

Payette Lake parcels net state \$6 million

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Five of six cabin sites sold at auction

AnnMarie and Zeke Johnson were relieved last week when the Waters Edge Event Center in Eagle grew quiet after they placed an opening bid on a Payette Lake cabin site the couple has been leasing from the state.

The Boise couple's bid was the only one placed for the cottage site at 993 Grouse Way, one of two lots that did not receive more than one bid during last Friday's auction by the Idaho Department of Lands.

"We didn't know what to expect, but there were way more people at the auction than we thought," Johnson said. "We were the only bidder (for the lot), which was kind of a surprise."

The \$473,000 the couple paid for the lot at 993 Grouse Way contributed to \$6 million raised during the auction, which offered six lots with cabins for sale around Payette Lake, including one lakefront lot.

The auction raised about \$1.4 million more than the minimum bids for the six lots, all of which sold except for a cabin site at 2060 Warren Wagon Rd. that was offered for \$438,000.

Three of the cabin sites were purchased by existing lessees, while two others were purchased by non-lessees who will pay the lessee for the appraised value of the cabin on the land.

A lakefront cabin site at 3670 Warren Wagon Rd. was the most expensive property sold at the auction at \$2.8 million, which was the minimum bid for the 1.7-acre lot.

Meanwhile, a cabin site at 2074 Payette Dr. sold for \$1.8 million, or more than three times its appraised value of \$505,000.

The Johnsons were thankful to retain ownership of their cabin at 993 Grouse Way, which is a third-generation family cabin to a family friend that the couple bought the cabin from a year ago.

"She wanted to get out of the lease, but she will still get to use it," AnnMarie Johnson said. "It's nice to carry that through for her."

Endowment land around Payette Lake has been leased for use as residential cottage sites as far back as the early 1900s, according to the lands department.

In 2010, however, the land board approved a plan to begin selling the leased cottage sites at auction.

Cottage site lessees can voluntarily enter their lease into public auction for a chance to buy the land outright, or may continue leasing the land from the state.

So far, the auctions have raised more than \$75 million and sold 161 Payette Lake cottage sites, including 132 sites that were leased.

After last Friday's auction, the lands department has 16 remaining cottage sites in the McCall area, including 12 that are currently leased.

Funds from auctions of cottage sites are deposited in the lands department's "Land Bank" fund that is used to buy other lands in Idaho.

The land board may also authorize the transfer of Land Bank funds to the "Permanent Fund," which invests the money in financial markets to earn returns for endowment beneficiaries, like public schools and hospitals.

This month's auction is not tied to the Payette Endowment Lands Strategy (PELS), a disposition schedule for underperforming state endowment lands around McCall that was adopted in 2021.

Earlier this year, the lands department issued a request for lease proposals for 12.5 acres of endowment land fronting Deinhard Lane near Spring Mountain Boulevard as part of the PELS plan. Lease applications are due tomorrow.

In 2022, the lands department sold 2.5 acres of endowment land on Cougar Island in Payette Lake, which the plan also tabbed for lease or sale within five years.

The Cougar Island auction marked the first action recommended by the management plan, though it was also authorized by the State Land Board years before the 2021 management plan was drafted.

A 3.2-acre parcel on Payette Drive near Warren Wagon Road would be the next state land parcel slated for auction, under the plan.