STATE BOARD OF LAND COMMISSIONERS

October 15, 2024 Information Agenda

Subject

White Pine Public Access Easement

Background

Idaho has always been an outdoor recreation destination, but in recent years the state has seen a substantial surge in outdoor recreational activities by both a growing resident population and non-resident visitors. The demand for access and opportunity on public lands, endowment lands, state parks, and in some instances private lands for hunting, fishing, trail riding, camping, and whitewater sports has risen significantly in recent years. This growth has placed strain on local communities that may not have the resources to accommodate the increasing demand.

To help alleviate the pressure of a surge in outdoor recreational activities, in 2023 Governor Little created the Outdoor Recreation Fund Advisory Council (ORFAC) through Executive Order 2023-03, to expand recreational access and opportunity on state lands and other public lands in Idaho. The Executive Order directs ORFAC to recommend outdoor recreation projects to the Governor and the Idaho Parks and Recreation Board (Parks Board) to be funded from \$5 million allocated through the FY2024 Idaho Department of Parks and Recreation budget. In addition, the State Board of Land Commissioners (Land Board) has directed the Idaho Department of Lands (Department) to work across different agencies to identify opportunities to expand access to public lands and recreational activities.

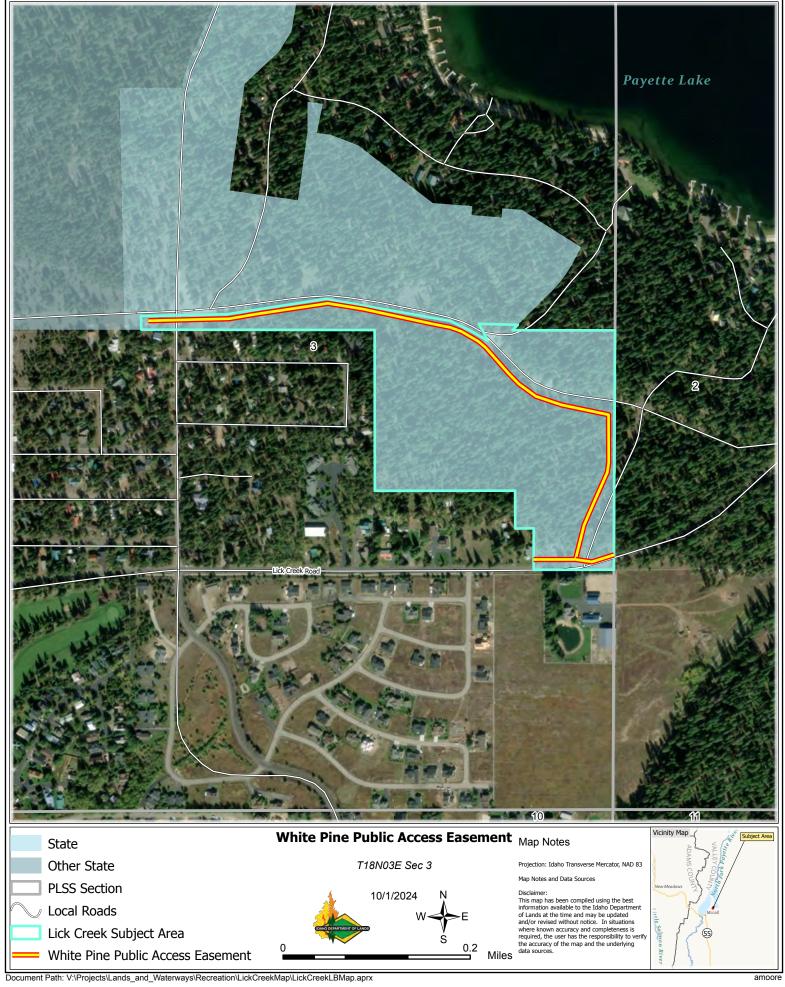
Discussion

ORFAC met several times in late 2023 to evaluate proposals from various organizations to help expand recreational access and opportunity in Idaho. ORFAC provided its recommendations to the Governor for consideration, who then submitted his comments and final recommendations to the Parks Board for approval. One of the recommended projects to include state endowment lands is a trail to provide access to Ponderosa State Park for both the public and potential future occupants of the White Pine Heights and Lick Creek endowment land parcels. Given the difficulty of meeting the hurdle rate for timber on these properties, these parcels have been identified for possible reclass and disposal through the Payette Endowment Lands Strategy (PELS). The trail would cross a portion of each parcel, which are surrounded by Ponderosa State Park and private development. This project would generate revenue for the Department through the sale of a public right-of-way easement across the two properties to allow for improved public access to Ponderosa State Park.

The Real Estate Bureau has evaluated, through consultation with third party experts, this easement per IDAPA 20.03.08 to determine the appropriate consideration for the easement, as well as the long-term impact to the value of the endowment lands. The Department believes the encumbrance will have little impact to the value to White Pine Heights and Lick Creek (the trail to the park may have an appreciating impact to the remaining lands). An internal appraiser for the Department determined that the appropriate consideration for this easement is \$289,000. The purchase will be executed using the Director's authority, as the consideration falls within limits per Land Board policy.

Attachments

- 1. Proposed Trail Map
- 2. Appraiser Letter





September 23, 2024

Roger Hall, Real Estate Bureau Chief 300 N 6th Street, Suite 103 Boise, ID 83702

Re: Restricted Appraisal Report: Payette Land Trust Trail/Pathway Easement (TBD ES5000XX). Appraisal of property owned by the Idaho Department of Lands and located in a portion of land located in Section 3, Township 18 North, Range 3 East, and a portion of Section 34, Township 19 North, Range 3 East, Boise Meridian, Valley County, Idaho and Lot 16, Block 1, State Subdivision-White Pine Heights, Valley County, Idaho.

Mr. Hall:

At your request to provide an opinion of market value for the proposed trail/pathway easement and the impacts upon state endowment, the following report is provided. The total compensation will be used to negotiate a perpetual easement for the non-exclusive use of state endowment lands. The intended use of this appraisal is to determine the market value and to establish the consideration to the endowment.

The market value opinion will be premised on the **hypothetical condition** that IDL has granted an easement over and across the identified trail/pathway segment in the after condition. The use of extraordinary assumptions and hypothetical conditions within the report should be viewed within context that their use might have affected the assignment results.

It is an extraordinary assumption that the proposed trail easement will "hug" the property line boundaries and there would not be a buffer or gap between the property line and will have a 20' easement width (10' offset from centerline). If any portion of the easement area changes before, during, or after construction, the appraisal results could change. Additionally, it is an extraordinary assumption that there will be a provision in the easement agreement that trail maintenance will be provided by the Grantees. Furthermore, if the contractor cuts down any trees within the proposed right of way, all merchantable timber will be cut and stacked at locations IDL agrees upon. The information provided by Payette Land Trust estimated 23 MBF x \$430 = \$9,890 (\$10,000 rounded). I did not value the cost of cut timber as a result of the easement. Lastly, there is a communication site lease (M500025) located in the southeast corner of the Lick Creek Subdivision and it is assumed that an easement could be granted over and across the leased area.

There are (3) three different and unique larger parcels as part of this appraisal assignment. The proposed trail/pathway impacts each differently and I have determined values to the endowments for each scenario.

RIGHT OF WAY CONCLUSIONS: (based on the hypothetical conditions and extraordinary assumptions):

White Pine easement value (RE Zoning)										
Fee simple value/acre		Property Rights %		Adj. Value/acre	Easement Impact Area (acre)	Market Value	Consideration			
\$58,000	Х	90%	Х	\$52,200	0.81	\$42,282	\$42,000 Rounded			
Lot16, Block 1 additional future path easement value										
Fee simple value/acre		Property Rights %		Adj. Value/SF	Easement Impact Area (SF)	Market Value	Consideration			
\$10.60	х	90%	Х	\$9.54	2319	\$22,123	\$22,000 Rounded			

RIGHT OF WAY DAMAGE CONCLUSIONS: (based on the hypothetical conditions and extraordinary assumptions):

Lick Creek Damages (Loss of (4) residential lots)											
Average Lot Price		Loss of Gross Lot Proceeds		Total Expenses	Discount Rate	Present Market Value	Consideration				
\$200,000		\$ (836,000)		\$ 168,472	10.00%	\$224,674	\$225,000 Rounded				
Lot 16, Block 1 full triangle easement (Damage of (1) ½-acre residential lot)											
Fee simple value		Property Rights %		Adj. Value/SF	Full Damage	Market Value	Consideration				
\$240,000	Х	100%	Х	\$10.60		\$240,000	\$240,000 Rounded				

ORIGINAL TRAIL/PATHWAY ROW CONSIDERATION:

\$267,000

ORIGINAL TRAIL/PATHWAY ROW CONSIDERATION + ALTERNATIVE FUTURE PATH:

\$289,000

ORIGINAL TRAIL/PATHWAY ROW CONSIDERATION + ALL OF LOT 16, BLOCK 1:

\$507,000

Sincerely,

Kevin Graham, CGA-2836

Idaho Certified General Appraiser

Number CGA-2836 Expires 05-11-2025