Form 1100-1
Rev. 5-91

NATURAL RESOURCES BOARD AGENDA ITEM

Item No. 3.C.6

SUBJECT: LAND ACQUISITION AND PROJECT BOUNDARY MODIFICATION – LOWER WISCONSIN STATE RIVERWAY – DANE COUNTY

FOR: DECEMBER 2008 BOARD MEETING

TO BE PRESENTED BY: Richard Steffes

SUMMARY: The Department has obtained an agreement to purchase 160.50 acres of land from 7A Farms, LLC for $658,050 for the Lower Wisconsin State Riverway in Dane County. The item is being submitted because the purchase price exceeds $150,000 and because the $4,100 per acre purchase price is based on the per-acre price of the whole property, but which exceeds the highest appraised value assigned to the Department's portion by $68,050. Forty acres of the parcel are outside of the project boundary.

The purchase of this tract is part of a long and cooperative effort with Dane County and other conservation partners. Dane County was successful in optioning the complete 1,071-acre 7A Farms, LLC property and has agreed to assign its purchase rights to the Department for the 160.5 acres on the west end of the ownership. The parcel includes 2,000 feet of frontage along the southern bank of the Wisconsin River and is bordered by state-owned lands along three sides. The overall purchase price is at $4,100 per acre and that is its asking price for the portion to be conveyed to the state. It is noted that after state purchase of the 160.5 acres on the Wisconsin River, the county will own 910.5 acres, which will be open for public hunting. The Department highly values public access for hunting and this is especially needed in southern Wisconsin.

The property is primarily bottomland hardwoods in the floodplain of the Wisconsin River. The area is part of the Mazomanie Bottoms Natural Area, a large area of Wisconsin River floodplain forest dissected by old river channels that are dry except during periodic floods. The forest harbors thousands of migrating birds. Nesting birds include these uncommon species: warblers, winter wren, and brown creeper. The site has a large woodpecker population and is used in winter by bald eagles.

The Department and the county will work together to restore a large 400-acre wetland on lands the county will be retaining and manage the entire 7A Farms acquisition. The south-central part of the land to be purchased by the county adjoins Walking Iron County Park. County plans call for hiking and horse trail connections from Walking Iron Park to the Blackhawk Ridge Unit of the Riverway, which is three miles northeast of this parcel. Parts of those trails may be on department land.

The Lower Wisconsin State Riverway (LWSR) was formed by combining nine existing wildlife areas along the Wisconsin River between Prairie du Chien and Sauk City as well as some additional lands to close separations between the wildlife area boundaries. The goals of the LWSR are to protect scenic lands along the river, enhance wildlife habitat and to meet the recreational the needs of the public. A cooperative effort between citizens, environmental groups, elected officials and the Department ended successfully with the passage of the law establishing the Lower Wisconsin State Riverway and the Lower Wisconsin State Riverway Board about 20 years ago.

RECOMMENDATION: That the Board approve the purchase of 160.5 acres of land for $658,050 for the Lower Wisconsin State River and modification of the project boundary to include the parcel.

LIST OF ATTACHED MATERIALS:

No ☒	Fiscal Estimate Required	Yes ☐	Attached
No ☒	Environmental Assessment of Impact Statement Required	Yes ☐	Attached
No ☐	Background Memo	Yes ☒	Attached

APPROVED:

R E Steffes — Date 11-21-08
Real Estate Director, Richard E. Steffes - LF/6

Laurie Osterndorf — Date 11/21/08
Administrator, Laurie Osterndorf - AD/8

Matthew J. Frank — Date 11/24/08
Secretary, Matthew J. Frank - AD/8

cc: S. Miller – LF/6
R. Steffes – LF/6
L. Ross – AD/8
L. Eagan – SCR/Fitchburg

State of Wisconsin

CORRESPONDENCE/MEMORANDUM

FILE REF: WR 70014

DATE: November 21, 2008

TO: Governor Doyle

FROM: Matthew J. Frank

SUBJECT: Proposed Land Acquisition, 7A Farms, LLC Tract, File # WR 70014, Option Expires December 28, 2008

1. PARCEL DESCRIPTION:

Lower Wisconsin State Riverway
Dane County

Grantor:

7A Farms, LLC
844 South Washington Street
Hinsdale, IL 60521

Acres: 160.50
Price: $658,050*
Appraised Value: $560,000 (Mike Augustyn); $590,000 (Michael Stone)
Interest: Fee Title
Improvements: None

Location: The property is located in northwestern Dane County about one mile north of Mazomanie, seven miles southwest of Sauk City and 16 miles northwest of the City of Madison in the Town of Mazomanie.

Land Description: The subject land is fairly level to gently rolling.
Water Resources: The subject has about 2,000 feet of frontage along the southern bank of the Wisconsin River.

Covertype Breakdown:	Type:	Acreage:
	Lowland/Woodland	160.50

Zoning: Agriculture
Present Use: Agriculture/Recreation
Proposed Use: Resource Protection and Recreation
Tenure: 6 years
Date of Accepted Offer: October 2, 2008
Stewardship Land Access: This property will be open to the public for all nature-based outdoor recreational activities to include hunting, fishing, trapping and cross-country skiing.

Comment: The county has received an accepted offer to purchase the whole ownership of 1,071 acres for $4,387,000. This is considered to be a price of $4,100 per acre. The county has assigned its purchase rights to the Department for the westerly 160.5 acres, the portion needed for the Lower Wisconsin River project at $4,100 per acre.

2. JUSTIFICATION:

The Department proposes to purchase the 160.5-acre 7A Farms, LLC tract that is located in the Town of Mazomanie in Dane County about 16 miles northwest of the City of Madison for the Lower Wisconsin State Riverway. About 40 acres of the 160.5 fall outside of the project boundary. The parcel, that includes 2,000 feet of frontage along the southern bank of the Wisconsin River, is bordered by

Printed on Recycled Paper

state-owned lands along three sides and by Dane County-owned lands along the east edge of the property. The purchase of this tract is part of a long and cooperative effort with Dane County and other conservation partners. Dane County was successful in optioning the complete 1,071-acre 7A Farms, LLC property, which has a 1.75-mile common boundary on its north side with department land. The county has assigned purchase rights on the westerly 160.5 acres to the Department for their purchase price. The Department's portion was not separately appraised until after a purchase agreement was reached because the owner would only consider a sale of the property as one parcel. The Department proposes to pay the price per acre of the whole property in a cooperative effort to acquire and manage this large property for conservation purposes. It is noted that after state purchase of the 160.5 acres on the Wisconsin River, the county will own 910.5 acres, which will be open for public hunting. The Department highly values public access for hunting and this is especially needed in southern Wisconsin.

The property is primarily bottomland hardwoods in the floodplain of the Wisconsin River. The area is part of the Mazomanie Bottoms Natural Area, a large area of Wisconsin River floodplain forest dissected by old river channels that are dry except during periodic floods. The forest harbors thousands of migrating birds. Nesting birds include these uncommon species: warblers, winter wren, and brown creeper. The site has a large woodpecker population and is used in winter by bald eagles.

The Department proposes to acquire 160.5 acres of that from 7A Farms by assignment of part of the county purchase agreement. The Department and the county will work together to restore a large 400-acre wetland on lands the county will be retaining and to manage the entire 7A Farms acquisition. The remaining county land adjoins Walking Iron County Park. County plans call for hiking and horse trail connections from Walking Iron Park to the Blackhawk Ridge Unit of the Riverway, which is three miles northeast of this parcel. Parts of those trails may be on department land.

The Lower Wisconsin State Riverway was formed by combining nine existing wildlife areas along the Wisconsin River between Prairie du Chien and Sauk City as well as some additional lands to close separations between the wildlife area boundaries. The goals of the LWSR are to protect scenic lands along the river, enhance wildlife habitat and to meet the recreational needs of the public. A cooperative effort between citizens, environmental groups, elected officials and the Department ended successfully with the passage of the law establishing the Lower Wisconsin State Riverway and the Lower Wisconsin State Riverway Board.

The Department recommends acquisition of the 160.5 parcel to provide opportunities for public recreation, to allow natural resource management, to consolidate state ownership, to prevent development incompatible with the goals of the project, and to preserve the natural condition of the Lower Wisconsin Riverway.

3. FINANCING:

State Stewardship bond funds are anticipated:

Funds allotted to program:	Balance after proposed transaction:
$2,400,000	$43,202

4. ACQUISITION STATUS OF THE LOWER WISCONSIN STATE RIVERWAY:

Established: 1989
Acres Purchased to Date: 51,946.76
Acquisition Goal: 78,855.00
Percent Complete: 65.88
Cost to Date: $23,440,536.58

5. APPRAISALS:

5a. Appraiser: Michael Stone -- (Private Appraiser)
Valuation Date: June 30, 2008 with amendment on October 27, 2008
Appraised Value: $590,000
Highest and Best Use: Agriculture

Allocation of Values:
a. land: 160.5 acres @ $3,676 per acre: $590,000
b. market data approach used, five comparable sales cited
c. adjusted value range: $3,624 to $4,213

Reviewed by: Greg Delwiche

5b. Appraiser: Michael Augustyn - (Private Appraiser)
Valuation Date: June 27, 2008 with amendment on October 15, 2008
Appraised Value: $560,000
Highest and Best Use: Agriculture ancillary uses of recreation and rural development

Allocation of Values:
a. land: 160.50 acres @ $3,500 per acre: $560,000 (Rounded)
b. market data approach used, four comparable sales cited
c. adjusted value range: $3,898 to $5,046

Reviewed by: Greg Delwiche

Comment: Stone appraised the entire 1,071-acre ownership at $4,391,000 ($4,100 per acre). Augustyn appraised the 1,071 acres for $4,200,000 ($3,922 per acre). The Department asked the appraisers to allocate value for the portion to be acquired by the state and this came in slightly lower due to lower wet soils on the land along the river.

It is the Department's understanding that the county will seek Stewardship grant funds for 50% of its costs based on the approved appraisal by Augustyn at $3,922 per acre in FY10.

RECOMMENDED:

Richard E. Steffes — Date

Joseph Wm. Remille
Bureau of Legal Services — Date 11/21/08

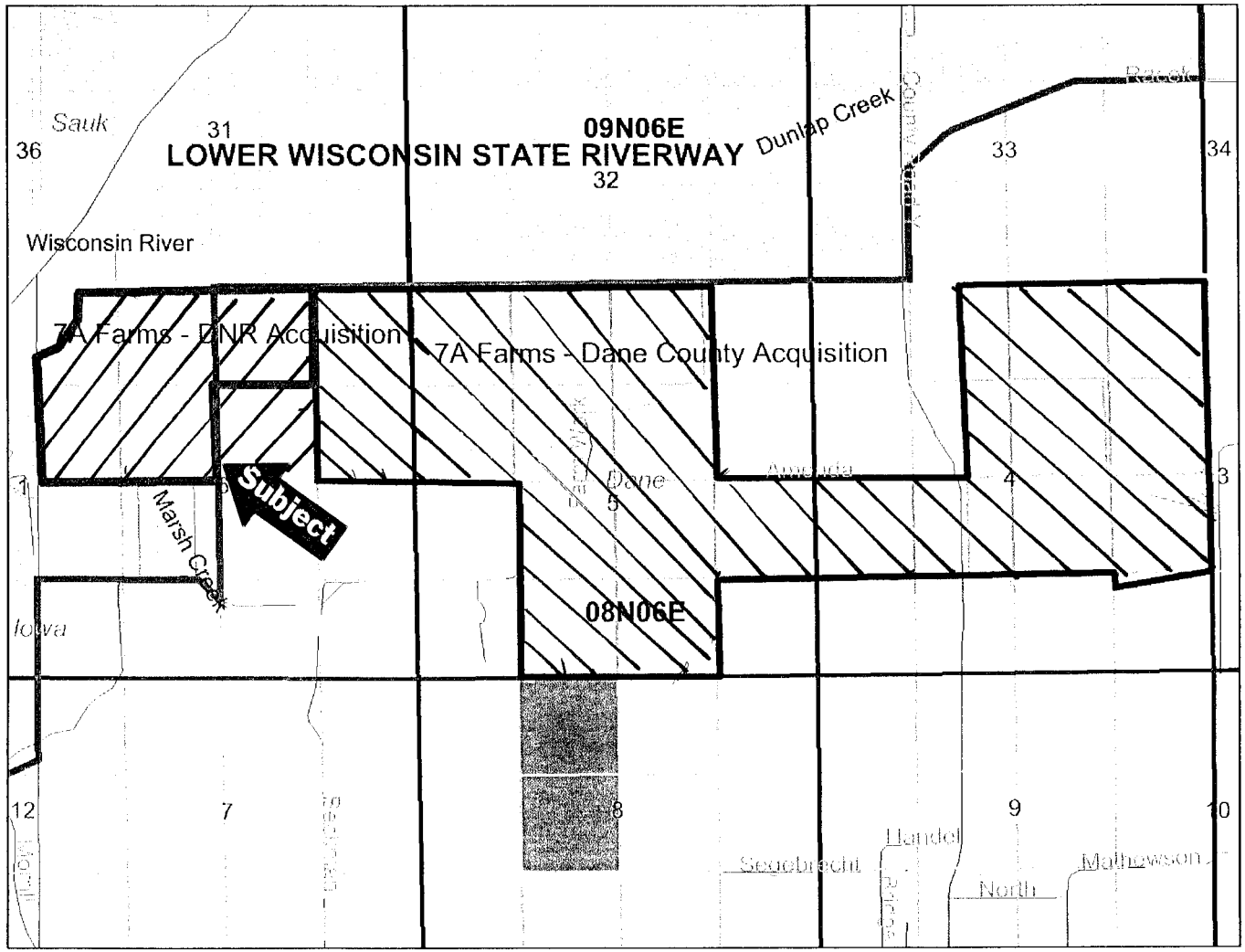
Laurie Osterndorf — Date

RES:dv

Due to copyright laws, this page is not available online.

Please contact laurie.ross@wisconsin.gov for a hard copy of this document.

7A Farms Acquisition



Legend

- County Boundary
- Project Boundary
- PLSS Townships
- PLSS Sections
- PLSS Q-Q Sections
- 24K Open Water
- Stewardship Grants
- DNR Managed Lands
- Fee
- Easement
- Lease

0 2600 5200 7800 ft.

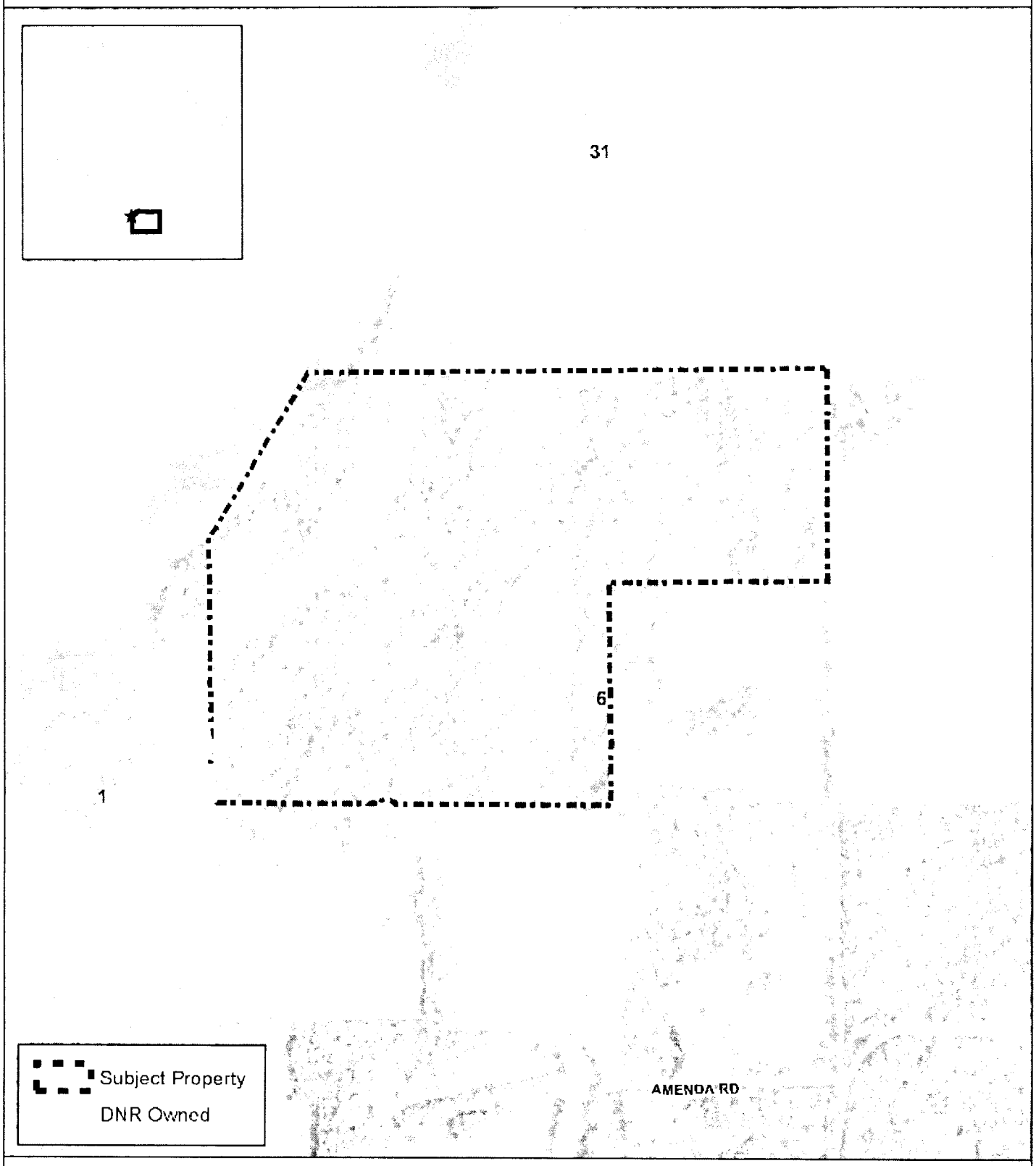
Scale: 1:27,185

This map is a user generated static output from an Internet mapping site and is for general reference only. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable. THIS MAP IS NOT TO BE USED FOR NAVIGATION.

7A Farms, LLC Property

or Dane County Parks

[illegible] Section [illegible] Town of Mazomanie, Dane County



Mile
0 0.25 0.5

N

Created by Bureau of Facilities and Lands
Real Estate Section
November 5, 2008

LOWER WISCONSIN STATE RIVERWAY

Iowa and Sauk County

Arena Area

STATE OF WISCONSIN
DEPARTMENT OF
NATURAL RESOURCES

Bureau of
Facilities and Lands

February 9, 2004

Project Boundary

WDNR Owned

WDNR Easement

WDNR Lease

1:65,000

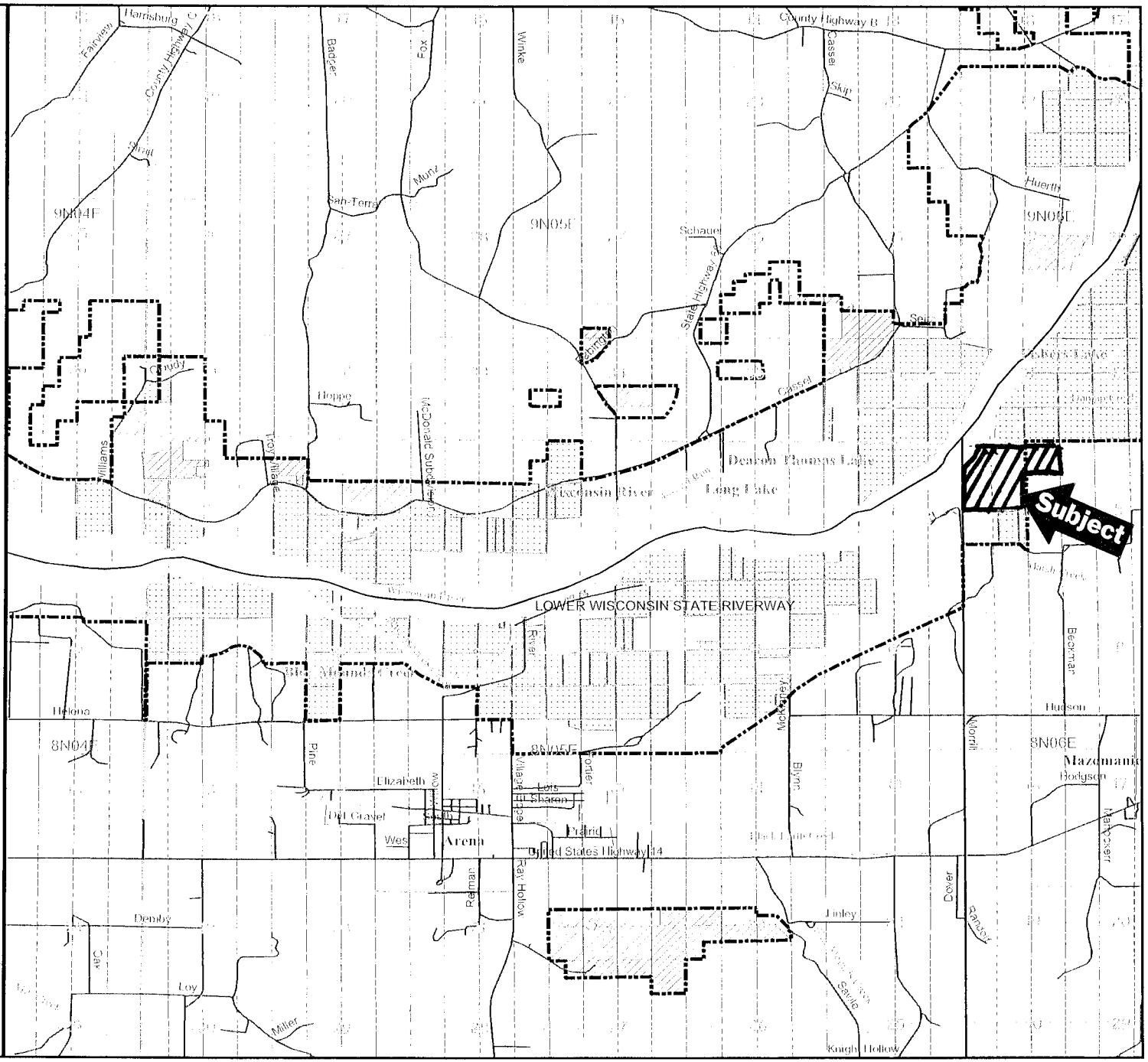
0.5 0.25 0 0.5 Miles

The DNR Managed Lands represent the boundaries of lands managed by the Wisconsin Department of Natural Resources. The Wisconsin DNR manages these lands through ownership, easement or lease rights. This data set is a spatial representation of the Oracle Land Records System maintained by the DNR, Bureau of Facilities and Lands (LF), and may include errors and/or omissions. The data should not be interpreted as a legal representation of legal ownership boundaries.

This data set does not differentiate between lands that are open or closed to the public for hunting and/or general public access. Some lands represented in this data set may not be open to the general public, or may have special limitations or restrictions on public use. This data set is not intended for use as a land management tool, it is a listing of all DNR real estate transactions that have occurred on these lands over time.

For information about the actual management, including public use and public access of the lands, contact the nearest DNR Regional office. Contact information for DNR Regional Offices and Service Centers is provided on the following internet site:

http://www.dnr.state.wi.us/org/caer/cs/servicecenter/locations.htm

Updates to this data set are ongoing, and will be incorporated into future versions when available.

2