lands, especially the need for conservation and public access in the 21st century. Is it feasible to change these mandates and if so, how could this be done? Can these lands be kept under state control perpetually for future generations?
- 2. What is the best mechanism for concerned citizens to have input into the IDL review of and plans for these lands?
- 3. Could the timber on these lands be harvested in such a way that the risk of wildfire is reduced and the health of the forest restored? This would then generate income as well as promote public access to healthier forests and conservation of the lands. Wild fires are the greatest natural threat to McCall and surrounding areas and will reduce the value of timber harvested from Endowment Lands.
- 4. Explore options for enhanced public access and enjoyment of the Endowment Lands, that are consistent with the Board's duties to its beneficiaries, such as the Payette Lake Trail that is planned to provide safe and enjoyable access for hikers and mountain bikers. The section from the Payette Rim Trail to the Brush Creek Parking lot along Warren Wagon Road was completed in 2019 and it is now being enjoyed by the public. As noted on the photo of the sign that is posted at the Brush Creek Parking lot trail head, this trail has been approved by the IDL and was funded by donations received by the Central Idaho Mountain Biking Association (CIMBA) through the efforts of Dave Bingaman, Valley County Commissioner. Further collaborative efforts are needed to finalize this trail around the entire lake as described on the CIMBA website. See https://www.cimbarides.org/trailbuilding
- 5. The Endowment Lands could have many more trails that could be enjoyed by hikers and mountain bikers and alternative trails for horseback riders and motorized bikes. What process can be established to facilitate the creation of such trails, without reducing the economic value of the timber on these lands or any other potential income generating uses for the lands, while at the same time preserving the beauty of the lands and conserving them for the future? Could some of these lands be managed by Ponderosa State Park and any profits then be credited to the Endowment Fund? The lands along the Payette River north of Payette Lake could be added to the North Beach section of Ponderosa State Park.

We look forward to listening to the deliberations of the Idaho Land Board on July 21 and wish you well as you work with concerned citizens to create a plan that will lead to responsible stewardship of these lands for the future and generate revenue for the beneficiaries.

Respectfully submitted:

Tom and Edie

Thomas K. Welty, MD
Edith R. Welty, MD
939 Flynn Lane
McCall, ID 83638
Cell phone 208-989-0340 (Tom)
Cell phone 208-315-4339 (Edie)
E-mail thomaswelty@gmail.com



From: Michael Beckwith < michaelabeckwith6481@gmail.com>

Sent: Monday, July 20, 2020 11:25 AM **To:** Renee Jacobsen; Comments

Cc: Michael Beckwith

Subject: Comments regarding agenda item #8 on Endowment Lands in the vicinity fo McCall and

Payette Lake

TO: Idaho State Board of Land Commissioners

The State Endowment Lands in the vicinity of McCall and Payette Lake are an irreplaceable public resource. I strongly believe it is NOT in the best overall and long-term interests of the people of Idaho to privatize 28,000 acres of them as has been recently proposed.

I strongly support development of a comprehensive management plan for these lands based on sound natural resource management, environmental and socioeconomic information. Development of such a plan should meaningfully involve, include and represent the public and all interests.

I realize there is a constitutional mandate to achieve the maximum return from the State's Endowment Lands. However, I also strongly believe that mandate should be interpreted and applied within the context of Idaho in the 21st century, not as it was in the late frontier era when Idaho became a State, and not just in the context of an absolute dollar or profit amount at or over a specific time.

I believe a logical and practical solution that would be of the most long-term social, economic and environmental benefit for all Idahoans (both full-time and part-time) and visitors alike would be to include these lands into an expanded Ponderosa State Park. This likely would require the legislative and political process, and which also must meaningfully involve the public and multiple interests.

I believe this would be the most responsible, fair, transparent and ultimately acceptable approach and long-term solution. I respectfully urge the Idaho State Board of Land Commissioners to proceed with these ideas in mind while conducting its business regarding the State Endowment Lands in the vicinity of McCall and Payette Lake.

Respectfully,

Michael A. Beckwith McCall and Sandpoint, Idaho

Retired from:
US Bureau of Reclamation
Coeur d'Alene Tribe
US Forest Service
Independent environmental Consultant
US Geological Survey
ID Dept of Environmental Quality
Battelle / Pacific Northwest National Laboratory

From: Chris and Brooke Haechrel <cbhaechrel@msn.com>

Sent: Monday, July 20, 2020 11:27 AM **To:** Comments; Renee Jacobsen

Subject: Comments regarding Agenda Item #8 - Endowment Land Management plan schedule,

City of McCall and vicinity

To Whom it May Concern,

I would like my below letter included as part of the record for this coming Tuesday's Land Board Meeting as regards to the agenda item, "Endowment Land Management Plan Schedule, McCall and Vicinity". Thank you for ensuring that my letter gets included as part of the formal record.

As a native Idahoan, born, raised and living in various parts of the state my entire life, my love of Idaho runs deep. I did not just "stay" in Idaho because it was the only option, I CHOSE to live in Idaho after traveling both the US and Internationally. I CHOSE to love this state and support the values and the land and nature that we the Idaho public are so proud of. Not only did my parents teach me to care and love the land that we have here in Idaho, but I am now teaching my children what a wonderful and viable asset access to these public lands are. My husband and I value the McCall area specifically that after years of traveling to McCall and staying with friends, we purchased a small second home so that we could more easily access the lands surrounding McCall on a regular basis. We live and work in Idaho year around, but find that the trails and nature we can provide our children and family members in the surrounding McCall area is so beneficial to their health and well being. Land that is so valuable that year around we take time to hike, ski and snowshoe trails, viewing lakes and streams, looking at flowers and viewing wildlife and breathing clean air. We have supported the lands surrounding and in McCall in many, many ways, both in supporting local events, but also doing our part to take care of the open and public spaces through staying on trails, picking up trash, respecting the rules and honoring the wildlife by learning about their habitat and respecting their needs.

The preservation of public land to be cared for and used by Idahoans should be one of the highest priorities of this board. I feel strongly that the process on how these specific endowment lands can both provide funding for our schools and public access should be an OPEN and well published process. The decisions regarding this endowment land should not be persuaded by out of state interests or those corporate entities that would like to make use believe they are locally invested in the people and land of Idaho, when in fact their true interests lie outside of what is best for the people, wildlife, land and water of Idaho.

I believe that Trident and many other large corporate land development firms want to make Idahoans believe that we don't understand or know the value of this land. These corporate interests want us to believe that the public in conjunction with the Idaho Land board and the State of Idaho are not capable of protecting and preserving the land, wildlife and Payette watershed. However I know that the public, the Idaho Land Board and the State of Idaho does KNOW the value of this land, we do understand its potential, and we reject the concept that these lands should be only used by a chosen few with deep pockets and big promises to protect the land. We are capable of managing this land and its resources in a balanced way so that both schools can be supported and the land can be preserved. We are creative and we as the public want to be part of this process. We are willing to do our part, we are willing to think of new options that will allow usage and preservation of the land all while supporting our schools. I strongly believe that Idahoans are also willing to pay our share, via an extra fee or other form of fee, but we need to be part of the process to help

make this happen (specifically I am thinking of something similar to the Idaho Parks Pass, boating tags, or other tag/fee that support specific causes).

We know from experience both in other states and within our own states that the definition of commercial or private protection means "closing off the land" to public use, impacting all Idahoans who live and work and love the land they are surrounded by. As a vested Idahoan, one who has lived, worked and played in Idaho my entire life, I ask you, the Idaho Land Board, to please do the right thing, please protect this and all Idaho endowment land from outside interests. Please keep the process of navigating the lands best use open and work with the people of Idaho to come up with a plan that sets the standard for generations to come. I know together we can do this.

Best Regards, Brooke Haechrel Boise, Idaho 208-850-5024 From: Sabrina Schuler
To: Comments

Cc: rjacobsen@idl.idaho.go

Subject: Regarding Agenda Item #8, Report on Endowment Land Management Plan Schedule, City of McCall/Vicinity -

Comment

Date: Monday, July 20, 2020 11:28:47 AM

Hello,

This message is intended for the land board meeting that is to occur tomorrow regarding the McCall Public Endowment Land issue, and the possible privatization of over 28,000 acres of land around Payette Lake. To make this absolutely clear, I am a public land owner within the Boise area, and I am STRONGLY against this land exchange at the cost of public recreational opportunities, clean and accessible water, and wildlife habitat.

On a personal level and an affiliate of Backcountry Hunters and Anglers (BHA) - the voice for our public lands, waters, and wildlife - the proposal to reduce public land accessibility and interfere with wildlife corridors, especially for mule deer and elk within that area, STRONGLY conflicts with my stance and views, and those of BHA as well. The Payette Watershed provides significant sentimental values to those who visit the area, as well as ecological interests for the fish and wildlife that utilize these fundamental areas. Many citizens that come from the state of Idaho and even beyond find solitude and peace being able to recreate in this pristine area - including myself - and having that taken away may be detrimental to our livelihoods, the economy within that area, and to the environment. I have seen the Boise foothills becoming highly congested with unnecessarily large homes that take away the aesthetics of the foothills, take away public land accessibility, and take away from habitat from the largest wintering mule deer in the state - and this is still an ongoing issue today with a proposed trail near Lucky Peak. The cost of developing large residential, private lots at the cost of that serenity and ecological integrity does not fit my agenda personally, and I hope that this proposed transaction can be reconsidered, and the voices of those opposed can be heard loud and clear.

Endowment lands originally comprised approximately 3.6 million acres of land, and much more land has been sold off than has been added, and selling off public lands to benefit a few just doesn't seem like the most wise and careful decision that could be made here. Idaho is known for its public lands - we are blessed to have over 60% of our land be publically available to all of us - and coming originally from Indiana - where less than 2% of all land is public - in order to utilize all of these public lands is extremely special for me, as I know it is for others. I hope that I can be a voice for those opposed to this proposal, and I hope that some alternative to this land exchange can be considered.

Thank you for taking the time to read my comment. I hope this brings some pressure to the table.

Sincerely, Sabrina Schuler

--

Sabrina Schuler Biology, MS Department of Biology Boise State University BSU BHA Vice President sabrinaschuler@u.boisestate.edu From: Kelliey Chavez <Kelliey@Bluerealm.net>

Sent: Monday, July 20, 2020 11:35 AM

To: Comments
Cc: Renee Jacobsen

Subject: Comments Regarding Agenda #8, Report on Endowment Land Management Plan

Schedule, City of McCall/Vicinity

To Whom It May Concern:

I would like my below letter included as part of he record for this coming Tuesday's Land Board meeting. Thank you for making sure this letter gets included as part of the formal record.

McCall land is important to our family because we regularly hike, bike and explore public lands since purchasing a home in McCall almost 2 years ago. The process of this agenda needs to be open and transparent without lobbyists contacting elected officials and back room decisions being made. McCall lands require long term protection from sandy "investors" whose only real concern is making a buck or two. Trident Holdings plan for our acreage and watershed is not good for anyone but them.

IDL needs to keep these lands public for the use and enjoyment of the people who love this area.

Kelliey Chavez 14 Owleclover, McCall & Duxbury Pier Lane, Garden City From: Darby Webb <darby_webb@yahoo.com>

Sent: Monday, July 20, 2020 11:59 AM

To: Comments

Subject: IDL Board Mtg 7/21/20; Agenda item Endowment lands

Hello,

Tomorrow as part of your meeting, you will be discussing Management of Endowment Lands. Recently the 28,000 acres of Endowment land in the McCall area has been a topic of public discussion. We value these lands tremendously and they are not only essential for wildlife and water quality, but are a recreation asset for the citizens of Idaho. For generations, Idahoans have enjoyed these pristine lands for hiking, biking, kayaking, hunting, etc. To quickly sell, swap, or develop them would be a mistake that is irreversible. I am writing to ask the Board to please engage the public in your future discussions regarding this land. Please do not rush into a decision, but try to formulate a plan that will protect these lands for wildlife, water, and public access permanently. Together, hopefully an amenable plan can be devised that would be acceptable for the public, the Land Board and the State of Idaho.

Sincerely,

Darby Webb

Boise and McCall

From: Tad Jones <tadajones@gmail.com>
Sent: Monday, July 20, 2020 12:34 PM

To: Comments
Cc: Renee Jacobsen

Subject: Comments Regarding Agenda Item #8, Report on Endowment Land Management Plan

Schedule, City of McCall/Vicinity

Dear Idaho State Board of Land Commissioners,

I am writing to oppose privatization of our public state lands. In particular I am writing in regards to the endowment lands around Payette Lake and Valley County. I was born and raised in Idaho and have watched the slow privatization of our public lands erode the public's access and ability to enjoy these lands. These public lands should be protected for future generations. I do believe that these lands can be respectfully managed by the State, make a profit through responsible stewardship and still maintain public ownership and access. I understand there is a mandate for profitability in the Idaho Constitution to help fund education and other programs. I believe it might be time for an amendment to the Constitution to protect our public lands from further privatization. Let's please work together to find other solutions to fund State programs other than selling off our most precious and limited resources.

Respectfully Submitted,

Tad Jones

Tad Jones, Architect 1324 Boydstun Lane McCall, ID 83638 208.806.1080 208.869.2646 cell tadajones@gmail.com www.tadjones.net From: Jenn Gray <jennet1130@yahoo.com>
Sent: Monday, July 20, 2020 12:54 PM

To: Comments

Subject: 7/21/20 meeting agenda item #8 Report on Endowment Land Management Plan

Schedule, City of McCall/Vicinity

Commissioners of the Idaho State Board of Land, I was born 30 minutes from McCall and moved back 7 years ago to raise my family here. I care very much about the 28,000 acres of Endowment Lands in and around McCall and Payette Lake. The land is irreplaceable, and our access to Payette Lake is already so small as is.

Please include local officials in your decision making, and keep communication with the public open, honest, and continuous when considering options for how to move forward with these lands.

A local advisory group, including representatives from all organizations whose members use these lands, would also be a wonderful way to keep everyone informed.

Thank you for your time.

Jennet Gray 317 Mather Road McCall, Idaho From: Melissa Newell <meli.newell@gmail.com>

Sent:Monday, July 20, 2020 1:14 PMTo:Comments; Renee JacobsenSubject:Public Comment:Agenda Item #8

To Whom it May Concern:

My name is Melissa Coriell. I am a resident of McCall, Idaho and I have been a teacher at McCall Donnelly High School for 12 years.

I would like to make a public comment in regards to Agenda Item #8: Report on Endowment Land Management Plan Schedule, City of McCall/Vicinity. I am encouraged that the IDL may want to provide citizens the opportunity to participate in a conversation about how to best manage the 28,000 acres around McCall. I care about these lands and I look forward to being part of the conversation going forward. I encourage the IDL to work with a local advisory group to develop a comprehensive management plan for the lands around McCall.

I am advocating that these endowment lands stay under state control in perpetuity and that we explore the possibility of using conservation easements to increase revenues to the endowment funds while allowing for harvest treatments that maintain the health of the forests.

I also suggest reviewing the constitutional mandates for the IDL in relation to the changing priorities for Endowment Lands, especially the need for a land ethic that prioritizes the health of the landscape, wildlife, forests, rivers, lakes, and streams. We need a healthy ecosystem for a healthy citizenry, now and for future generations.

Thank you.

Sincerely,

Melissa Coriell McCall, ID From: Lindsey Harris <harr4358@gmail.com>

Sent: Monday, July 20, 2020 1:37 PM **To:** Comments; Renee Jacobsen

Subject: Comments regarding the Upcoming Agenda Item: Endowment Land Management Plan

Schedule, City of McCall/Vicinity

Hello!

I would love to register to be able to listen in to tomorrow's Land Board meeting and in addition, I would like my letter below to be included as part of the record in re: to agenda item, "Endowment Land Management Plan Schedule, City of McCall/Vicinity". Agenda item #8 on the published Final Agenda. Thank you so much for including my letter as part of the formal record.

First of all, I would like to thank the Land Board and IDL staff for all of their hard and extensive work on endowment lands in our great State. Your efforts do not go unnoticed. I understand and appreciate the unique position you are in and the constitutional requirements and obligations to obtain the highest return on investment to help fund many vital State programs. This is a multifaceted issue that is far from black and white.

Our State is growing, changing, shifting at a very rapid pace with our new residents flocking here to experience the stunning natural beauty, resources, and easily accessed public lands. Coupled with an affordable cost of living and growing economy, we are in the midst of a boom, and in many capacities, we are struggling to keep up.

With the growth in visitation and residency, we are all feeling the squeeze and impacts within our public lands, which is our focus today. I do not have the answers and I do not envy the difficult decisions you all have to make while weighing all the best possible options, but this I do know - retaining endowment lands as public is the best long term return on investment for the McCall area.

The land in the surrounding McCall area is a true treasure, full of delicate wildlife and watershed that our region depends on for resources and recreational economy, both of which are very much ingrained in our identity. Getting creative and working with pertinent agencies and organizations to find the right solutions that serve the highest population base should be our top priority.

The high value public lands have for Idahoans has become vehemently clear in recent years as land has been sold to private entities/individuals, with the subsequent loss of access. Selling these lands off at cents on the dollar in the short term may be a positive choice that alleviates the temporary burden of maintaining them, but the ramifications of the sale of these lands is a great loss for our State and more specifically, to the core of who we are in this area.

On my drive home yesterday after spending a few magical days in the woods, I saw countless people utilizing the coveted endowment lands. The smiles on their faces, the priceless time they are spending with their families in nature with no material distractions of modern life, while teaching their little ones to fish, teaching them to respect the mama and baby moose living in the area, teaching them the value of respecting the environment, should be our motivation in this process. Ensuring this land can be enjoyed by all indefinitely is what we need to focus on.

In good faith, I offer myself in any capacity to assist in exploring the best options that help fulfill the fiduciary obligations and keep these lands public. Whether it is my career/expertise, various involvement and connections with organizations and the community, my family's deep history in Central Idaho, or my 4th generation McCall commitment, I am willing to help in any way possible that is rendered useful.

Together we can do what is right for our special corner of the world. Thank you for your time and leadership. My best to all of you.

Lindsey Harris McCall, Idaho From: Melanie Holmes <mholmes2393@outlook.com>

Sent: Monday, July 20, 2020 1:49 PM

To: Renee Jacobsen; Comments; Sharla Arledge

Subject: Comments Regarding Agenda Item #8, Report on Endowment Land Management Plan

Schedule, City of McCall/Vicinity

Dear State Land Board Commissioners:

"I would like my below letter included as part of the record for this coming Tuesday's Land Board meeting, as regards the agenda item, "Endowment Land Management Plan Schedule, City of McCall/Vicinity". Agenda item #8 on the published Final Agenda. Thanks for making sure this letter gets included as part of the formal record. My comments are directed at considering issues related to "Endowment Land Management Plan Schedule, McCall/Vicinity".

I am an Idaho native, born in Moscow, ID in 1968. I've lived in the Ketchum area from 91 to 2004 and then McCall from 2004 on. Our state is a true gem with outdoor recreation that is not equaled in my experience. I personally enjoy recreating, wildlife viewing, fishing, hiking, camping, huckleberry picking, hunting for morels in the summer and skiing, snowmobiling and much more in the winter. I personally would be happy to pay user fees to recreate in the area of concern. I would also welcome a recreation district if that is allowable under the Idaho Constitution for Endowment lands for the 28,000 acres being discussed.

As a concerned McCall resident, I would urge you to come up with some creative solutions that do not include adding to our already fragile infrastructure or creating more traffic which will further the impact on state highways and city streets.

Respectfully, Melanie Holmes REALTOR **From:** Craig Utter < craigutter@payettelandtrust.org>

Sent: Monday, July 20, 2020 2:50 PM

To: Renee Jacobsen

Subject: Re: Payette Land Trust's request for Public comment at the July 21st Land Board

meeting

Attachments: Land Board Public Comments letter.pdf; Payette River Basin Initiative - Final.pdf

Hello Renee,

Attached are my comments for tomorrow's meeting along with a copy of the Payette River Basin Initiative, a document I reference in my comments.

Thanks for all your help.

--

Craig Utter Payette Land Trust, Executive Director 309 E. Lake Street McCall Idaho 83638

PLT office phone: 208-634-4999

PAYETTE LAND TRUST

CONSERVING THE RURAL LANDSCAPE OF WEST CENTRAL IDAHO

A NON PROFFIT 501 (C)3 CONSERVATION ORGANIZATION

Idaho State Land Board,

Thank you for this opportunity to speak publicly before the Board.

I am here today to address The Idaho Department of Lands decision to put on hold all leasing, selling, or exchanging of Endowment Trust land in the McCall area. We applaud this decision and request to be included in the discussion shaping the future land use within our community.

The Payette land Trust has been working to balance conservation and development in the west central mountains for over 25 years. We are the locally based conservation organization for Adams, Idaho, Washington and Valley counties. We own and manage two properties and hold 10 conservation easements with private individuals and entities in the area.

The 28,000 acres of Endowment land are uniquely positioned to impact the greater Payette River basin. Located in a transitional landscape, decisions about use will impact streams, rivers and lakes, both now and into the future. Along with the natural environment, these lands have also become interwoven into the fabric of the community and the heritage of the Valley.

For this reason, we created the Payette River Basin Initiative. Unveiled last year, the goal of the initiative is to engage landowners within ½ mile of the high-water mark along the North fork of the Payette River including Payette Lake and Lake Cascade. We seek opportunities to work collectively to conserve the natural resources in the Basin. IDL is one of those landowners. We wish to form a closer working relationship with the Land Board to better accomplish the objectives of both organizations.

Regarding the Endowment Lands, our vision is to pursue a path resulting in permanent conservation of as many acres as possible while working within the legal and constitutional boundaries of the Endowment.

We not here today to support or oppose any specific plan, proposal or idea.

Rather we are here today to promote the idea of permanent conservation, which is at the core of our mission. We ask that conservation be seen as a seminal value when assessing the worth of these lands whatever the plan, proposal or idea may be.

We understand there are constitutional entanglements which make the pursuit of perpetual conservation complicated, but believe it is not necessarily impossible.

The framers of the Endowment may never have imagined the value of development, recreation and conservation ever challenging the value of timber or grazing. They may have thought the idea of riding a bike through the mountains for enjoyment on a Saturday afternoon to be crazy, let alone an economic driver.

My point is: there are questions yet to be asked and solutions yet to be found.

Our mission is to conserve the rural landscape of west central Idaho for future generations by conserving the scenic, agricultural, ranch, recreational, historic and wildlife values of this region. We accomplish our mission by engaging as many different stakeholders as possible, while keeping conservation at the heart of the discussion.

We would like to add the State Land Board to our list of Partners to help fulfill our mission.

We ask for a seat at the table when discussing the future of Endowment Lands, which are literally in our backyard.

Thank you for your time Sincerely,

(naig (! Httm: Craig Utter, Executive Director



Street Address 309 E. Lake Street McCall, ID 83638 Country

PHONE (208) 634-4999

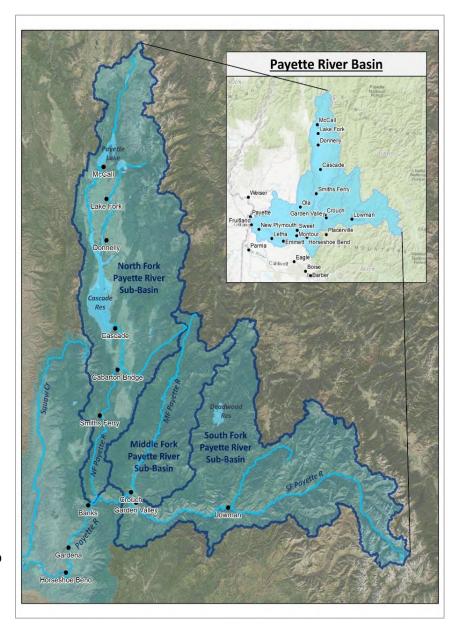
EMAIL info@payettelandtrust.org
WEBSITE Payettelandtrust.org



Payette River Basin Initiative

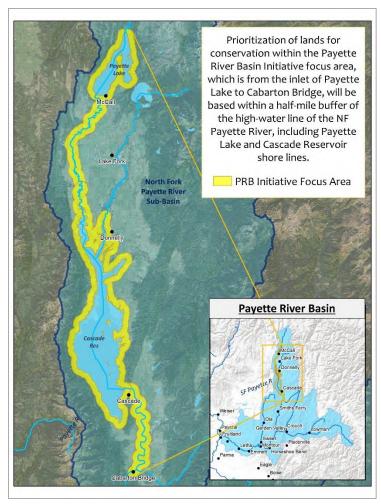
Purpose

The purpose of the Payette River Basin (PRB) Initiative is to utilize conservation easements in permanently conserving portions of land which hold natural, recreational, agricultural and hydrological water resource value. The PRB initiative hopes to receive and focus local, regional and national resources to accomplish this goal. The waterways, lakes, and wild country within and around the basin has drawn people to the area for generations and with increased use, development is inevitable. The Payette Land Trust (PLT) has long understood the importance of the Basin to the area's quality of life, economic viability, unique natural beauty and the importance to the State's water quality. The PLT will strive to keep the land in private ownership and provide the opportunity for public access through agreements with willing private landowners.



Goal

The Goal of the PRB initiative is to permanently conserve a connected corridor from the Payette Lake inlet to Cabarton Bridge along the main stem of the North Fork Payette River. This effort will allow for access, recreation and movement of both people and wildlife within the corridor, while conserving the existing natural beauty and water quality.



Payette Land Trust: What We Believe

The PLT believes in conserving the rural landscape of west central Idaho for the benefit of our community and future generations. We promote a community ethic that values and conserves its working agricultural properties and timberlands in balance with thoughtful development. We envision dedicated areas of open access and connectivity encouraging people to take part in their environment. We believe in maintaining the region's pristine rivers, streams, meadows and lakes for present and future generations.

Compatibility with the 2018 Valley Co. Comprehensive Plan (VCCP)

The PRB Initiative goals overlap substantially with those of the 2018 Valley County Comprehensive Plan (VCCP)¹. Chapters 4, 6 and 10 of the VCCP describe Valley County priorities related to Natural Resources, Special

Areas and Sites, as well as Recreation and Open Space. The plan also recognized that findings have shown the overall water quality in Valley County, Lake Cascade and Payette Lake have been declining. The PLT believes the initiative can be a component in addressing this issue.

Goals of the VCCP which align with the PRB Initiative are as follows:

- Conserve and manage groundwater and surface water in all its forms in order to prevent depletion or pollution
- Protect fish and wildlife as natural resources of critical importance to Valley County
- To recognize the water bodies and waterways in Valley County as special areas
- To recognize important wildlife habitats
- To promote and support a viable recreation and tourism program that is in harmony with the Land Use section of this plan
- To promote and support acquisition and protection of open space that is in harmony with the Land Use section of this plan
- To promote and support acquisition and protection of our trail systems and recreation sites

¹ http://www.co.valley.id.us/wp-content/uploads/2018/11/2018-Compilation-online-2.pdf

Objectives of the VCCP which align with the PRB Initiative are as follows:

- Encourage open space buffers adjacent to rivers and creeks in order to preserve riparian areas
- Promote agricultural practices which protect and improve water quality and the expansion of those practices
- Protect the recreation value of the County's water bodies and water courses
- Preservation, protection, and enhancement of wildlife and fish and their migration corridors
- Encourage formation of a citizens group to develop a specific plan for the North Fork of the Payette River between Payette Lake and Lake Cascade
- Work with local, state and federal agencies to provide improvements to waterways within the county
- Encourage new developments to provide and maintain on-site developed recreational facilities, parks, greenbelts, pathways, or open space
- To promote clustering of structures in new developments so as to preserve open space while allowing density
- To consider purchase of easements and property that is key to our recreation access points
- To communicate with land trusts

Payette River Basin Overview: Described in the 1999 Idaho State Water Comprehensive Plan

The Payette River is a major tributary to the Snake River, draining a 3,320 square mile watershed in west-central Idaho. Approximately 4,000 stream miles delineate the basin. Three major branches, the North, Middle, and South forks, conveying water from the mountainous headwaters, converge at the southwestern edge of the Idaho batholith to form the Payette River. The estimated amount of water entering the basin each year as precipitation is about 5.3 million-acre feet. The amount leaving the basin as the annual flow volume of the Payette River at Payette is 2.2 million acre-feet.

Major industries are agriculture (farming and ranching), timber, and recreation. Irrigated agriculture mainly occurs in two areas of the basin: the lower Payette Valley below Emmett, and Long Valley between McCall and Cabarton. Smaller valleys have some irrigated agriculture as well. Approximately 33 percent of the basin is considered tentatively suitable for timber harvest.

The basin is characterized by 60,000 surface acres of boatable rivers, lakes, and reservoirs, comprising 9.1 percent of the state total. Five of the sixteen lakes in the state managed for a trophy or quality trout angling experience occur in the Payette River Basin. Winter sports are an important sector of the economy for upper basin communities.

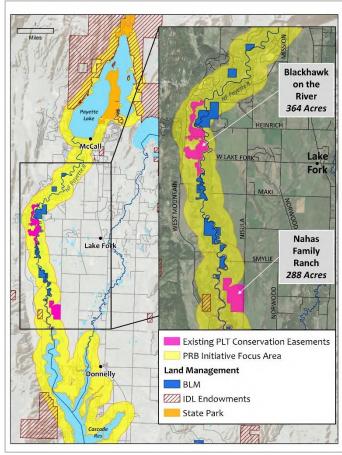
Current Easements within the PRB

In 2006 the PLT and the Nahas family completed its first conservation easement along the North Fork of the Payette River. This conservation easement consists of 288 acres of river front, wetlands, upland grassland and timber. The property remains in private ownership as a working ranch. The PLT then followed in 2007 with an easement on the Blackhawk Development consisting of 364 acres of river front, wetlands and timber.

Current Projects within the PRB

Payette River Access Project

PLT is targeting efforts to connect existing conserved land between Payette Lake and Cascade Reservoir with a focus on providing limited public access to both the water and land. The benefits include partnership opportunities for the Valley County Pathways² and the Payette River Basin Water Trails projects³ while meeting goals with in



the 2018 Valley Co. Comprehensive Plan. Currently, the PLT is working with stakeholders and landowners along the corridor to permanently conserve undeveloped portions of the Payette River.

Payette Lake Conservation Project

The PLT is creating a Strategic Plan for permanently conserving the remaining undeveloped portion of Payette Lake located under the McCall Impact Area. The PLT understands the majority of the undeveloped land around the lake is under the ownership of the State of Idaho Endowment Trust and would involve cooperation from the State Board of Land Commissioners. The benefits include permanent public access to the shoreline and the land, water quality protection for the City of McCall and downstream consumers, wildlife movement areas, recreation, hiking and biking trail development, the elimination of land use conflicts within the McCall Impact Area and promote long term economic viability through outdoor recreation⁴. The PLT is currently working with landowners along East Side drive to gain insight and support for the plan.

Conserving Agriculture Heritage within the Basin

The PLT recognizes a significant amount of the working agricultural lands in the Basin reside within a few miles of the Payette River and its tributaries. The PLT is working with Natural Resources Conservation Services (NRCS) through a Farm Bill program to focus efforts on conserving this agricultural heritage⁵.

² http://www.valleycountypathways.org/

³ http://payetteriverwatertrails.com/

 $^{^{4} \ \}text{https://} \underline{\text{headwaterseconomics.org/economic-development/trends-performance/recreation-counties-attract/\#explore}$

⁵ https://www.nrcs.usda.gov/wps/portal/nrcs/main/id/programs/easements/

From: Department of Lands <no-reply@idl.idaho.gov>

Sent: Monday, July 20, 2020 5:37 PM

To: Comments

Subject: Comment Submitted

From: Linda Corder at snowshoelou@gmail.com

Phone: 208-315-2113 Address: P.O. Box 156

City: McCall State: Idaho

Comment:

Reference: "Agenda Item #8 Report on Endowment Land Management Plan Schedule, City of McCall/Vicinity Comments for consideration by the Idaho Land Board at the July 21, 2020 meeting.

Thank you for the opportunity to express my concern about the management of endowment lands in the McCall area of Valley County.

I would like to encourage the Land Board and the IDL to work with a local advisory group in developing the management plan for the lands around McCall. This group should include representatives of organizations whose members use these lands for various forms of recreation as well as representatives of resource protection groups and business leaders. I hope you will review the revenues that are currently being generated by these lands, as I understand that they are operating with a positive revenue flow, now. Please consider what creative revenue sources these lands could produce by holding them in perpetuity. Once they are sold or exchanged, they are gone forever.

Can other ways of generating revenue for education and state institutions be considered? I understand that this may require an amendment to the Idaho Constitution, but perhaps the time has come for changing or supplementing the source of funding for these purposes so that lands can continue to be held in an undeveloped state.

Sincerely, Linda L. Corder P.O. Box 156 903 Buckboard Way McCall, Idaho 83638 From: Carol Schoenherr
To: Comments

Subject: Agenda item #8 - endowment land management -McCall Area

Date: Monday, July 20, 2020 8:13:16 PM

To whom it may concern,

My name is Carol Schoenherr and I am a property owner in Valley County. I have heard that the Endowment Lands around McCall may be sold to a private developer. I would like to voice my concern about this, and request that these irreplaceable 28,000 acres be kept public. Thank you.

Carol Schoenherr

Sent from my iPad

From: John Robison
To: Comments

Cc: Renee Jacobsen; Sharla Arledge; Jonathan Oppenheimer

Subject: ICL testimony regarding Endowment Land Management Plan Schedule, City of McCall vicinity

Date: Tuesday, July 21, 2020 8:55:11 AM

Attachments: State Board of Land Commissioners testimony Payette Lakes Supervisory Area 2020 (2).docx

Dear Renee and Sharla,

Please see ICL testimony regarding Endowment Land Management Plan Schedule, City of McCall vicinity attached for your records.

John Robison
He/Him/His (what's this?)
Public Lands Director
Idaho Conservation League
PO Box 844, Boise, ID 83701
mobile 208.559.0283 • fax 208.344.0344
http://www.idahoconservation.org

Twitter: @idconservation

Facebook: /idahoconservationleague Instagram: @idahoconservationleague

Consider making a gift to ICL! https://www.idahoconservation.org

I may send e-mails over weekends and at odd hours. I do not expect you to do the same.



208.345.6933 • PO Box 844, Boise, ID 83702 • www.idahoconservation.org

State Board of Land Commissioners

Gov. Little
Attorney General Lawrence Wasden
State Controller Brandon Woolf
Sec. State Lawrence Denney
Superintendent Sherri Ybarra
IDL Director, Secretary to the Board, Dustin Miller

July 21, 2020

Governor Little and members of the Land Board,

My name is John Robison and I am the public lands director for the Idaho Conservation League. I am here to testify regarding the Endowment Land Management Plan Schedule, City of McCall vicinity. We represent Idahoans who live in and around McCall, who own property there or who visit there regularly and who prize this area.

Idahoans value their State Endowment Lands for many reasons. In addition to funding beneficiaries, sustainably managed endowment lands provide additional values such as providing habitat for fish and wildlife, opportunities for recreationists, and protection of water supplies among other public interests. The quality of these services is far greater on endowment lands than on developed private properties.

We have reviewed the summary of Land Management Revenue and Expenses for the Payette Lakes Supervisory Area and the program appears to be financially sound and sustainable. The Land Board is required to manage lands consistent with constitutional obligations and consider the contribution of assets over the long term. This means that any given acre of land, or any square inch of land, need not immediately generate maximum returns. Instead, the Land Board must manage the lands, on balance, in the best interest of the state over the long term.

As such, there is no crisis requiring a large disposal or exchange within the McCall Area of Impact. We support the current moratorium on leasing in the area and request that this pause be expanded to include sales and land exchanges and extended for the next three years.

During that time, we encourage the Department of Lands and the Land Board to explore long-term opportunities to promote conservation, stewardship and accessibility, while maintaining constitutional obligations.

We also request that the Land Board create an opportunity for community members to testify about how they value these lands, what they appreciate about the current management system and what suggestions they have for sustaining and improving it in the future for both their community and for state beneficiaries.

We also encourage the Department of Lands and the Land Board to coordinate with other local, state and federal entities, including but not limited to Idaho Department of Parks and Recreation, the Department of Environmental Quality, Idaho Department of Fish and Game, the Forest Service, the City of McCall, Valley County and others in these considerations. In particular, we note that many State Park units were historically State Endowment Lands.

Finally, where opportunities exist to acquire lands from willing sellers in other parts of the state, we encourage the Land Board to utilize funds from the Land Bank, which has a current balance of over \$130 million.

Thank you again for the opportunity to testify today. We have also submitted these comments in electronic format for the record along with relevant references to State Code.

Attachment:

References to State Code (emphases added)

TITLE 58

PUBLIC LANDS

CHAPTER 1

DEPARTMENT OF LANDS

58-132. EXTENSION AND DECLARATION OF POWERS AND DUTIES OF STATE BOARD OF LAND COMMISSIONERS. In order that financial aid cooperation from the federal government, which is now and may hereafter become available may be taken advantage of, and that land in the state of Idaho be put to its best possible use, it shall be the duty of the state board of land commissioners to integrate and unify the policy and administration of land use in the state, and to determine the best use or uses, viewed from the standpoint of general welfare, to be made of state land now owned or hereafter acquired, including the determination of what land should be in county or state or federal ownership, and, in order to carry out this intentions the of chapter, state board commissioners is hereby authorized and directed to classify state lands with respect their value for owned to forestry, reforestation, watershed protection and recreational purposes.

In determining the best use or uses of land, the state board of land commissioners may call upon the Idaho division of tourism and industrial development [department of commerce] and/or other state departments, divisions and agencies for inventories,

classifications, maps and other data relative to land, and said Idaho division of tourism and industrial development [department of commerce] and other state departments, divisions and agencies shall furnish the said board with inventories, classifications, maps and other data upon request of the board. Said board may also call upon the boards of county commissioners in counties wherein the lands are situated for advice and recommendations in determination of future use and administration of said lands.

- 58-138. EXCHANGE OF STATE LAND. (1) The state board of land commissioners may at its discretion, when in the state's best interest, exchange, and do all things necessary to exchange fee simple title to include full surface and mineral rights to any of the state lands now or hereafter held and owned by this state for lands of equal value, public or private, excepting lands that have as their primary value buildings or other structures, unless said buildings or other structures are continually used by a public entity for a public purpose. Land that the state owns known as "cottage sites" can be exchanged for lands of equal value, public or private. As used in this section, an exchange of state lands means a transaction in which the state conveys the land to another party or parties pursuant to an agreement that predates the exchange, in which transaction a party conveying land to the state may be different from a party to whom the state conveyed land. The parties dealing with the state in such an exchange transaction shall not be prohibited from purchasing or selling assets related to accomplishing the transaction before, simultaneously or after said transaction, provided that all such prior and simultaneous purchases and sales are expressly provided for in the exchange agreement.
- (2) Provided further the state board of land commissioners may, in its discretion, hereafter grant and receive less than fee simple title, and grant or allow such reservations, restrictions, easements or such other impairment to title as may be in the state's best interest.
- (3) No exchanges shall be made involving leased lands except upon the written agreement of the lessee.
- (4) Subject to the approval of the state board of land commissioners, the first lease on lands acquired through land exchange and in lieu selections shall be offered to the present user, lessee, or permittee of the land, provided that the present user agrees in writing to enter into a contractual management program through which the resource values of the land may be enhanced or improved for the purpose of increasing the income to the endowed institutions.
- (5) Prior to the exchange of any state endowment lands pursuant to this section, the state board of land commissioners shall have

an appraisal and review appraisal conducted of the lands it desires to exchange along with an appraisal and a review appraisal of the lands it is proposing to acquire in the exchange. All such appraisals and review appraisals shall be performed by appraisers who are licensed or certificated to perform such work in accordance with chapter 41, title 54, Idaho Code, and who are designated as members of the appraisal institute (MAI). All such appraisals and review appraisals shall conform to the uniform standards of professional appraisal practice (USPAP) standards.

- (6) In determining the fair market value of state endowment lands to be exchanged and acquired pursuant to this section, the state board of land commissioners shall consider all relevant information and circumstances including, but not limited to, the appraisals and review appraisals required by the provisions of subsection (5) of this section and any evidence that enhances or detracts from their reliability.
- (7) Annually on or before January 15 of each year, the state board of land commissioners shall submit a report of all state endowment lands exchanged and acquired and all appraisals and review appraisals conducted pursuant to this section to both houses of the legislature and to the audit division of the legislative services office.

Idaho Constitution:

ARTICLE IX EDUCATION AND SCHOOL LANDS

Section 8. LOCATION AND DISPOSITION OF PUBLIC LANDS. It shall be the duty of the state board of land commissioners to provide for the location, protection, sale or rental of all the lands heretofore, or which may hereafter be granted to or acquired by the state by or from the general government, under such regulations as may be prescribed by law, and in such manner as will secure the maximum long term financial return to the institution to which granted or to the state if not specifically granted; provided, that no state lands shall be sold for less than the appraised price. No law shall ever be passed by the legislature granting any privileges to persons who may have settled upon any such public lands, subsequent to the survey thereof by the general government, by which the amount to be derived by the sale, or other disposition of such lands, shall be diminished, directly or indirectly. The legislature shall, at the earliest practicable period, provide by law that the general grants of land made by congress to the state shall be judiciously located and carefully preserved and held in trust, subject to disposal at public auction for the use and benefit of the respective object for which said grants of land were made, and the legislature shall provide for the sale of said lands from time to time and for the sale of timber on all state lands and for the faithful application of the proceeds thereof in accordance with the terms of said grants; provided, that not to exceed one hundred sections of state lands shall be sold in any one year, and to be sold in subdivisions of not to exceed three hundred and twenty acres of land to any one individual, company or corporation. The legislature shall have power to authorize the state board of land commissioners to exchange granted or acquired lands of the state on an equal value basis for other lands under agreement with the United States, local units of government, corporations, companies, individuals, or combinations thereof.

From: Department of Lands

To: <u>Comments</u>

Subject: Comment Submitted

Date: Tuesday, July 21, 2020 11:07:05 AM

From: Linda Wagner at Phone: 13105366856

State: Idaho

Comment:

Our beautiful lake is for recreation and is the economic source for the community. The lake is already badly polluted and if not addressed visitors will stop coming here and the town will face financial hardships. Do not add to this spiral and please adhered to the Mission of the IDL. Title to these lands is held in trust and is administered for the public benefit rather than for a specific beneficiary. Thank you.

From: Julie Manning
To: Renee Jacobsen

Subject: Public Comments 7/21/20

Date: Wednesday, July 29, 2020 11:24:15 AM

Hi Renee,

Below is a written copy of the public comments that I delivered to the Land Board at the meeting last week on July 21, 2020. I would appreciate if these comments would be included in the official record. Please let me know if there is anything else I would need to do for this purpose.

Thank you in advance, Julie Manning

Public Comments at the Land Board Meeting dated 7.21.20

Good morning Governor, members of the Land Board.

My name is Julie Manning. I am here today as a private citizen who is concerned about the endowment lands in and around McCall.

Our family has a home in McCall, and we spend a lot of time there. In McCall the overwhelming natural beauty, wildlife, sounds, light, and air provide incredible peace of mind.

With the tremendous social unrest and Coronavirus pandemic spreading around the globe, these are difficult and confusing times. While many, if not most, of us are looking around and trying to figure out what we can do to make things better, people are also feeling stressed and anxious. Places like McCall and the surrounding wild and scenic areas provide an antidote to this and are what we need in this world, especially now.

So, it is particularly distressing that recent events have indicated these lands may be vulnerable to acquisition and exploitation that could alter and degrade them and even remove them from public access forever. This may sound ridiculous and farfetched, but unfortunately it is possible.

However, I perceive that this cloud has a silver lining. What I have learned over the past couple weeks is that the citizens of Idaho are speaking out now in lots of different forums and expressing widespread agreement that these lands should be kept and protected for now and for future generations.

At this time, we need leaders who will work in the best interests of the lands, their beneficiaries, and the public, not self-dealing individuals whose primary interests are their own finances. We need a fair and open process so that the citizens of Idaho are fully informed and can participate in crafting the future.

I would like to thank you, the members of the Land Board, for the leadership you have provided thus far, especially by approving a temporary moratorium on land transfers. I would also like to thank the IDL for undertaking a management plan of these lands.

To keep this process moving forward in the most productive manner, I have a simple fourpart proposal to make today. I respectfully propose that:

1st- the Land Board should extend the current moratorium on new sales, exchanges, leases, and land use permits of the McCall endowment lands, which are non-legacy and not previously approved, for the next five years;

2nd- the Land Board and the IDL should use this five-year period to work with stakeholders to develop the most effective way to protect these lands while fulfilling duties to beneficiaries; these goals are not mutually exclusive, they are consistent with each other;

3rd- the Land Board and the IDL should allot and obtain the resources necessary, including sufficient time and expertise, to engage in rigorous research and analysis that will produce a robust and reliable management plan; and

4th- the stakeholders should pool all their available efforts and resources to contribute to and support this planning.

A high-quality process will yield a high-quality plan.

I know that you, our top elected officials, have so many important issues to work on, especially now. I ask you to prioritize this issue and make sure it is handled diligently, like you have expressed a desire to do. Let us work together to guard these McCall area endowment lands for their beneficiaries and so that future generations can continue to access and experience the majestic and restful lands that we all know today.

Thank you for your consideration.