

Idaho Department of Lands

Payette Endowment Land Strategy



December 2020

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Executive Summary

The Payette Endowment Land Strategy (“Plan”) is a management plan for the 5,478 acres of endowment land surrounding and within the City of McCall (“McCall”) in Valley County, Idaho. The Plan outlines how the Idaho Department of Lands (“Department”) will implement management of endowment trust land within the McCall’s Area of Impact (“Area of Impact”) over the next 20 years. The remainder of the endowment trust land outside of the Area of Impact will be managed through other policies adopted by the Idaho State Board of Land Commissioners including the Forest Asset Management Plan, Statement of Investment Policy, Strategic Reinvestment Plan, and Asset Management Plan.

Historically, the Department has implemented land asset plans based on specific asset classifications (e.g., Cottage Site Disposition Plan). Unlike asset-specific plans, this Plan identifies the risks and opportunities of maximizing financial returns and management efficiencies for endowment trust lands within the geographic scope of a growing community. The Plan seeks to guide land management decisions within the City of McCall’s Area of Impact as growth patterns influence the Department’s ability to implement traditional land management and take advantage of opportunities for higher revenue generation.

This Plan explores strategies across short (Tier I), mid (Tier II), and long-term (Tiers III and IV) timeframes on certain properties located within the Area of Impact. Specifically, the Plan examines approaches to transition lands to higher and better uses where land values are significantly higher than traditional asset classifications and revenue generation is either not commensurate with values or is impaired by surrounding urbanized uses.

The Plan is intended to be an adaptive management plan that will be reviewed and updated regularly as community development, land use patterns, and market trends develop over time. The Plan will also be evaluated for alignment and consistency with the Land Board’s policy and plans as necessary.

Information Disclaimer

The facts and figures presented in this document are preliminary and for discussion purposes only. Any site-specific data including values and acreage are estimates based on market data, trends, and best available information. Implementation of this plan will require additional analysis and due diligence, such as site plans and USPAP compliant appraisals.

I. Introduction

Mission and Management Directives of State Endowment Trust Lands

Upon statehood in 1890, Idaho received a total of 3,650,000 acres of land in trust from the federal government as a means for generating revenue for specific public services and institutions, or “endowment beneficiaries.” The State Constitution establishes the State Board of Land Commissioners (“Land Board”) as the trustee over the assets of the nine endowments. Through Idaho Code § 58-101, the Land Board created the Idaho Department of Lands (“Department”) to manage the land assets of the trust “in such manner as will secure the maximum long-term financial return.”

Over time, the Department has leased, sold, acquired, and exchanged endowment lands. Today, the Department manages 2,500,000 acres of state endowment trust land prudently, efficiently, and with accountability to the beneficiaries. To achieve this, the Department has established general operating expectations including:

- Preserving land holdings where leasing will generate a competitive rate of return.
- Seeking to enhance land values before considering sale or exchange of underperforming land assets.
- Acquiring lands, structures, and resources when the acquisition will add value or diversification to the overall trust portfolio.
- Selling lands, structures, and resources when the outcome adds value to the overall trust portfolio.
- Exchanging lands and resources when the exchange will add value or diversification to the overall trust portfolio.

The land management strategies of the Land Board and the Department are guided first by the Idaho Constitution and the requirement to “secure the maximum long-term financial return to the institution to which granted...” This guiding principle is further detailed in Land Board approved management strategies including the Statement of Investment Policy, which establishes a basis for evaluating investment and management results, and a relevant time horizon for which assets will be managed. The Department’s specific management strategies are further defined by the Asset Management Plan, which among other things, provides staff guidance on decision making across land asset classes.

Purpose and Need

The original federal land grants in Idaho were based on the land allocation of the Public Lands Survey System (“PLSS”). The federal grant of endowment trust land to the state of sections 16 and 36 inherently created challenges associated with non-contiguous land ownership patterns. In other words, the state

was granted endowment lands in a “checkerboard” pattern across the state. As a result, the Department has worked, through time, to consolidate the lands into large blocks.^{1[OBJ]}}

Trust land assets are classified according to their “primary” use; while other uses may be allowed, the primary use drives much of the management decisions for those lands. Of the approximate 2,500,000 acres of endowment land managed by the Department, there are two major asset classes, rangeland and timberland (1,758,213 acres and 1,030,498 acres, respectively). Endowment land management does not occur in isolation.

Many endowment lands face management challenges where the primary use classification is in conflict or in some way impeded by surrounding uses and ownership (for example, timber management within city boundaries). Historically, this conflict was minimal due to limited development and growth. However, the population of Idaho has grown over the last few decades, and areas once primarily used, valued, and assessed as timberlands or grazing are now in the highest growth areas in the state. The result is endowment lands in areas surrounded by and intermingled with residential and commercial development. This creates a situation where the land is classified by the Department as its historical use, which does not align with the current market value, use, and/or designation. The overarching effect is revenue that is not commensurate with the Department’s “primary” use of that asset.

As defined by the Land Board approved Statement of Investment Policy, “lands within traditional asset classes already owned by the Endowment may become suitable for a higher and better use than the current asset classification. Often these properties exhibit high property values and low annual revenues (underperforming), and may be encroached upon by urban development.” The Department considers these lands as “transition lands.” Transition lands require broader planning in the context of surrounding uses and market conditions but will be specific to individual sites. As market and regional conditions are not static, it is necessary to develop transition strategies that provide for long-term time horizons.

Therefore, the following Plan considers both the current and future trends of the McCall area and provides a suite of strategies to maximize revenue generation over a 20-year time horizon.² The following are the goals of this Plan:

1. Describe the current situation of endowment trust land in the vicinity of McCall.
2. Identify endowment trust lands characterized as “transition lands.”
3. Determine the timeframe/tier the property falls within for next steps.

¹ The endowment trust land in this plan was consolidated through the lieu land selection process and numerous land exchanges.

² The Department considered developing the Payette Endowment Land Strategy as a comprehensive plan. It even reviewed and inquired into Montana’s Department of Natural Resources’ study on Whitefish, MT as a comparison for a comprehensive plan. However, due to the time, costs, and rapidly changing market conditions in McCall, it was determined that a plan that evaluated specific individual sites would be applicable and accurate. Additionally, the Department was concerned that a comprehensive plan could limit the flexibility and accuracy of specific property conditions at a given time, for example, property values.

4. Describe the next steps the Department will take to transition the lands to align with Land Board direction and constitutional requirements.

II. Planning Area

Payette Lakes Area Management

The endowment lands identified in this Plan are managed by the Payette Lakes Supervisory Area (“Supervisory Area”). The Supervisory Area is responsible for the management of 183,411 acres of endowment land within Adams, Washington, Valley, Idaho, and Gem counties. The Supervisory Area manages 105,229 timbered acres with the remaining 78,182 acres classified as non-timber, primarily rangeland.

City of McCall and Valley County Planning

McCall is a mountain community located along the shores of Payette Lake in Valley County. McCall has a long history as a destination/resort town surrounded by the West Central Mountains, Payette National Forest, and close proximity to two major ski resorts. These outdoor amenities and relative proximity to the population center of Boise have made McCall a recreational destination, which is both a major driver of its economy and land development pattern. As such, much of the community’s comprehensive plan is focused on promoting land uses that support the community and preserve the surrounding natural amenities, particularly viewsheds, open space, and recreational opportunities.

While McCall is the jurisdiction for its city limits, it also has the authority over the Area of Impact, which is outside of the city boundary. Valley County’s population growth and increase in recreational-tourism has brought with it changes in use and development patterns as well as priorities of community values. These changes affect the use of endowment lands.

Endowment lands located adjacent to or in proximity to urban development exhibit characteristics of high market value relative to traditional revenue generation (timber management). In addition, adjacent uses such as residential or commercial development may inhibit or prevent the maximum revenue generation of a property due to limitations of certain uses or opposition to such uses as intensive timber management. For these reasons, there is a continuing need to evaluate and discuss future endowment lands within and immediately outside of McCall’s city limits and Area of Impact.

Land use in the region of focus is guided by the Valley County Comprehensive Plan and City of McCall Comprehensive Plan, both updated in 2018. Both plans serve as guiding documents for McCall and Valley County’s future development. Idaho law requires that cities and counties designate areas of city impact as a basis for planning to anticipate future growth needs. The management of endowment lands in the vicinity of the City of McCall is one example of conflicting uses and ownership.

Payette Endowment Lands Planning Area

There are 5,478 acres of endowment lands within the Area of Impact (Figure 1). While state endowment trust lands are not subject to local zoning ordinances, lands within local jurisdictions are likely to be impacted by local land-use decisions and decisions on adjacent private lands. The majority of endowment lands within the planning area are classified as timberland. Residential and commercial endowment lands make up the small portion of remaining lands (0.94%). Although timber management is the primary management activity on the majority of these endowment lands, secondary leasing activities occur on 3,668 acres, which include communications, grazing, minerals, residential, and other activities.

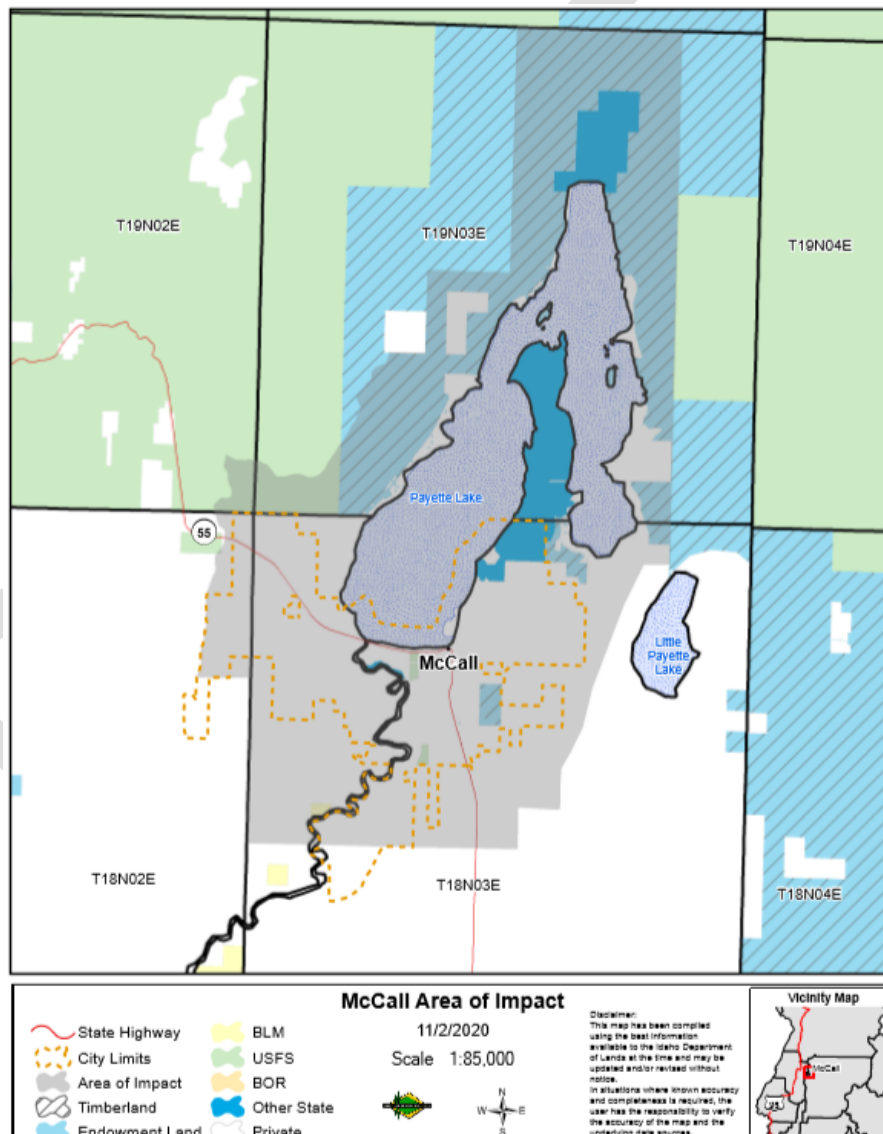


Figure 1. Payette Endowment Land Strategy Planning Area

III. Land Asset Management

Through the direction of the Land Board, the Department manages endowment land assets to capture full potential economic value for the beneficiaries. As outlined in the Asset Management Plan, the general operating expectations by which endowment lands are managed include but are not limited to the following:

- Preserving land holdings where leasing will generate a competitive rate of return.
- Seeking to enhance land values before considering sale or exchange of underperforming land assets.
- Acquiring lands and resources within traditional asset classes when the acquisition will add value or diversification to the overall trust portfolio.
- Selling lands, structures, and resources when the outcome adds value to the overall trust portfolio.
- Exchanging lands and resources when the exchange will add value or diversification to the overall trust portfolio.

Timber Management

Timberland assets are guided by the Forest Asset Management Plan, which provides the tactical and strategic direction for timber management over a 5–10-year time horizon. The Forest Asset Management Plan also provides a planning structure by which each supervisory area develops a specific localized plan. The Payette Lakes Forest Asset Management Plan, which was finalized in 2019, considered nine alternative strategies to explore the costs and benefits of various management approaches and limitations. The preferred management strategy for the Payette Lakes region focuses on reducing standing volume at a reasonable pace by implementing the following four strategies:

- Reduction of large diameter volume
- Reduction of over mature volume
- Harvest volume levels with low risk of age class gaps and near future volume reduction
- Allow increase in growth resulting in more resilient, healthy forests

Land Leasing

Pursuant to Article IX Section 8 of the Idaho Constitution, the Land Board is required to “provide for the location, protection, sale or rental of all the lands heretofore” and, with specific regard to leasing activities, “contract with private entities to operate business activities upon the land trust assets.” One of the primary strategies by which the Land Board and the Department generate revenues on endowment lands is through leasing contracts. Leasing activities are allowed on all endowment lands so long as they generate a competitive rate of return, do not degrade the land asset, and do not adversely affect the primary use of the land asset.

For each of the major leasing types, the Asset Management Plan identifies specific strategies to achieve the overall management goals identified therein. The following leasing types are those currently and most commonly occurring in the planning area:

Residential

- For the duration of the cottage site leasing program, develop and manage residential leases that appropriately compensate the endowments.³

Commercial

- Develop and manage commercial leases that achieve a rate of return consistent with objectives in the Statement of Investment Policy.
- Ensure lease terms and conditions comport with industry standards.

Grazing

- Develop and manage long-term grazing leases that achieve a rate of return consistent with the objectives in the Statement of Investment Policy.
- Minimize contractual and environmental risks.

Minerals

- Lease lands for potential mineral products that capitalize on market demands.
- Minimize contractual and environmental risks associated with extractive industries.

Table 1. Current Leasing Activity in the McCall AOI (As of December 2020)

Lease Activity	Number of Leases	Acres Leased
Commercial- Communications	1	4
Grazing	3	2,090
Minerals	4	400
Miscellaneous	6	1,145
Residential	20	10

Disposition

From the initial granting of state endowment lands, disposition has been considered a potential management strategy towards achieving the constitutional mandate as described in Article IX Section 4 of the Idaho Constitution. In accordance with the Asset Management Plan, disposition of endowment lands should be considered when the result adds value to the overall trust portfolio, either through reinvestment or reduction of risk. The Asset Management Plan further identifies specific management objectives for disposition, including:

- Increase long-term financial return at a prudent level of risk.

³ The Land Board approved Voluntary Auction For Ownership properties are not included in this strategy, as they have already been approved for disposition under another plan.

- Reduce cost through improved management efficiency.
- Adjust land holdings based on current and projected market conditions to capture value in excess of target returns.
- Evaluate and prioritize proposed transactions.

Residential

- Execute the approved Cottage Site Plan to unify the estate in a business savvy manner to maximize return to the trust beneficiaries.

Land Exchange

The land asset portion of the endowment trust has been maintained to generate revenues for the beneficiaries as well as reduce overall risk by providing diversification from the financial assets portion of the trust portfolio. Management risk associated with the land asset is due in part to the allocation of endowment lands when first granted. While efficient for distribution of the large amount of land to western states, the PLSS system created a “checkerboard” pattern of ownership, with endowment lands being intermingled with both private and federal lands. As stated in the Asset Management Plan, a primary management philosophy is to “seek to reposition parcels to reduce risk, lower management costs.” Land exchanges with private owners and other public agencies provide an opportunity to reposition land assets.

While land exchanges may be proposed by private landowners and public agencies, the outcome of the exchange must meet specific criteria set out by the Land Board including, but not limited to:

- **Equal or greater value.** Land to be acquired by the state must be at least as valuable as the state land being exchanged.
- **Consolidation of state lands.** Consideration will be given to a land exchange that results in the consolidation of existing state lands.
- **Access.** Consideration will be given to a land exchange whose acquisition will improve access to existing state lands.
- **Equal or greater income to the trust.** Consideration will be given to a land exchange that results in the state receiving equal or greater income for the endowment beneficiaries.

IV. Transition Lands

As stated in the Asset Management Plan, “[I]and asset classifications can be changed to meet changing markets or to capitalize on emerging alternative opportunities.” The Land Board approved Statement of Investment Policy and Asset Management Plan direct the Department to identify potential lands that should be classified as transition lands. The Department has identified certain properties as transitional and the respective next steps based on a “Tier” designation.

Lands within the Tier I-III designation have been identified for transition due to their underperformance in terms of revenue generation relative to their estimated land value. Much of this financial gap is caused by higher land values associated with urban development and growth rather than traditional asset classifications such as timberland. In other instances, properties may have commercial and residential classifications, but little to no current revenue generating activities occur on these properties. As a result, the lands within the planning area generate approximately \$257,535 annually and have an estimated total land value of \$53,080,952 or 0.49% return on value. Thus, using a 4% return rate as a benchmark, there is a gap of approximately \$1,888,703 in annual revenue.

Again, the revenue gap is based on estimated values of the land in the impact area that has increased in value due to the market. The land, which is predominantly timberland, has value that is not commensurate with the Department's classification of timberland. The result is the need to increase revenue on the high value lands. Increasing revenue can be accomplished through leasing or repositioning of the assets into new revenue producing assets or disposition.

Implementation of this Plan will impact approximately 373 acres or 6.9% of the endowment lands within the Area of Impact while addressing 88.0% of the land value held by the endowments within the Area of Impact over the next 20 years.

The following outlines those parcels within the planning area by their transition tier designation. Each profile provides a snapshot of the parcel, its current use and revenue generation, as well as the zoning and future land-use designations identified by McCall as part of its comprehensive planning process. Although endowment trust lands are not subject to these zoning designations, it does provide the reader an understanding of current and potential surrounding land uses in which the parcel is located. More in-depth descriptions and information regarding the transition potential for each parcel can be found in the Appendix.

Tier I – Planned Transition

Lands identified in the Tier I classification are those that have a high probability of transitioning within the next 1-5 years. Such parcels typically have a high land value relative to current revenue generation, typical of lands within or adjacent to urbanized areas. Tier I lands also have features necessary for the facilitation of transitions to higher and better uses, such as on-site utilities, road frontage, platted, annexed within city limits, and within sewer and water capacities. Such characteristics allow a parcel to be transitioned in the near future, which means they are able to maximize favorable market conditions.

Management strategies for Tier I parcels include:

- Work with third-party advisor to develop preliminary site scenario.
- Perform preliminary valuation of property.
- Work with third-party brokers to market property within appropriate markets for leasing or sale of property.

Tier II – Probable Transition

Lands classified as Tier II are similar to Tier I in that urban growth has influenced either current management or is likely to in the near future. These changes are reflected in the disparate land value to current revenue generation, similar to Tier I. Also similar to Tier I properties, Tier II lands may possess some attributes favorable to transition, such as being located within or adjacent to city limits, on-site or adjacent utilities, and access. However, unlike Tier I parcels, additional planning processes are necessary to move forward with a transition. Such steps may include final platting or sewer and water capacity determination. Also, like Tier I parcels, the Tier II classification has a market element. Markets or demand for Tier II parcels may not be favorable currently or in the near term due to the availability of other lands.

Management strategies for Tier II parcels include:

- Gain jurisdictional approvals, such as annexation, utility access, or subdivision platting.
- Perfect legal access, if not already available.
- Continue or seek leasing opportunities until market conditions for transition are more favorable.
- Facilitated discussions with stakeholders to establish coordination and cooperation within constitutional limitations and mandate.

Tier III – Feasible Transition

Tier III parcels are those within the Area of Impact that are not currently impacted by urban uses but may be transitioned over the next 10-20 years. Therefore, within the context of this Plan, endowment lands identified as Tier III will continue to be managed in accordance with their current asset classification so long as they do not meet the criteria of Tier I or Tier II. However, as with the City and County's comprehensive plans, these lands will be continuously reviewed during the timeframe and management strategies and adjusted as growth occurs.

Management strategies for Tier III parcels include:

- Continue or seek leasing opportunities until market conditions for transition are more favorable.
- Review property and market conditions every 1-5 years for conditions and potential for transition.
- Participate in City and County planning processes to ensure mission and objectives for state endowment land management are incorporated into comprehensive planning processes.
- Work with local land use jurisdictions to assure endowment lands are appropriately zoned and understood.
- Facilitated discussions with stakeholders to establish coordination and cooperation within constitutional limitations and mandate.

Tier IV – Transition not Planned

All lands outside of the city limits and that do not meet the criteria of Tier I-III lands and are likely to continue under current asset management strategies in the next 10-20 years are considered Tier IV.

Although these lands may be reconsidered in the future, there are no expected or intended management changes for these lands.

Management strategies for Tier IV parcels include:

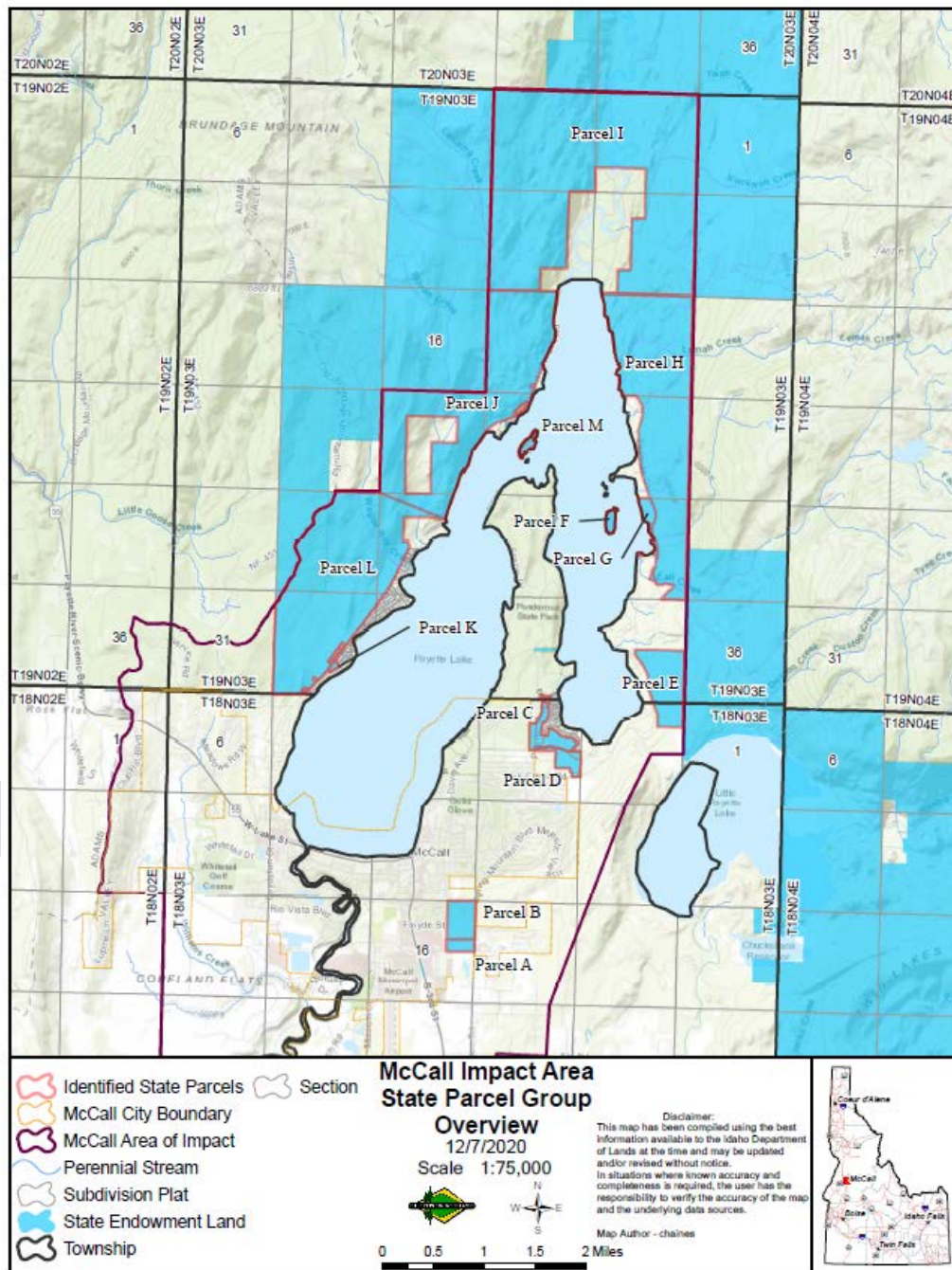
- Continue current land management strategies and seek opportunities to enhance revenue potential for individual sites.
- Participate in City and County planning processes to ensure mission and objectives for state endowment land management are incorporated into comprehensive planning processes.

Table 2. Transition Lands Matrix

	Tier I	Tier II	Tier III	Tier IV
Primary/Secondary Timber Base			✓	✓
Planned Timber Harvest			✓	✓
Grazing/Mineral/Recreation Lease			✓	✓
Water/Sewer/Electric Utilities On Site	✓	✓	✓	
Preliminary Plat	✓	✓		
Zoned R4 or Greater Density	✓	✓		
Residential/ Commercial Lease	✓	✓		
Zoned CC or I	✓			
Final Plat	✓			

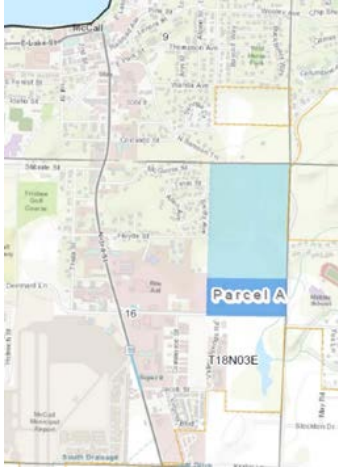
V. Payette Endowment Land Strategy Analysis

The Department has identified certain parcels within the Area of Impact to be included and identified in the Plan. Those parcels have corresponding letter designations as Plan identifiers. Below and in the Appendix is a description of each parcel with the corresponding Tier designation.




Tier I Planned Transition (1-5 years) – Parcels A, K and M


Parcel A - Deinhard Commercial

	Acreeage	+20
	Current Asset Class	Commercial Real Estate
	Current Leasing Activity	Office/Retail, Communication
	Current Annual Revenue	\$28,750
	Current Estimated Value	\$1,150,000
	Target Rental Rate	4%-8% based on Commercial HBU
	Target Yearly Revenue	\$69,000
	Yearly Revenue Gap	(\$40,250)
	Current Zoning	CC- Community Commercial
	Future Land Use Plan Designation	Commercial Development
	Access	Deinhard Lane and Spring Mountain Boulevard
	Utilities	Water, Sewer, Electric

Parcel K - Syringa Park


	Acreeage	+3.56
	Current Asset Class	Residential Real Estate
	Current Leasing Activity	Residential
	Current Annual Revenue	\$0
	Current Estimated Value	\$240,000 based on 3-4 acres
	Target Rental Rate	4% Based on Residential HBU
	Target Yearly Revenue	\$9,600
	Yearly Revenue Gap	(\$9,600)
	Current Zoning	R4- Low Density Residential
	Future Land Use Plan Designation	Medium Density Residential
	Access	Warren Wagon Road and Payette Drive
Utilities	Sewer, Electric	

Parcel M - Cougar Island

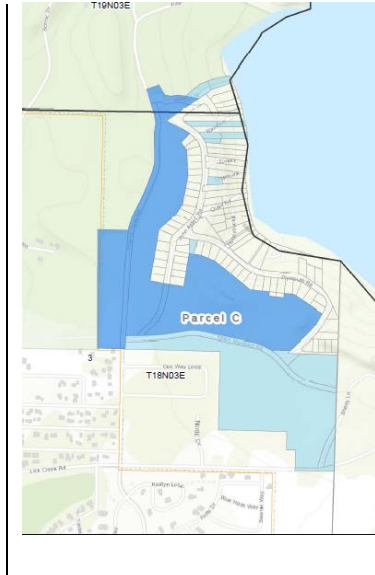
	Acreage	+14.21
	Current Asset Class	Residential Real Estate
	Current Leasing Activity	Residential
	Current Annual Revenue	\$32,440
	Current Estimated Value	\$4,795,000
	Target Rental Rate	4% Based Upon Residential HBU
	Target Yearly Revenue	\$191,800
	Yearly Revenue Gap	(\$159,360)
	Current Zoning	RR- Rural Residential
	Future Land Use Plan Designation	Large Residential
	Access	Boat only
	Utilities	Lake water, solar electric, drainfield for existing leased lot

Tier II Probable Transition (5-10 years) – Parcels B, C and F

Parcel B - Deinhard Residential

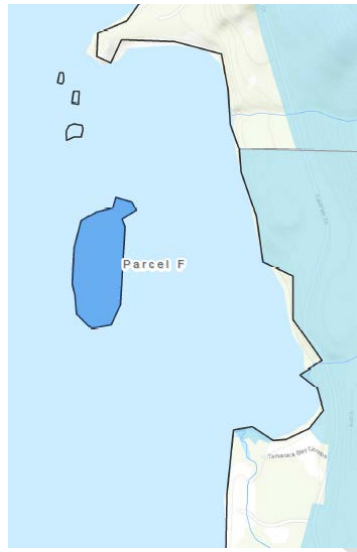
	Acreage	+60
	Current Asset Class	Residential Real estate/Timberland
	Current Leasing Activity	None
	Current Annual Revenue	\$0
	Current Estimated Value	\$595,000
	Target Rental Rate	4% Based Upon Residential HBU
	Target Yearly Revenue	\$23,800
	Yearly Revenue Gap	(\$23,800)
	Current Zoning	R4- Low Density Residential
	Future Land Use Plan Designation	Rural Residential
	Access	Deinhard Lane, Spring Mountain Boulevard, 3 rd Street
Utilities	Water, Sewer, Electric	

Parcel C - White Pine



Acreeage	+56.1
Current Asset Class	Residential Real Estate/Timberland
Current Leasing Activity	None
Current Annual Revenue	\$0
Current Estimated Value	\$21,750,000 Potential of 150 lots
Target Rental Rate	4% based on Residential HBU
Target Yearly Revenue	\$870,000
Yearly Revenue Gap	(\$870,000)
Current Zoning	R4- Low Density Residential
Future Land Use Plan Designation	Rural Residential
Access	Pilgrim Cove Road, John Alden Road, Miles Standish Road
Utilities	Water, Sewer, Electric


Parcel F - Shellworth Island



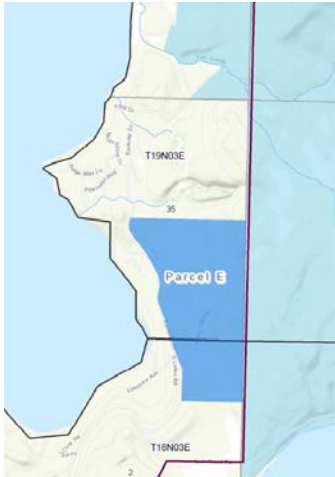
Acreeage	+13.1
Current Asset Class	Residential Real estate
Current Leasing Activity	Residential
Current Annual Revenue	\$11,070
Current Estimated Value	\$2,400,000
Target Rental Rate	4% based on Residential HBU
Target Yearly Revenue	\$96,000
Yearly Revenue Gap	(\$84,930)
Current Zoning	RR- Rural Residential
Future Land Use Plan Designation	Ag-Forest Conservation
Access	Boat only
Utilities	Lake water, solar electric, drainfield for existing leased lot

Tier III Feasible Transition (10-20 years) – Parcels D, E, and G


Parcel D - Lick Creek

	Acreage	+29
	Current Asset Class	Timberland
	Current Leasing Activity	Communication
	Current Annual Revenue	\$10,850
	Current Estimated Value	\$6,000,000
	Target Rental Rate	4% based on Residential HBU
	Target Yearly Revenue	\$240,000
	Yearly Revenue Gap	(\$229,150)
	Current Zoning	R4- Low Density Residential
	Future Land Use Plan Designation	Low Density Residential
	Access	Lick Creek Road, Pilgrim Cove Road, Miles Standish Road, Shady Lane
Utilities	Water, Sewer, Electric	

Parcel E - Eastside Drive


	Acreage	+160
	Current Asset Class	Timberland
	Current Leasing Activity	Grazing, Commercial Recreation
	Current Annual Revenue	\$14,167
	Current Estimated Value	\$400,000
	Target Rental Rate	4% based on Residential HBU
	Target Yearly Revenue	\$16,000
	Yearly Revenue Gap	(\$1,833)
	Current Zoning	RR- Rural Residential
	Future Land Use Plan Designation	Ag-Forest Conservation
	Access	Eastside Drive and Fall Creek Road
Utilities	Sewer, Electric	

Parcel G – East Shoreline

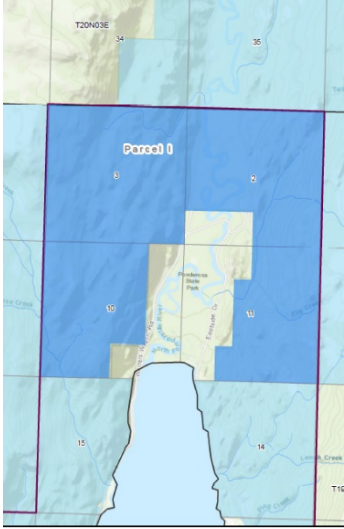
	Acres	+21
	Current Asset Class	Timberland
	Current Leasing Activity	None
	Current Annual Revenue	\$0
	Current Estimated Value	\$9,700,000
	Target Rental Rate	4% based on Residential HBU
	Target Yearly Revenue	\$388,000
	Yearly Revenue Gap	(\$388,000)
	Current Zoning	RR- Rural Residential
	Future Land Use Plan Designation	Low Density Residential
	Access	Eastside Drive
	Utilities	Sewer, Electric

Tier IV Transition Not Planned – Parcels H, I, J, and L

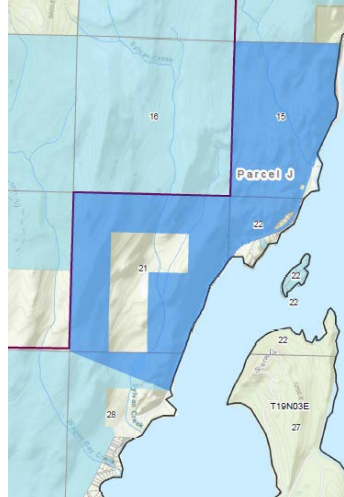
Parcel H - East of Eastside Drive to Tip

	Acres	+1040
	Current Asset Class	Timberland
	Current Leasing Activity	Grazing, Mineral
	Current Annual Revenue	\$48,739
	Current Estimated Value	\$1,560,000
	Target Rental Rate	4% based on Residential HBU
	Target Yearly Revenue	\$62,400
	Yearly Revenue Gap	(\$13,661)
	Future Land Use Plan Designation	Ag-Forest Conservation
	Access	Eastside Drive
	Utilities	Sewer, Electric

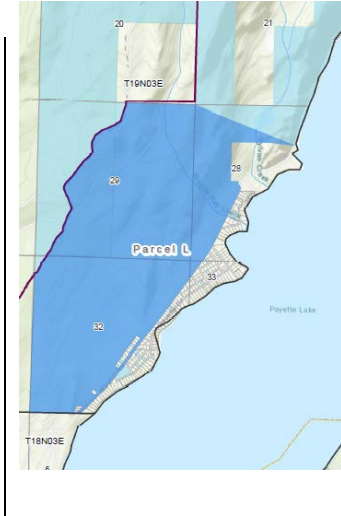
Parcel I – Tip

	Acreage	+2040
	Current Asset Class	Timberland
	Current Leasing Activity	Grazing, Mineral, Noncommercial Recreation
	Current Annual Revenue	\$28,257
	Current Estimated Value	\$570,000
	Target Rental Rate	4% based on Residential HBU
	Target Yearly Revenue	\$22,800
	Yearly Revenue Gap	\$5,457
	Current Zoning	RR- Rural Residential
	Future Land Use Plan Designation	Ag-Forest Conservation
	Access	Eastside Drive, Warren Wagon Road
	Utilities	None

Parcel J - Northwest Warren Wagon

	Acreage	+380
	Current Asset Class	Timberland
	Current Leasing Activity	Grazing
	Current Annual Revenue	\$28,135
	Current Estimated Value	\$880,952
	Target Rental Rate	4% based on Residential HBU
	Target Yearly Revenue	\$35,238
	Yearly Revenue Gap	(\$7,103)
	Current Zoning	RR- Rural residential
	Future Land Use Plan Designation	Ag-Forest Conservation
	Access	Warren Wagon Road
	Utilities	Sewer, Electric

Parcel L – Southwest Warren Wagon



Acreeage	+1520
Current Asset Class	Timberland
Current Leasing Activity	Grazing, Mineral, Commercial Recreation
Current Annual Revenue	\$98,637
Current Estimated Value	\$3,040,000
Target Rental Rate	4% based on Residential HBU
Target Yearly Revenue	\$121,600
Yearly Revenue Gap	(\$22,963)
Current Zoning	RR- Rural Residential
Future Land Use Plan Designation	Low Density Residential
Access	Warren Wagon Road, Green Gate Road
Utilities	Sewer, Electric

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VI. Implementation Strategies (IS)

Transition Strategies

Tier I

IS-1.1 Perform full USPAP compliant appraisals for Tier I properties identified herein. Appraisal will be used to set base rent or disposition value.

IS-1.2 Work with a third-party advisor to develop individual transition plans for each Tier I property identified herein.

IS-1.3 Convene a key stakeholder group to review proposed strategies and garner feedback for consistency with community vision, within the Department's constitutional limitations and mandate.

IS-1.4 Market Tier I properties based on third-party recommendations and timeframe.

IS-1.5 Evaluate alternative actions (land exchange or disposition) if IS-1.4 marketing is unsuccessful.

Tier II

IS-2.1 Work with a third-party advisor to develop individual transition plans for each Tier II property identified herein.

IS-2.2 Complete platting and annexation processes with the City of McCall for Parcels B and C.

IS-2.3 Utilities, sewer and water

IS-2.4 Conduct public outreach and presentations to Valley County and City of McCall Commissioners regarding transition plans.

IS-2.5 Seek short-term leasing opportunities on Parcels B and C to generate interim revenues while not prohibitively encumbering future transition potential.

IS -2.6 Lease Parcel F under conditional provisions that will allow for the eventual transition of the parcel.

Tier III

IS-3.1 Seek leasing opportunities on Parcel G that generate mid-term revenues and that do not hinder future transition potentials.

IS-3.2 Seek new or additional leasing opportunities on Parcels D and E that increase revenue generation relative to property values.

IS-3.2 Participate in City and County planning processes to ensure mission and objectives of endowment land management are incorporated into planning processes.

IS-3.3 Conduct annual and five-year reviews of land development and market conditions.

Tier IV

IS-4.1 Continue current land management strategies and seek opportunities to enhance revenue potential for Parcels H, I, J, and L.

IS-4.2 Participate in City and County planning processes to ensure mission and objectives of endowment land management are incorporated into comprehensive planning processes.

Adaptive Management

The Plan is not intended to be a static plan, but rather provide guidance to decision making on state endowment lands in the Area of Impact. The Department recognizes that factors such as market conditions, population growth, and even community vision are dynamic processes that change over time. As such, the Plan will be reviewed over the course of the planning horizon to consider changing conditions and future trends.

Appendix – Transition Land Profiles

Parcel A - Deinhard Commercial

Legally Permissible: Parcel A is currently located in McCall’s Community Commercial (“CC”) zoning designation. There are multiple permitted uses in this zoning designation, as well as use-based conditional use approval. Permitted development includes a wide variety of industrial and commercial uses (agriculture or garden use, amusement facility, bank, night club, care center, local housing unit, lumber supply store, laundry mat, nursery, retirement home, studio, automobile service, bar, brew pub, church, medical clinic, hotel, professional offices, package delivery service, retail store, R&D facility, restaurant, theater, and vocational school). McCall’s land use plan designates the property as likely use being commercial development. The property would likely be allowed a variety of general commercial uses.

Physically Possible: Parcel A is approximately 20 acres, and has existing improvements, including the Payette Lakes Supervisory Area office facilities and a leased communication site. There is an easement for a walking path that traverses the frontage. The topography is generally level and configured to allow for development alternatives. The size allows for development scenarios of a mid-sized sized general commercial, light industrial, or retail use. The property has accessibility off of East Deinhard Lane and Spring Mountain Blvd. Municipal utilities are immediately available including water, sewer, and power. The property’s physical characteristics do not restrict development potential.

Financially Feasible: Transitioning of the property should include considerations of the probability of attaining a maximum return on investment. Any proposal should consider the marketable attributes of the property and local market including strengthening rents, buyer demand, and vacancy. A number of local agents reported lease rate improvement upon renewals and new leases. Recent commercial construction activity is expanding in the immediate area, including Idaho First Bank, McCall Design & Planning (architect), Ridley’s Family Market, and Legend CrossFit. Given these trends, commercial development appears to be financially feasible.

Maximally Productive: Approximately 20 acres of general commercial use.

Most probable buyer/tenant: Commercial owner/occupant, build-to-suit developers, or commercial recreation.

Current Revenue: \$28,750 from three (3) Office Leases and a Communication Site Lease.

Tier Category: Tier I – Planned Transition.

Parcel B - Deinhard Residential

Legally Permissible: Parcel B is currently located in McCall's Low Density Residential ("R4") zoning designation. R4 restricts development of property to low-density single-family residential neighborhoods with a maximum density of four dwelling units per acre. A subdivision in this zoning designation would likely consist of larger single-family home sites. A conceptual development plan would need to be provided to develop a more comprehensive understanding of what is legally permissible on this site.

Physically Possible: Parcel B is approximately 60 acres, located to the north of Parcel A. The property is located in an area adjacent to residential development. Access is off of East Deinhard Lane and Spring Mountain Blvd. The shape of the parcel is rectangular with road frontage, width, and depth to allow for residential uses. The site topography is gentle to flat, conducive for a residential construction. Public utilities are available to the property including water, sewer, and electricity.

Financially Feasible: The ultimate determination of financial feasibility of any proposed subdivision development is whether the present value of the anticipated income stream over time exceeds the cost to create (including raw land value) by a sufficient amount to attract equity capital and profit to the development. Overall, a well-planned single-family subdivision is believed to be a financially feasible undertaking in the prevailing market conditions. Several existing and new single-family subdivisions are located within close proximity. However, market absorption will also need to be considered.

Maximally Productive: Under present land zoning and adjacent residential development, the most probable use of the property is residential development.

Most probable buyer/tenant: The most probably buyer/tenant for Parcel B is an investor/developer interested in acquiring and developing the property into a residential subdivision and selling the lots for profit. Other potential uses could be for commercial, recreational, or conservation.

Current Revenue: None

Tier Category: Tier II – Probable Transition

Parcel C - White Pine

Legally Permissible: Parcel C is currently located in McCall's Low Density Residential ("R4") zoning designation. R4 restricts development of property to low-density single-family residential neighborhoods with a maximum density of four dwelling units per acre. The Department preliminary platted and recorded the White Pine Heights Subdivision in 2014. Considering the City's R4 zoning allows a maximum density of four dwelling units per acre, a conceptual development plan would be needed to further subdivide the larger lots and blocks into smaller residential lots to maximize returns and to be concurrent with local zoning. Currently, the property is not incorporated within McCall, and after discussions with McCall staff, it would be beneficial for McCall and the Department to annex the entire 56.81-acre aggregate tract before platting. A conceptual development plan has not been performed.

Physically Possible: Parcel C is irregularly shaped, somewhat like a boot, and consists of five preliminary lots ranging in size (18.3 acres, 8.99 acres, 0.62 acres, 0.59 acres, 25.31 acres), for a combined size of 56.81 acres (excluding the roads from White Pine Heights Subdivision Plat). The site topography is gentle to flat, conducive for residential construction. Currently, water is available with the potential to tap into Payette Lakes Water and Sewer District ("PLWSD") sewer. The Department is not aware of concerns that PLWSD is at capacity in the immediate area. Access is a triad of roadways including Miles Standish Road, Pilgrim Cove Road, and John Alden Road with other ancillaries to the lake (Water Lily Lane and Plymouth Road).

Financially Feasible: The ultimate determination of financial feasibility of any proposed subdivision development is whether the present value of the anticipated income stream over time exceeds the cost to create (including raw land value) by a sufficient amount to attract equity capital and profit to the development. Based upon typical auction lot absorption periods, the property's neighborhood represents an average supply of potential inventory. Overall, a well-planned single-family subdivision may be a financially feasible undertaking in the prevailing market conditions. However, several existing and new single-family subdivisions are located within close proximity.

Maximally Productive: Under McCall's current zoning regulations and in light of development trends located in the immediate neighborhoods, the most probable development of the property is single-family residential development.

Most probable buyer/tenant: The most probably buyer is an investor/developer interested in acquiring and developing the property into a residential subdivision and selling the lots for profit.

Current Revenue: None

Tier Category: Tier II – Probable Transition

Parcel D - Lick Creek

Legally Permissible: Parcel D is currently located in McCall's Low Density Residential ("R4") zoning designation. R4 restricts development of property to low-density single-family residential neighborhoods with a maximum density of four dwelling units per acre. The Department preliminary platted and recorded this parcel as part of the White Pine Heights Subdivision along with Parcel C. Currently the property is not incorporated within McCall. It would be beneficial for McCall to annex the entire 30-acre parcel (aggregate parcel). A conceptual development plan has not been performed.

Physically Possible: Parcel D is located to the south of Parcel C in an area designated residential, close to Payette Lake and near the McCall public golf course. Primary access is from Lick Creek Road, Pilgrim Cove Road, and Miles Standish Road. The shape is somewhat rectangular with road frontage, width, and depth to allow for residential uses. The site topography is gentle to flat, thereby beneficial for residential use. Public water and sewer are available to the property from Miles Standish Road.

Financially Feasible: The feasibility determination of any proposed subdivision development is whether the present value of the anticipated income stream over time exceeds the cost to create (including raw land value) by a sufficient amount to attract equity capital and profit to the development. Based upon typical auction lot absorption periods, the property's neighborhood represents an average supply of potential inventory. Overall, a well-planned single-family subdivision may be financially feasible in the prevailing market conditions. Several existing and new single-family subdivisions are located within close proximity.

Maximally Productive: Under McCall's zoning regulations and adjacent residential development, the most probable use of the property is single-family residential development.

Most probable buyer/tenant: An investor/developer interested in developing the property into a residential subdivision and selling the lots for profit. Other potential uses could be for recreational or conservation.

Current Revenue: \$10,850 from a Communication Site Lease.

Tier Category: Tier III – Feasible Transition.

Parcel E - Eastside Drive

Legally Permissible: Parcel E is currently located in McCall's Rural Residential ("RR") zoning designation. RR restricts development to a density of one dwelling unit per ten acres. Currently the property is not incorporated within McCall. A boundary survey or conceptual development plan has not been performed.

Physically Possible: Parcel E is approximately 160 acres with Eastside Drive bordering the property along the western edge. Fall Creek Road is the access from the south that splits in a "Y" shape and extends through the northeastern portion of the property. The site is irregularly shaped with heavy tree cover. Parcel E is large enough to accommodate many uses. The topography varies from 5,258 feet to 5,086 feet generally sloping towards the lake. Sewer and electricity are available at Eastside Drive; however, they have not been extended onto the parcel.

Financially Feasible: The current zoning allows for single-family residential use with ancillary improvements including garage, storage buildings, guest cabin, boathouse, etc. The highest and best use is for development to the maximum density allowed under current zoning, which is one residential building site or three dwelling units per 10-acres (roughly residential 15 lots). The feasibility of any proposed subdivision development is whether the present value of the anticipated income stream over time exceeds the cost to create (including raw land value) by a sufficient amount to attract equity capital and profit to the development.

Maximally Productive: Under McCall's current zoning, the most probable development of the property is single family residential development.

Most likely buyer/tenant: An investor/developer interested in developing the property into a residential subdivision and selling the lots for profit. Other potential uses could be for commercial, recreation, or conservation.

Current Revenue: \$14,167 from Timber Sales, Grazing, and a Commercial Recreation Lease.

Tier Category: Tier III – Feasible Transition.

Parcel F - Shellworth Island

Legally Permissible: Parcel F is located in McCall's Rural Residential ("RR") zoning designation. RR restricts development to a density of one dwelling unit per ten acres. The Department has a preliminary plat that has not been recorded. A conceptual development plan has not been completed. However, given the total acreage is 13.13, only one residential unit would be legally permissible

Physically Possible: Parcel F is an island; therefore, there is no road frontage or wheeled vehicular access, and access is via boat only. There are seasonal limitations for boat only access given lake levels, lake freezing, etc.

The topography of the property is predominantly level with the central portions raising approximately 50 feet. The property has knoll like characteristic which rise from the lake on both the south and west sides, with rocky hillsides. The western shoreline is exposed granite, which limits or prohibits use. The south portion of the shoreline has a small cove-like feature, with a rocky and sandy shoreline/beach area. The approximate shoreline is 3,699 linear feet with native ground cover (as opposed to development challenges due to rock outcroppings). The island has moderate tree coverage.

There are no public utilities known to serve the property. Any development requiring water and waste will require lake water extraction and decomposing septic systems.

Financially Feasible: The zoning limits the use to a single residential unit with ancillary improvements including garage, storage buildings, guest cabin, boathouse, etc. The site is physically capable of providing for residential use but with limitations due to the exposed bedrock and limited access to utilities. Uses are expected to be seasonal due to winter conditions and lack of road access. However, when the lake freezes over access from the mainland using snowmobiles may be a possibility but that is not a reliable and consistent means of access.

Maximally Productive: The property's highest and best use is as a single residential unit together with ancillary improvements. However, it is worth noting that this property has high recreational value that could provide for alternative or additional revenue.

Most likely buyer/tenant: Potential uses could be for recreational, residential, or for conservation.

Current IDL Revenue: \$11,070 from a Residential Lease.

Tier Category: Tier II – Probable Transition.

Parcel G – East Shoreline

Legally Permissible: Parcel G is currently located in McCall’s Rural Residential (“RR”) zoning designation. RR restricts development to a density of one dwelling unit per ten acres. Currently the parcel is not incorporated within McCall. A boundary survey or conceptual development plan has not been performed to maximize current zoning density. Parcel G is currently vacant and unimproved.

Physically Possible: Parcel G has 3,100 lineal feet of shoreline and a general east to west slope towards the lake. The tract is elongated and irregularly shaped with a “neck” near the central portion of the property. Access is off of Eastside Drive. Utilities consist of electricity, telephone, cable service, and limited access to PLWSD’s sewer.

Financially Feasible: The zoning limits use to single-residential with ancillary improvements including garage, storage buildings, guest cabin, boathouse, etc. The highest and best use is for development to the maximum density. The feasibility of any proposed development is whether the present value of the anticipated income stream over time exceeds the cost to create (including raw land value) by a sufficient amount to attract equity capital and profit to the development.

Maximally Productive: The property’s highest and best use is as a single residential unit together with ancillary improvements. However, it is worth noting that this property has high recreational value that could provide for alternative or additional revenue. Additionally, there is endowment land adjacent to Parcel G that will need to be considered with any proposed use.

Most likely buyer/tenant: Potential uses could be for recreational, residential, or for conservation.

Current IDL Revenue: None

Tier Category: Tier III – Feasible Transition

Parcel H - East of Eastside Drive to Tip

Legally Permissible: Parcel H is located in McCall's Rural Residential ("RR") zoning designation. RR restricts development to a density of one dwelling unit per ten acres. Currently, the property is not incorporated within McCall. A boundary survey or conceptual development plan has not been performed.

Physically Possible: Parcel H is approximately 1,040 acres with shoreline development potential which could be increased significantly if Eastside Drive was relocated inland from its current location. Electric and sewer utilities are available but would have to be extended. Additional sewer capacity would most likely require upgrading the line to accommodate increased density.

The topography of the property at its steepest points has building limitations. Typical topographic issues include slope, waterfront qualities, lake depth qualities, and overall usability. However, recreational cabin site owners tend to build on this type of challenging topography to protect their lake front view. The property is irregularly shaped; however, it is large enough to accommodate many uses. Access is off of Eastside Drive. Physical limitations may be present including areas containing hard rock.

Financially Feasible: Parcel H will require city approval, surveying, platting, feasibility studies, subdivision analysis, and other development due diligence. Some of the steeper property may not be suited for cabin site development. Portions of the property are leased for grazing and mineral extraction. Recreational, conservation, and residential uses coupled with additional timber sales and grazing leases could be financially feasible.

Maximally Productive: Parcel H has unique characteristics including lake frontage, lake views, appealing aesthetics, and recreation. There are also conservation, timber sales, and grazing lease opportunities. The maximum productivity of each individual site would be the ability to incorporate residential and recreational aspects of land use.

Most probable buyer/tenant: Potential uses could be for recreation, residential, or for conservation.

Current IDL Revenue: \$48,739 from Timber Sales, Grazing, and Mineral Leasing.

Tier Category: Tier IV – Transition Not Planned.

Parcel I - Tip

Legally Permissible: Parcel I is currently located in McCall's Rural Residential ("RR") zoning designation. RR restricts development to a density of one dwelling unit per ten acres. Currently, the property is not incorporated within McCall. A boundary survey or conceptual development plan has not been completed.

Physically Possible: Parcel I is located adjacent to Ponderosa State Park, which is a public recreation area occupying the meandering inlet of the Payette River and the northern extremity of Payette Lake. Access is off of Eastside Drive and Warren Wagon Road. The property size is approximately 2,040 acres. The steepest portions of the property may have building limitations. Western elevations rise 500 feet and are heavily timbered. Typical topographic issues include slope and overall usability. The property is rectangular shaped, however, is large enough to accommodate many uses. The property does not have lake frontage. Certain higher elevations have lake views.

Financially Feasible: The steep nature of portions of the property may not be suited for cabin site development. Currently, there the property is leased for grazing and mineral extraction.

Maximally Productive: Parcel I has unique characteristics including lake views, appealing aesthetics, and recreation. There are also conservation, timber sales, and grazing lease opportunities. The maximum productivity of each individual site would be the ability to incorporate residential and recreational aspects of land use.

Most probable buyer/tenant: Potential uses could be for recreation, residential, or for conservation.

Current IDL Revenue: \$28,257 from Timber Sales, Grazing, Mineral, Noncommercial Recreation Leasing.

Tier Category: Tier IV – Transition Not Planned.

Parcel J - Northwest Warren Wagon

Legally Permissible: Parcel J is currently located in McCall's Rural Residential ("RR") zoning designation. RR restricts development to a density of one dwelling unit per ten acres. Currently, the property is not incorporated within McCall. A boundary survey or conceptual development plan has not been performed.

Physically Possible: Parcel J is approximately 380-acres of wooded timberland. Electric is available but would have to be extended. The topography of the property at its steepest points has building limitations. Typical topographic issues include slope, waterfront qualities, lake depth qualities, and overall usability. However, recreational cabin site owners tend to build on this type of challenging topography to protect their lakefront view. The property is irregularly shaped; however, it is large enough to accommodate many uses. Access is off of Warren Wagon Road.

Financially Feasible: Values for residential leases, private cabin sites, and recreational uses exceed those prices warranted for agricultural or forest land. Based increased community development and high demand for lake front property, recreation, conservation, and residential uses coupled with additional timber sales and grazing leases could be financially feasible.

Maximally Productive: Parcel J has unique characteristics including lake views, appealing aesthetics, and recreation. There are also conservation, residential, and recreation lease opportunities. The maximum productivity of each individual site would be the ability to incorporate residential and recreational aspects of land use.

Most probable buyer/tenant: Potential uses could be for recreation, residential, or for conservation.

Current IDL Revenue: \$28,135 from Timber Sales and a Grazing Lease.

Tier Category: Tier IV – Transition Not Planned.

Parcel K - Syringa Park

Legally Permissible: Parcel K is located in McCall's Low Density Residential ("R4") zoning designation. R4 restricts development to low-density single-family residential, with a maximum density of four dwelling units per acre. A subdivision in this zoning designation would likely consist of larger single-family home sites. A conceptual development plan would need to be provided to develop a more comprehensive understanding of what would be legally permissible on this site. The parcel is part of the platted and recorded Syringa Park Subdivision. Further subdivision is needed to maximize the density of Parcel K.

Physically Possible: Parcel K is 3.58 acres of vacant non-lakefront property surrounded by leased and deeded quarter-acre cottage sites in the Syringa Park Subdivision. The terrain is generally level and varies with drainage easterly to the lake. Access is off of Warren Wagon Road with Syringa Way and Payette Drive as ancillary roads. Utilities are available in the area. Parcel K is triangular; however, it is large enough for single-family residential use.

Financially Feasible: The current zoning limits the use to single-residential with ancillary improvements such as garage, storage buildings, guest cabin, boathouse, etc. The highest and best use is for development to the maximum density allowed under current zoning.

Maximally Productive: Under the City's current zoning regulations and in light of development trends located in the immediate neighborhoods, it is concluded the most probable speculative development of the property is for single family residential subdivision development with allowable density restriction.

Most probable buyer/tenant: A potential buyer is an investor/developer developing the property into a residential subdivision and selling the lots.

Current IDL Revenue: None.

Tier Category: Tier I – Planned Transition.

Parcel L – Southwest Warren Wagon

Legally Permissible: Parcel L is currently located in McCall’s Rural Residential (“RR”) zoning designation. RR restricts development to a density of one dwelling unit per ten acres. Currently, the property is not incorporated within McCall. A boundary survey or conceptual development plan has not been performed. The property has lake frontage along the west side of Payette Lake.

Physically Possible: Electric is available, however, would have to be extended throughout the parcel. The topography of the property at its steepest points has building limitations but offers great views. The property is generally a bench sloping towards the lake with moderate elevation change. The parcel is irregularly shaped, but large enough to accommodate many uses. Access is off of Warren Wagon Road. The property’s size is approximately 1,520 acres of wooded timberland.

Financially Feasible: While vacant land remains at high demand for residential and recreational use, the size of this property requires significant due diligence including city approvals, surveying, platting, feasibility studies, and subdivision analysis. The Value of residential leases, private cabin sites, and recreational uses exceed that of agricultural or forest land uses. Recreation, residential, timber sales, and grazing leases would be financially feasible.

Maximally Productive: Parcel L has unique characteristics including lake views, appealing aesthetics, and recreation. There are also conservation, residential, and recreation lease opportunities. The maximum productivity of each individual site would be the ability to incorporate residential and recreational aspects of land use.

Most probable buyer/tenant: A potential buyer is an investor/developer developing the property into a residential subdivision and selling the lots. Potential uses could also be for recreation, residential, or for conservation.

Current IDL Revenue: \$98,637 from Timber Sales, Grazing, Mineral, Commercial Recreation Leasing.

Tier Category: Tier IV – Transition Not Planned.

Parcel M - Cougar Island

Legally Permissible: Parcel M is located in McCall's Rural Residential ("RR") zoning designation. RR restricts development to a density of one dwelling unit per ten acres. The Department preliminary platted and recorded the Cougar Island Subdivision, which includes five residential lots; one of which is improved and currently leased. McCall staff have indicated the lots are non-conforming to the current RR zoning designation. However, the five lots are buildable tracts, which cannot be further subdivided. The Conditions, Covenants & Restrictions (CC&Rs) prohibit further subdivision as well. McCall staff explained there are no prohibitions on obtaining a building permit for any of these lots and, should a structure be destroyed or demolished, there is no prohibition upon re-building. Therefore, the key point here is compliance with the current zoning and CC&Rs.

Physically Possible: Parcel M is an island and accessible by boat only. In addition, boat access is seasonal due to ice and lake levels during the winter months. The site reflects a knoll characteristic which rises from the lake on all sides with basalt hillsides. The total aggregate size is 14.21 acres with the combination of five platted lots: 3.47, 2.52, 2.94, 3.35, and 1.93 acres all with a mixture of lake frontage containing 4,320 linear feet of shoreline. There are no known characteristics that would eliminate the legally identified use of the property with the exception of limited desirable septic drainfield locations. There has been a classification of the site qualities which includes size, waterfront, if any, topography, ground cover, access, soils (as pertinent primarily where the site might have development challenges due to rock outcroppings).

Financially Feasible: The zoning and the CC&Rs limit use to single-residential with ancillary improvements including garages, storage buildings, guest cabins, boathouses, etc. The site is physically capable of providing for the use but with limitations due to the exposed bedrock characteristics. Uses are expected to be seasonal due to winter conditions and the lack of road access. However, when the lake freezes over access from the mainland may be possible but that may not be a reliable and consistent form of access. The property has a highest and best use for five single-residential units together with ancillary improvements.

Most probable buyer/tenant: Potential uses could be for recreational, residential, or for conservation.

Current IDL Revenue: \$32,440 from a Residential Lease.

Tier Category: Tier I – Planned Transition.