

BIA to apply 'Market analysis' in determining lease appraisals

FORT HALL — Indian landowners on the Fort Hall Reservation were told July 14 that the federal government will now employ "market analysis" rather than individual appraisals to assess the value of reservation land allotments prior to lease.

Market analysis sets a per acre price range for each allotment up for lease based on the lowest and highest values of comparable lands off the reservation, said local Office of Special Trustee (OST) Field Officer Gus Kerndt to members of the Fort Hall Landowners Alliance at a meeting in Fort Hall July 14.

Establishing a range of values for each allotment is cheaper and quicker than conducting individual appraisals, said Kerndt, and it will help the government get through its backlog of reservation appraisal requests. Market analysis is also meant to address Indian landowner concerns that they are not getting competitive prices for their lands under the government's existing lease process.

The Bureau of Indian Affairs is scrambling to get the market analysis process in place prior to the scheduled

Aug. 4 opening of sealed bids on 80 reservation farm and pasture leases that expire this year. An assessment of the value of each allotment is required before the bidding can take place.

Kerndt said a completed market analysis will enable the Aug. 4 bidding to proceed in compliance with federal guidelines. Once the analysis of off reservation lands is completed, BIA area appraisers must still categorize each allotment up for lease based on such factors similar crop yield, land accessibility and soil conditions.

OST and BIA officials told members of the Fort Hall Business Council in April that the market analysis would provide landowners with a better assessment of what their land is worth if they want to negotiate for higher lease rates. Historically, the BIA has negotiated leases on behalf of Indian landowners, but its primary role is only to ensure that the highest bid meets or exceeds the appraisal rate, which is typically the minimum worth of the land.

Ernestine Werelus of the Landowners Alliance is hopeful that the market analysis process will

provide better information for landowners to use during negotiations, but only if the information is available in a timely manner. The last 90-day window for landowners to enter into negotiations with leasees ran from January to March for the 2010 crop year.

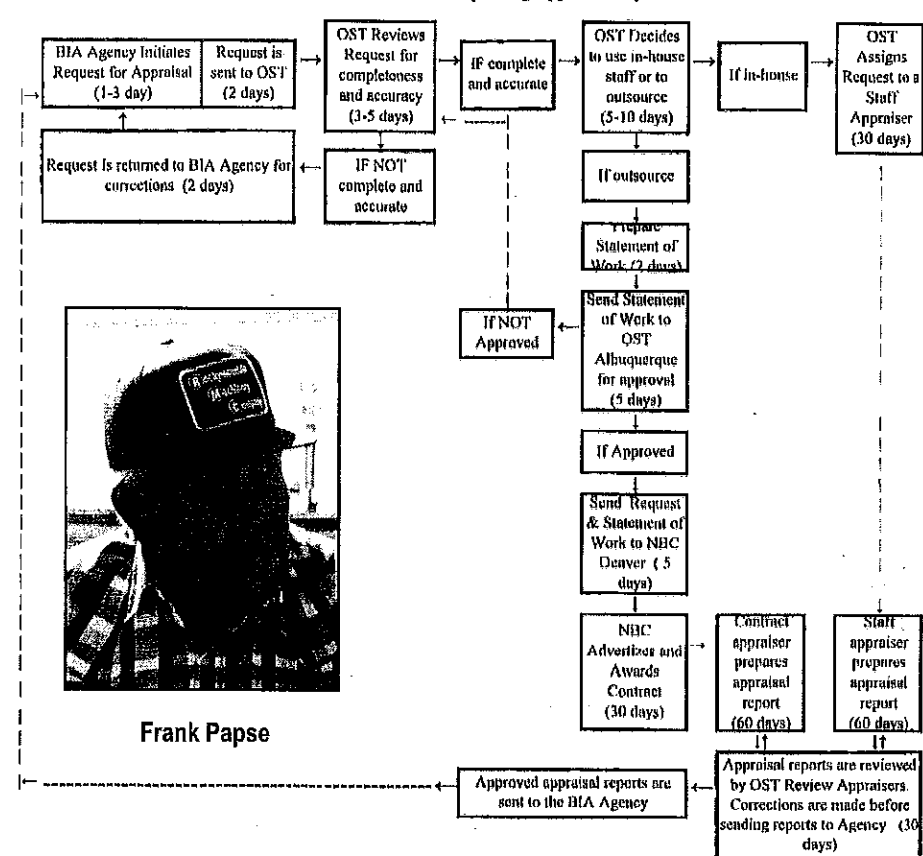
Kerndt did not have information on whether market analysis information would be completed for the next 90-day window for lease negotiations. Landowners with expiring leases must still make the request for market analysis information at BIA Leasing.

The federal government has contracted with an independent appraiser out of Boise who is assessing the value of farmland between Fort Hall and Twin Falls to establish comparables, or pieces of farmland with characteristics similar to farmland on the Fort Hall Reservation, he said.

Indian landowner Frank Pappe, who has been with the landowners alliance since 1996, has negotiated on behalf of local Indian landowners and knows firsthand that knowledge about crop prices and yields

See APPRAISALS, page 8

BIA/OST Procedures for Requesting Appraisal Reports



Frank Pappe

Farm & pasture lease bids set Aug. 4

FORT HALL — The opening of bids for 80 farm and pasture leases on the Fort Hall Reservation has been scheduled for 1 p.m. on Tuesday, August 4, at the Fort Hall Housing Authority Conference Room.

The bid opening is for leases available for the 2010 crop year, announced Eric LaPointe,

Bureau of Indian Affairs superintendent. Sealed bids for farming and pasture leases expiring this year are being accepted at the BIA Leasing Office until noon on August 4.

According to the BIA guidelines, in the event there are two or more bidders on one allotment, each bidder will be given the opportunity to orally

increase their bid amount. The bidder with the highest bid will be accepted, provided the bid meets or exceeds the appraisal amount.

This is only the second time the BIA has used this process and tribal members are encouraged to attend. The bid opening is open to the public.