

STATE BOARD OF LAND COMMISSIONERS

November 18, 2025

Regular Agenda

Subject

Payette Lakes Land Exchange Concept

Question Presented

Shall the Land Board direct the Department to continue evaluating a potential exchange of endowment land around Payette Lake for federal land?

Background

The Idaho Department of Lands (Department) has discussed a potential land exchange involving endowment lands around Payette Lake and federal land administered by the United States Department of Agriculture Forest Service (Forest Service). The Department evaluated some of the endowment lands being considered for exchange during development of the Payette Endowment Lands Strategy, approved by the State Board of Land Commissioners (Land Board) in March of 2021.

The endowment lands under consideration for the potential exchange are underperforming assets, which means that the land revenue does not align with the land value. The Land Board's Statement of Investment Policy and Asset Management Plan each provide direction to evaluate and address underperforming assets through improved management, leasing, exchange, or disposition.

Discussion

The discussions concerning the potential land exchange have been focused on over 15,000 acres of endowment land around Payette Lake in Valley County (Attachment 1). The endowment lands under consideration are of high value and an exchange would likely require significantly more acres of federal land to achieve equal value. Final valuations of lands involved in a potential exchange would occur via appraisals conducted by third parties.

Discussions of the potential land exchange to date have focused on the following:

- Obtaining equal or greater value in exchange for the endowment lands.
- Consolidation of endowment lands.
- Improved access to more endowment land acreage plus continued public access to Payette Lake.
- Equal or greater income to the endowments primarily through leasing and timber management.
- Potential for similar land appreciation from the total acres exchanged.
- Alignment of land management objectives with the resulting land ownership for each entity, allowing more effective land and resource management.

Approval of continued evaluation of a potential exchange does not authorize the actual exchange. If the Department determines the potential exchange would be positive for the trust beneficiaries and is aligned with the Land Board Endowment Land Exchange Policy (2022), the Department would seek Land Board approval to conduct due diligence analysis at a future Land Board meeting. After completion of that analysis, if the Department considered the potential exchange worthy of Land Board consideration, the potential exchange would be presented to the Land Board for approval. Congressional action would typically provide direction for the federal portion of such an exchange.

If the exchange received final approval, the land acquired would be managed in the same manner as other endowment lands. Consistent with the Land Board's Recreation Policy (2018), the general public would have recreational access to legally accessible endowment lands, as long as the recreational activities do not degrade the lands, interfere with management activities, or otherwise negatively affect the long-term financial return to endowment beneficiaries.

Recommendation

Direct the Department to continue evaluating a potential exchange of endowment land around Payette Lake for federal land.

Board Action

Attachments

1. Map—Endowment Lands under Consideration

