

ONCE UPON A TIME ...

Years ago there was a beautiful lake in a peaceful, remote area that was owned by the government. The government wanted to make a little money off the land but also wanted to protect the water so decided to compromise by leasing only a few lots as residential cabin sites.

Many people whose dreams overshadowed distrust in government, leased these cabin sites to enjoy a tranquil lifestyle and make memories with their loved ones. As time went on and the government earned their trust, these leaseholders became comfortable enough to build larger homes and make other permanent improvements to the land.

One such couple fell in love with the lake after their 1957 honeymoon and leased an unimproved lot for \$30 a year. Not having a lot of money, they started out with a small cabin and added onto it over time. They raised their two sons at the lake, both of whom met their spouses on the beach and one was married there. They along with others who leased lots around the same time were looking forward to enjoying their retirement years at the lake.

But the value of the land increased over the years, due in part to improvements made by local landowners and leaseholders. Deciding lease rates were undervalued, the government proposed a substantial rate increase. When leaseholders pointed out such an increase would force many long-time lessees from their homes, the school land board spokesman was quoted as saying: "The board's obligation is not to preserve someone's way of life but to get the maximum long-term return." Over time, the honeymoon couple's lease rate increased from \$30 in 1958 to \$1,496. The school land board's proposed increase would double this to \$3,313 by 2015 ... welcome to Payette Lake in Idaho.

These leaseholders could be forced from their homes in one of two ways – 1) If the government is successful in mandating "market value" for lot rental, the formula used to establish this could price many out of their homes or; 2) If the government cannot get what they determine to be "market value", they could decide to sell (auction) the lots or trade them for commercial property more likely to return a higher rate.

What, you may ask, does this have to do with Shawnee Lake and what does it have to do with me? Let's follow the money trail ...

Certain ideas have already been expressed as ways to raise revenue for the City of Shawnee. One such idea is for the city to sell (through auction or sealed bid) its un-leased lakefront lots and incorporate "deeded restrictions" into the sale, with mandatory fees for improving and maintaining common area.

Fee-simple ownership of land on the lake would attract people with money, willing to invest heavily in improvements which in turn could drive up the assessed value of the "*land*" (not necessarily your improvements). If the city should decide to base lease rates on the market value of this land, this could eventually translate into lease rates (and possibly taxes) higher than what you can or are willing to pay, forcing you from your lake home.

Another idea was for the city to sell only the leasehold rights for the un-leased lots to a private investor. In this case, the investor would more than likely attempt to maximize the return on their investment by making changes leading to higher lease rates, which could eventually translate to higher rates for you.

And who's to say that once the city started relinquishing their leasehold rights for lots around the lake that they would stop with those that are currently un-leased? Would you prefer to lease from a private individual rather than the city?

And there is the environmental aspect to consider. A greater density of homes with septic systems around the lake has the very real potential to affect water quality. Steps taken to correct pollution and implement preventive measures would be costly ... and those costs would be passed along to you.

So far, these ideas have been discussed informally ... nothing has been formally proposed. But changes often take root in ideas and grow from there. It will certainly be in our best interest to stay informed on these and other ideas as they are being tossed around and to question the consequences before embracing them (even if they appear acceptable on the surface). Remember, "the devil is always in the details".