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DUSTIN T. MILLER, DIRECTOR
EQUAL OPPORTUNITY EMPLOYER

STATE BOARD OF LAND COMMISSIONERS

Brad Little, Governor
Phil McGrane, Secretary of State
Raúl R. Labrador, Attorney General
Brandon D Woolf, State Controller
Debbie Critchfield, Sup't of Public Instruction

FROM: Dustin Miller, Director

TO: Honorable Senator Van T. Burtenshaw
Chairman, Resources & Environment

via email: vburtenshaw@senate.idaho.gov

Honorable Representative Ron Mendive
Chairman, Resources & Conservation

via email: rmendive@house.idaho.gov

Ms. April Renfro
Division Manager, LSO

via email: arenfro@lso.idaho.gov

DATE: January 10, 2023

RE: **IDL's Annual Report to the Idaho Legislature and Legislative Services Office
Concerning Idaho Code § 58-138**

The Idaho Department of Lands (IDL) is required, pursuant to Idaho Code § 58-138(7), to "submit a report of all state endowment lands exchanged and acquired and all appraisals and review appraisals conducted pursuant to" § 58-138 to both houses of the legislature and to the audit division of the legislative services office on or before January 15 of each year.

In calendar year 2023, IDL completed two (2) land exchanges of state endowment land pursuant to Idaho Code § 58-138. They were the Brisbie land exchange and the Avimor land exchange.

Brisbie Land Exchange Summary:

The Department received an application for a land exchange from the Brisbie, LLC in July 2022. BRISBIE proposed exchanging approximately 125 acres of timberland in Idaho County, adjacent to endowment land that it is under contract to purchase (Proponent's Land) for 205 acres of endowment land mineral estate (Mineral Estate) located in Ada County.

On September 20, 2022, the State Board of Land Commissioners (Land Board) unanimously approved the Department's request to proceed with due diligence. Upon receiving approval from the Land Board, the Department completed the due diligence analysis required for the Brisbie land exchange. The due diligence documents include financial analysis, encumbrance review, public comment, Member of the Appraisal Institute (MAI) appraisals, review MAI appraisals, and an environmental site assessment (ESA) on the Proponent's Land. The independent third-party analysis was completed by the Land Board's Real Estate Advisor, Michael Finch, of CenturyPacific, LLLP. The analysis completed by Mr. Finch recommends the land exchange and notes "...exchanging the Endowment Property for the Brisbie Property – a contiguous 125-acre timberland property – appears to be financially and operationally advantageous to the State of Idaho. The proposed exchange appears to be accretive to the Land Board and affords the exchanging parties to derive unique value due to the characteristics of the property exchanged (location, access, contiguity, perfection of title, etc.). CenturyPacific is of the opinion that the proposed land exchange is beneficial to the Land Board."

The Brisbie Property was appraised by Joseph L. Torzewski, MAI, of Stout’s Services on March 3, 2023. The market value of the property as determined using the sales comparison approach, is \$1,000,000. An appraisal review was performed by Joel Baxley, MAI of RSM US, LLP, on March 3, 2023, which supports Mr. Torzewski’s analysis and value conclusion.

The Endowment Mineral Estate was appraised by Joseph L. Torzewski, MAI, Et. al., of Stout’s Services on March 3, 2023. The market value of the Mineral Estate is \$6,400. An appraisal review was performed by Seun Olatoya-Ojo, MAI, of RSM US, LLP on March 3, 2023. The appraisal review supports Mr. Torzewski’s analysis and value conclusion.

The value conclusion for the **Endowment Mineral Estate was \$6,400** and the **Acquired Parcel (Brisbie) was \$1,000,000**. The difference in value (\$936,000) was donated to the endowment at closing.

On March 21, 2023, the Land Board directed IDL to complete the Brisbie Land Exchange. The transaction closed on June 01, 2023.

The following is a summary of the transaction:

Brisbie Land Exchange Summary	
State Endowment Land Mineral Estate	
Acres:	±205
Land Class:	Agriculture
Effective Value Date:	11/30/2022
Final Appraised Value:	\$6,400
Approaches to Value:	Sales Comparison & Income
Appraiser:	Stout’s Services -Joseph L. Torzewski, MAI
Review Appraiser:	RSM US, LLP – Seun Olatoya-Ojo, MAI

BRISBIE Land	
Acres:	±125
Land Class:	Timberland
Effective Value Date:	11/30/2022
Final Appraised Value:	\$1,000,000
Approaches to Value:	Sales Comparison & Income
Appraiser:	Stout’s Services -Joseph L. Torzewski, MAI
Review Appraiser:	RSM US, LLP – Joel Baxley, MAI

Avimor Land Exchange Summary:

The Department received an application for a land exchange from the Avimor Partners as beneficiary of Dual Benefit Trust (Avimor) in April 2020. Avimor proposed exchanging 800 acres of land it owns in Boise County for 796.5 acres of endowment land just to the south near where the Ada, Gem, and Boise County lines meet. The endowment land consists of scattered 40-acre parcels located in all three counties.

On October 20, 2020, the State Board of Land Commissioners (Land Board) unanimously approved the Department's request to proceed with due diligence. Upon receiving approval from the Land Board, the Department completed the due diligence analysis required for the Avimor land exchange. The due diligence documents include financial analysis, encumbrance review, public comment, Member of the Appraisal Institute (MAI) appraisals, review MAI appraisals, and an environmental site assessment (ESA) on the Proponent's Land, as well as a survey of the Avimor land. The independent third-party analysis was completed by the Land Board's Real Estate Advisor, Michael Finch, of CenturyPacific, LLLP. The analysis completed by Mr. Finch recommends the land exchange and notes "Based on my review of the information presented and a property tour on May 17, 2021, the proposed exchange appears to be a true like-for-like exchange based on property value – and affords the exchanging parties to derive unique value due to the characteristics of the property exchanged (location, contiguity, etc.). For the reasons noted below and consistent with the October 20, 2020 memorandum to the Land Board, I am of the opinion that the proposed land exchange is of benefit to the Land Board."

Appraisals completed by Langston and Associates, Inc. Sam Langston, MAI, estimated the market value of both properties. The Appraisal Review for both properties was completed by Valbridge Appraisal, G. Joseph Corlett, MAI.

The value conclusion for the **Endowment Land was \$1,990,000** and the Acquired Parcel (**Avimor**) was **\$2,000,000**. The difference in value (\$10,000) was donated to the endowment at closing.

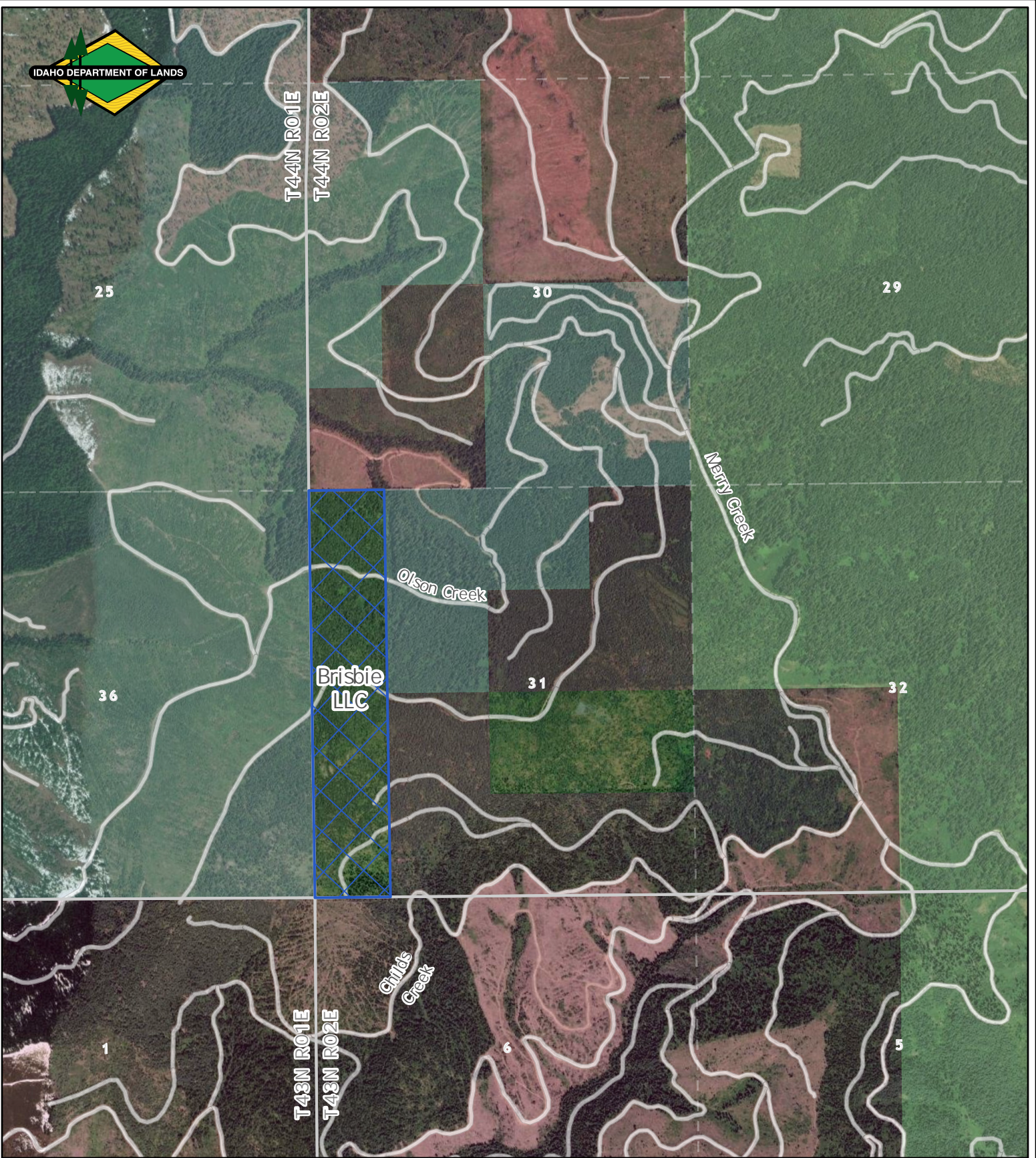
On September 20, 2022, the Land Board directed IDL to complete the Avimor Land Exchange. The transaction closed on September 06, 2023.






The following is a summary of the transaction:

Avimor Land Exchange Summary	
State Endowment Land	
Acres:	±796.5
Land Class:	Grazing
Effective Value Date:	12/11/2020
Final Appraised Value:	\$1,990,000
Approaches to Value:	Sales Comparison
Appraiser:	Langston and Associates, Inc. Sam Langston, MAI
Review Appraiser:	Valbridge Appraisal, G. Joseph Corlett, MAI

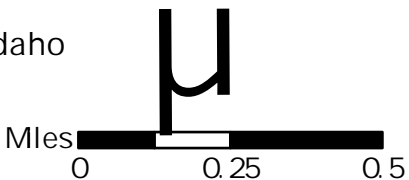
Avimor Land	
Acres:	±800
Land Class:	Grazing
Effective Value Date:	12/11/2020
Final Appraised Value:	\$2,000,000
Approaches to Value:	Sales Comparison
Appraiser:	Langston and Associates, Inc. Sam Langston, MAI
Review Appraiser:	RSM US, LLP – Joel Baxley, MAI

Also attached are maps of the exchanged lands for both land exchange transactions. Please feel free to contact me if you should have any questions or concerns about the information enclosed.

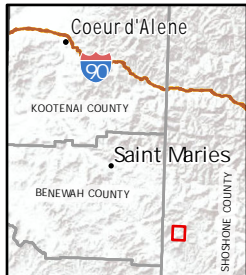


-  To Be Acquired
-  Roads
-  USFS
-  State
-  Potlatch

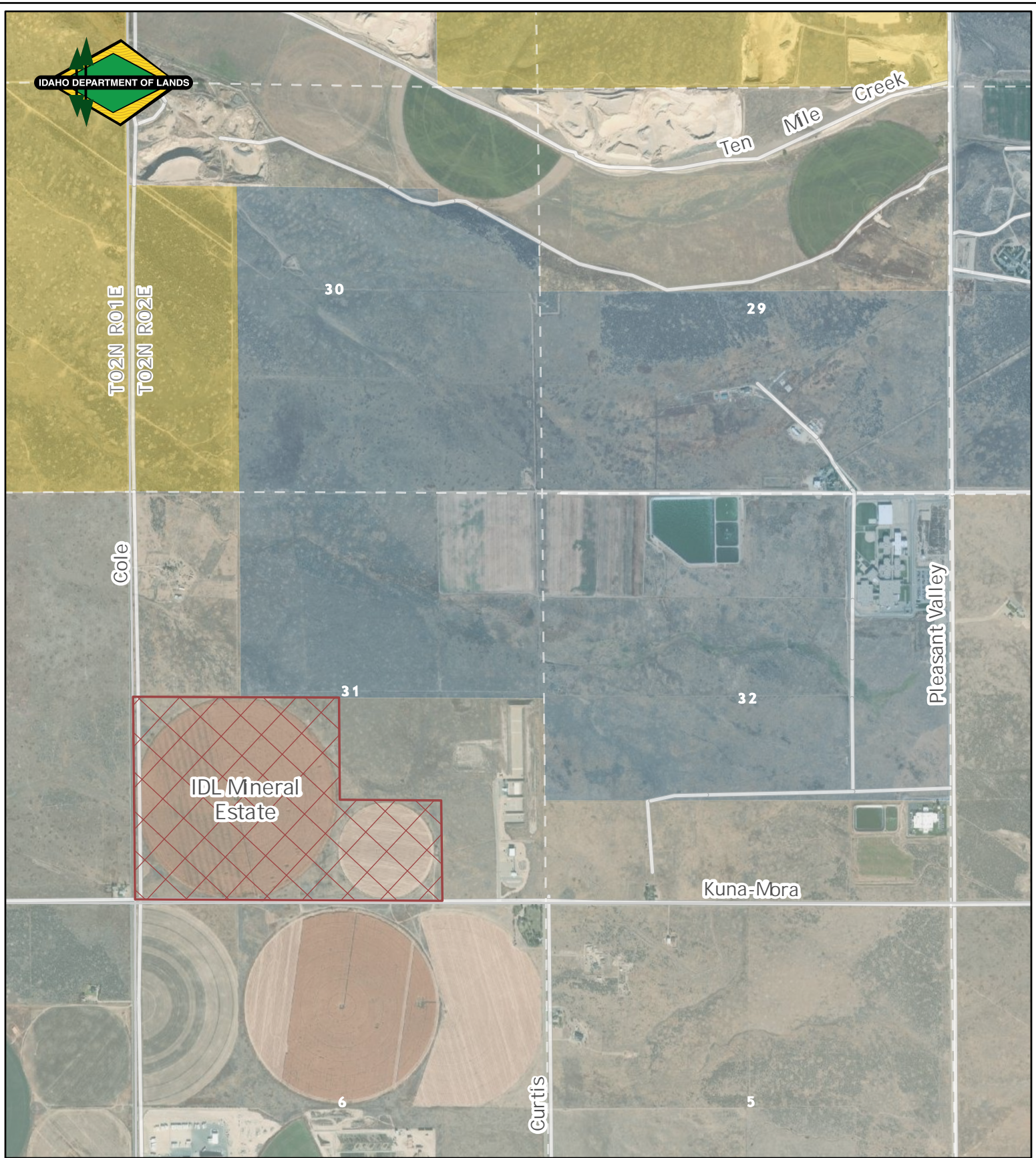
Idaho Department of Lands
 St. Joe Area
 Shoshone County, Idaho
 9/8/2022



Land Exchange
 IDL-Brisbie LLC
 To Be Acquired
 GIS Acreage = 125
 Scale: 1: 20,000

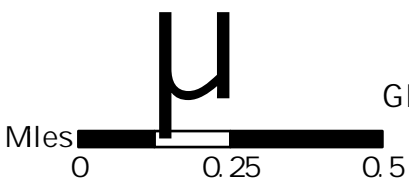


Disclaimer: This map has been compiled using the best information available to the Idaho Department of Lands at the time and may be updated and/or revised without notice. In situations where known accuracy and completeness is required, the user has the responsibility to verify the accuracy of the map and the underlying data sources.



-  To Be Disposed
-  Roads
-  BLM
-  Private
-  State

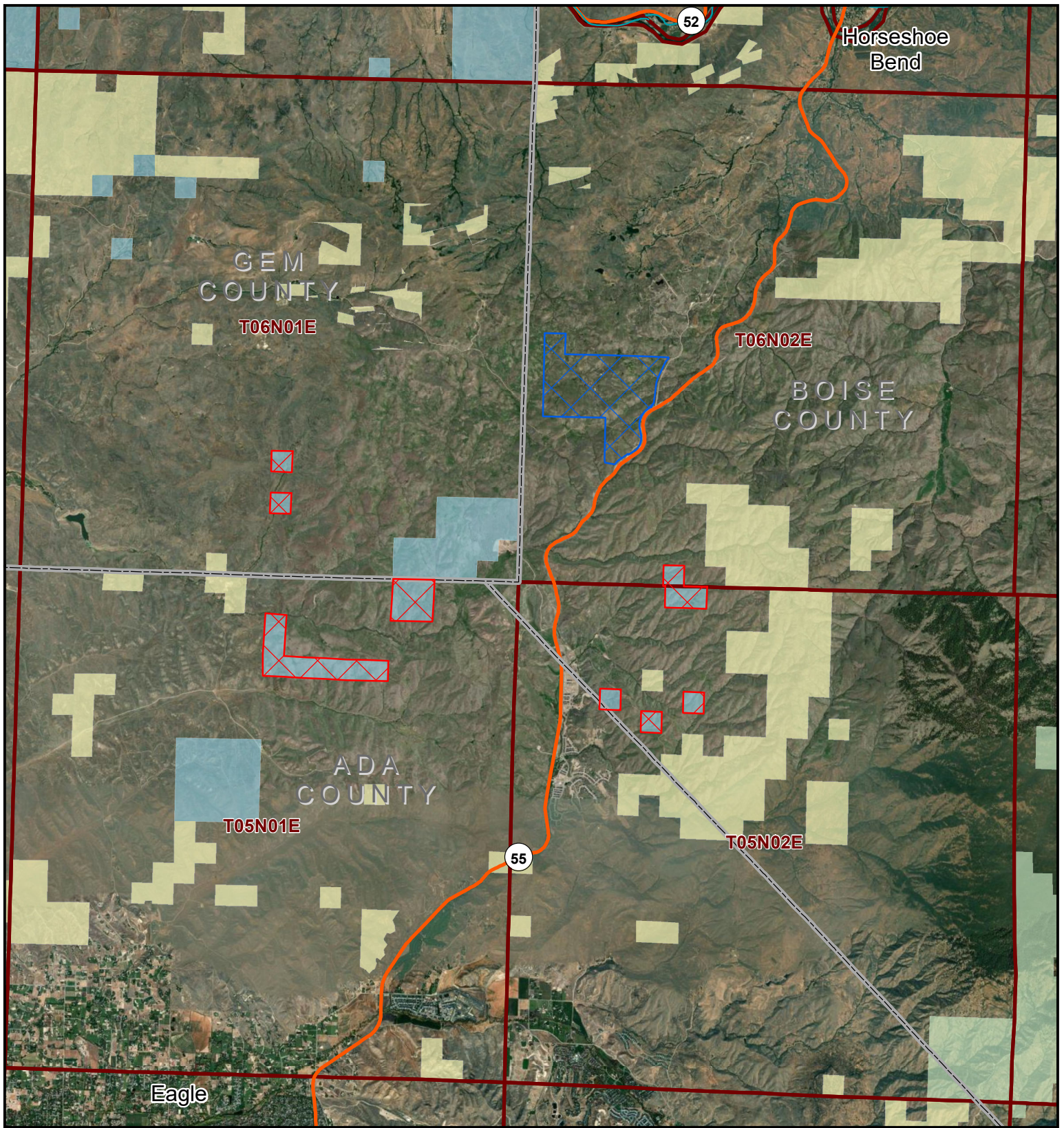
Idaho Department of Lands
 Southwest Area
 Ada County, Idaho
 9/8/2022



Land Exchange
 IDL-Brisbie LLC
 To Be Disposed
 GIS Acreage = 250.12
 Scale: 1: 20,000



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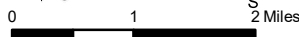


- | | | | |
|--|----------------|--|----------------|
| | County | | Endowment Land |
| | IDL to Acquire | | BLM |
| | IDL to Dispose | | USFS |
| | State Highway | | Private |
| | Township | | |

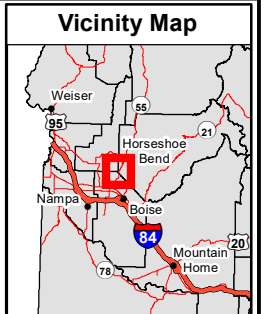
Avimor LEX Overview

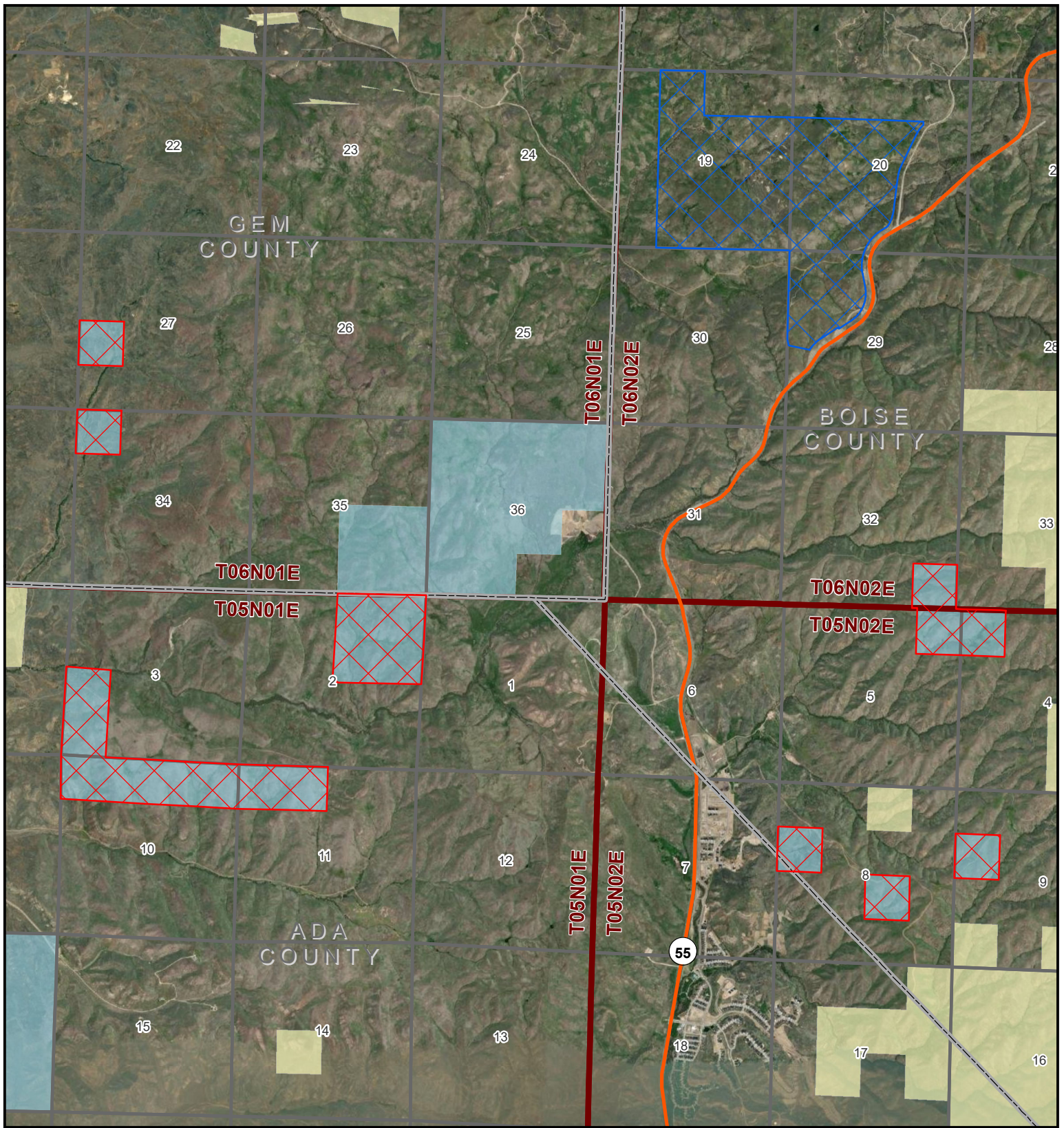
Ada, Boise, and Gem County







8/26/2021






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-  County
-  IDL to Acquire
-  IDL to Dispose
-  State Highway
-  Township
-  Section

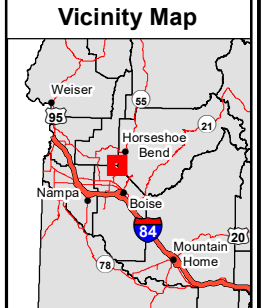
-  Endowment Land
-  BLM
-  Private

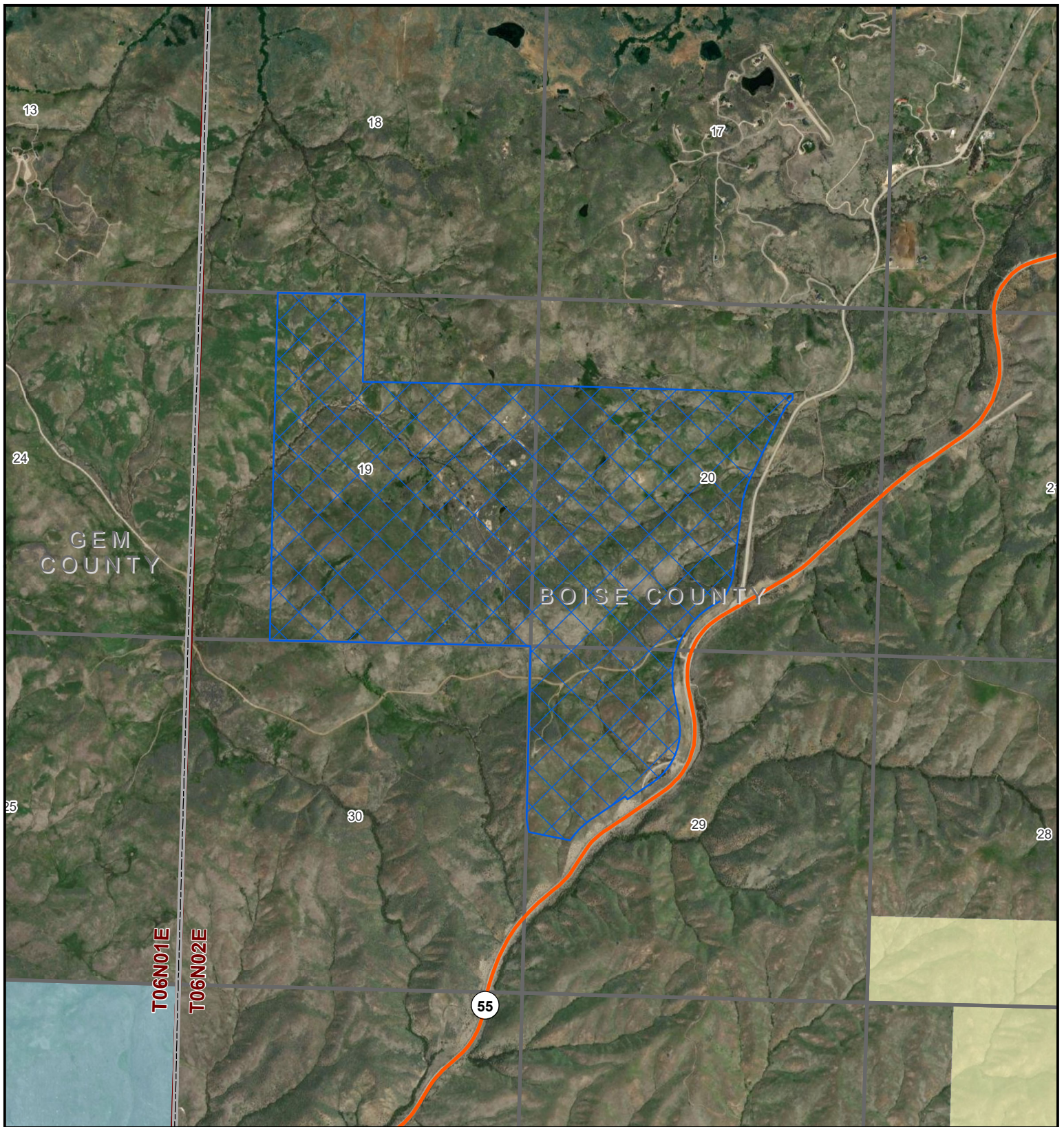
Avimor LEX
IDL to Dispose
 Ada, Boise, and Gem County
 8/26/2021



0 0.5 1 Miles

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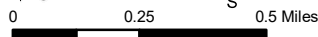




- County
- IDL to Acquire
- State Highway
- Township
- Section

- Endowment Land
- BLM
- Private

Avimor LEX
IDL to Acquire
 Boise County
 8/26/2021



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