Form 1100-1
Rev. 5-91

NATURAL RESOURCES BOARD AGENDA ITEM

Item No. 3.C.12

SUBJECT: LAND EXCHANGE – LOWER WISCONSIN STATE RIVERWAY – GRANT AND CRAWFORD COUNTIES

FOR: DECEMBER 2008 BOARD MEETING

TO BE PRESENTED BY: Richard Steffes

SUMMARY: The Department is proposing a land exchange in the Lower Wisconsin State Riverway (LWSR). Scot Industries has requested purchase of 10 acres of state land for $100,000 for expansion of its Muscoda plant. As replacement, Scot Industries will pay for additional privately owned land for the state project. The Department has obtained two options, one to purchase 27.04 acres of land valued at $73,000 from Dean Mara, and another option to purchase 7.18 acres from Ruth Kessler for $15,000 leaving a net gain of 24.22 acres and $12,000 to the Department. The item is being submitted because the state land for sale to Scot Industries exceeds $50,000 in value. The closings would occur simultaneously using Scot's funds to acquire the replacement land.

The 10-acre parcel proposed for sale to Scot Industries is part of a larger department-owned 20-acre tract in the Village of Muscoda in Grant County. The 20 acres is bordered on three sides by Scot's large industrial facility, the Village of Muscoda sewage lagoons and a cemetary. The fourth side is a road (Elm Street), which severs the 20 acres from remaining department lands. Since this property was acquired in 1962, the village has expanded into the area south and west of the Department's project area. A school was recently located within 450 feet of this tract, which now precludes the public from hunting it. A short, locally developed hiking trail runs through the 20 acres. The portion of the trail on the 10 acres proposed for sale will be rerouted onto remaining department lands.

Scot Industries requested to purchase this land for expansion of their Muscoda manufactiring operations. Scot is a large Wisconsin-based company with manufacturing facilites in eight U.S. and one European location. This parcel proposed for trade is all upland/woodland and no longer needed for conservation purposes. Once sold, the remaining 10-acre parcel lying south of Elm Street will be retained as a buffer to other department lands. The 34.22 acres being acquired with funds from Scot are valued at $88,000. Scot will pay the Department the value difference of $12,000. In the last five years, 670 acres have been acquired in the riverway within four miles of this property, 165 acres are within a mile and another 330 acres are two miles east of the subject.

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 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.

Both replacement parcels are located in Crawford County within the LWSR boundary and block with existing department ownership. The 27.04 acre parcel known as the Dean Mara tract is in southeastern Crawford County about 20 miles southwest of Muscoda. The property is a mixture of cropland and upland/woodland. Topography ranges from lower tillable ground on the west to a steep, wooded bluff on the east side of the property. This bluff is highly visible from the Wisconsin River making this acquisition a key component to eventual state ownership of a large contiguous block of land. Department lands adjoin the subject property on the south and east sides and are within ¼-mile to the west.

The 7.18 acres, known as the Kessler tract, is located about 25 miles southwest of Muscoda. It consists of floodplain woodland and pasture. The parcel is bordered by state-owned land and permanent easements along three sides. The parcel includes 300 feet of frontage on the Kickapoo River. Acquisition of the parcel will protect the scenic and natural values of the tract in addition to providing opportunities for public recreation and natural resource management of the land.

RECOMMENDATION: That the Board find that the 10-acre state tract is no longer needed for conservation purposes and approve the exchange of the state land for 34.22 acres of privately owned land needed for Lower Wisconsin State Riverway.

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:

Real Estate Director, Richard E. Steffes - LF/6 — Date 11-20-08

Administrator, Laurie Osterndorf - AD/8 — Date 11/19/08

Secretary, Matthew J. Frank - AD/8 — Date 11/19/08

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

State of Wisconsin

CORRESPONDENCE/MEMORANDUM

DATE: November 7, 2008

FILE REF: WR-70010, WR-70012 & WR-70013

TO: Governor Doyle

FROM: Matthew J. Frank

SUBJECT: Proposed Land Exchange, DNR to Scot Industries, File # WR 70012 (sale),
Mara to DNR, File #WR 70013 (purchase)
Kessler to DNR, File #WR 70010 (purchase)
Approval Requested By December 22, 2008

1. PARCEL DESCRIPTION:

Lower Wisconsin State Riverway
Crawford County

Lower Wisconsin State Riverway
Grant County

Grantor/Grantee:

Dean Mara 1102 E. Kinder Street Richland Center, WI 53581	Ruth Kessler 918 Northern Sands Place Onalaska, WI 54650	Department of Natural Resources P.O. Box 7921 Madison, WI 53707

	Purchase	Purchase	Sale
Acres:	27.04	7.18	10.00
Price:	$73,000	$15,000	$100,000
Appraised Value:	$73,000	$15,000	$100,000
Improvements:	None	None	None
Interest:	Fee	Fee	Fee-Sale

Location: The 27.04-acre Mara parcel is three miles west of Boscobel and the 7.18-acre Kessler parcel is ¼-mile west of the City of Wauzeka. The 10-acre department tract is within the Village of Muscoda.

Land Description: The 27.04-acre Mara parcel varies from a steep wooded hillside to gently rolling grasslands. The 7.18-acre Kessler parcel is mostly level and within the floodplain of the Kickapoo. The 10-acre department parcel for exchange consists of level woods.

Covertype Breakdown - (Mara parcel for purchase):

Type:	Acreage:
Upland/Woodland	16.0
Grassland	11.04

Covertype Breakdown - (Kessler parcel for purchase):

Type:	Acreage:
Grass and Lowland Forest	7.18

Covertype Breakdown - (DNR parcel for trade):

Type:	Acreage:
Upland Woodland	10.00

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	Mara Parcel - (Fee Purchase)	Kessler - (Fee Purchase)	DNR - (Fee Sale)
Zoning:	No Comprehensive Zoning	Floodplain zoning	Agriculture
Present Use:	Recreation	Vacant	Recreation
Proposed Use:	Scenic Protection and Public Recreation	Scenic Protection and Public Recreation	Commercial
Tenure:	Four years	17 years	46 years
Property Taxes:	$969.50	$78.71	Tax-exempt
Option Date:	9/8/2008	9/17/2008	9/23/2008

Stewardship Land Access: The Mara and Kessler properties, once acquired, will be open to the public for all nature-based outdoor recreational activities to include hunting, fishing, trapping, hiking and cross-country skiing.

2. JUSTIFICATION:

The Department is proposing to conduct an exchange of property in the Lower Wisconsin State Riverway. Scot Industries has requested the Department sell an approximate 10-acre parcel of state land for expansion of their manufacturing facility in Muscoda. As a replacement, the Department has obtained two options, one to purchase 27.04 acres of land valued at $73,000 from Dean Mara, and another option to purchase 7.18 acres from Ruth Kessler for $15,000 leaving a net gain of $12,000 cash and 24.22 acres to the Department.

The 10-acre parcel proposed for sale to Scot Industries is part of a larger department-owned 20-acre tract in the Village of Muscoda in Grant County. The 20 acres is bordered on three sides by Scot's large industrial facility, the Village of Muscoda sewage lagoons and a cemetery. The fourth side is a road (Elm Street), which severs the 20 acres from remaining department lands. Since this property was acquired in 1962, the village has expanded into the area south and west of the Department's project area. A school was recently located within 450 feet of this tract, which now precludes the public from hunting it. A short, locally developed, hiking trail runs through the 20 acres. The portion of the trail on the 10 acres proposed for sale will be rerouted onto remaining department lands.

Scot Industries requested to purchase this land for expansion of their Muscoda manufacturing operations. Scot Industries is a large Wisconsin-based company with manufacturing facilities in eight U.S. and one European location. The parcel sighted for trade is all upland/woodland and no longer needed for conservation purposes. Once sold, the remaining 10-acre department parcel lying south of Elm Street will be retained as a buffer to other department lands. In the last five years, 670 acres have been acquired in the riverway within four miles of this property, 165 acres are within a mile and another 330 acres are two miles east of the subject. The sale price of the 10 acres being sold to Scot Industries is $100,000. The 34.22 acres being acquired as replacement land have a cost of $88,000. The value difference of $12,000 will be paid to the Department.

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 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.

Both replacement parcels are located in Crawford County within the LWSR boundary and block with existing department ownership. The 27.04 acre parcel, known as the Dean Mara tract, is in southeastern Crawford County about 20 miles southwest of Muscoda. The property is a mixture of cropland and upland/woodland. Topography ranges from lower, tillable ground on the west to a steep, wooded bluff on the east side of the property. This bluff is highly visible from the Wisconsin River, making this acquisition a key component to eventual state ownership of a large contiguous block of land. Department lands adjoin the subject property on the south and east sides and are within ¼-mile to the west.

The 7.18 acres, known as the Kessler tract, is located about 25 miles southwest of Muscoda. It consists of floodplain, woodland and pasture. The parcel is surrounded by state-owned land and permanent easements along three sides. The parcel includes 300 feet of frontage on the Kickapoo River. Acquisition of the parcel will

protect the scenic and natural values of the tract in addition to providing opportunities for public recreation and natural resource management of the land.

The Department recommends exchange of 10 acres in Muscoda for 34.22 acres in Crawford County to provide opportunities for public recreation, consolidate state ownership, prevent development incompatible with the goals of the project, and preserve the natural condition of the Lower Wisconsin Riverway. The state land is no longer needed for conservation purposes, while the Dean Mara and Ruth Kessler lands are needed for the Lower Wisconsin State Riverway in Crawford County.

3. FINANCING:

No state funds are necessary for this transaction.

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

5a. APPRAISAL (Mara Tract):

Appraiser: Tom Smith – (Private Appraiser)
Valuation Date: May 9, 2008
Appraised Value: $73,000.00
Highest and Best Use: Residential/Recreational Purposes

Allocation of Values:
a. land: 27.04 acres @ $2,700 per acre: $73,000.00 (Rounded)
b. market data approach used, three comparable sales cited
c. adjusted value range: $2,536 to $2,711

Appraisal Review: Ronald Olson 6/23/2008

5b. APPRAISAL (Kessler Tract):

Appraiser: John Raatz and Ron Olson - (Staff Appraisers)
Valuation Date: September 23, 2008
Appraised Value: $15,000
Highest and Best Use: Recreation

Allocation of Values:
a. land: 7.18 acres @ $2,100 per acre: $15,000 (Rounded)
b. market data approach used, four comparable sales cited
c. adjusted value range: $1,768 to $2,262

Appraisal Review: Dick Steffes – 10/24/2008

5c. APPRAISAL (Department Tract):

Appraiser: Greg Delwiche - (Staff Appraiser)
Valuation Date: October 20, 2008
Appraised Value: $100,000
Highest and Best Use: Industrial Expansion

Allocation of Values:

a. land: 10.0 acres @ $10,000 per acre: $100,000.00
b. market data approach used, three listings and three comparable sales cited
c. unadjusted value range: $4,600 to $17,985

Appraisal Review: Dick Steffes – October 23, 2008

RECOMMENDED:

Richard E. Steffes — Date

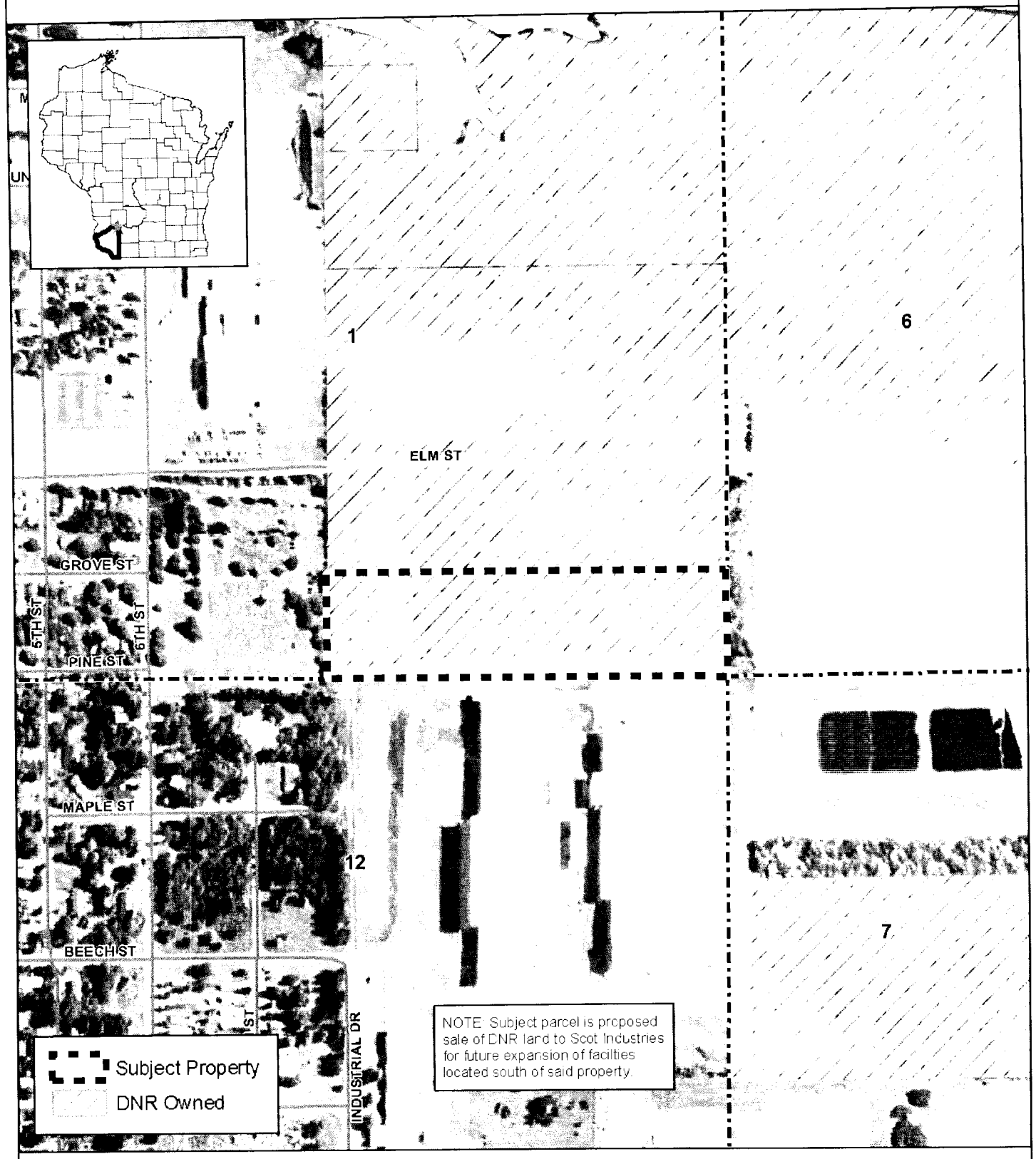
Bureau of Legal Services — Date 11/10/08

Laurie Osterndorf — Date 11/11/08

RES:ch

Scot Industries Fee Sales Property

T 08N R 01E Section 1, Town of Muscoda, Grant County



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Created by Bureau of Facilities and Lands
Real Estate Section
October 27, 2008

Scot Industries Fee Sales Property

Lower Wisconsin State Riverway

Subject Property

WDNR Owned

Project Boundary

0 500 Feet

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 specific 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:

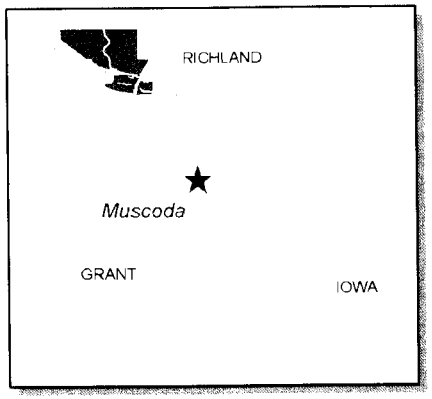
http://www.dnr.state.wi.us/org/caer/cs/servicecenter/locations.htm

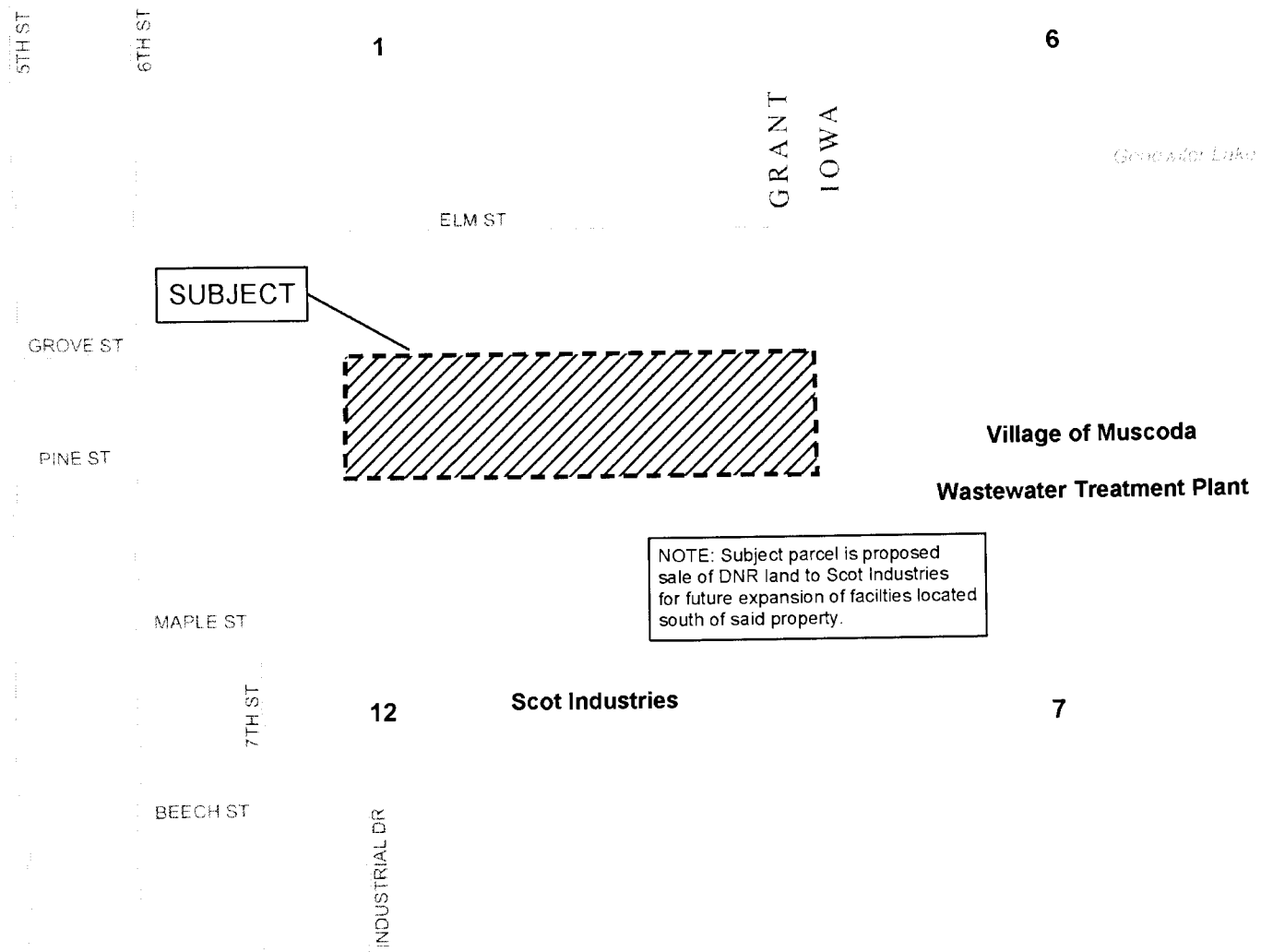
Updates to this data set are ongoing, and will be incorporated into future versions when available.

STATE OF WISCONSIN
DEPT. OF NATURAL RESOURCES

Bureau of Facilities and Lands

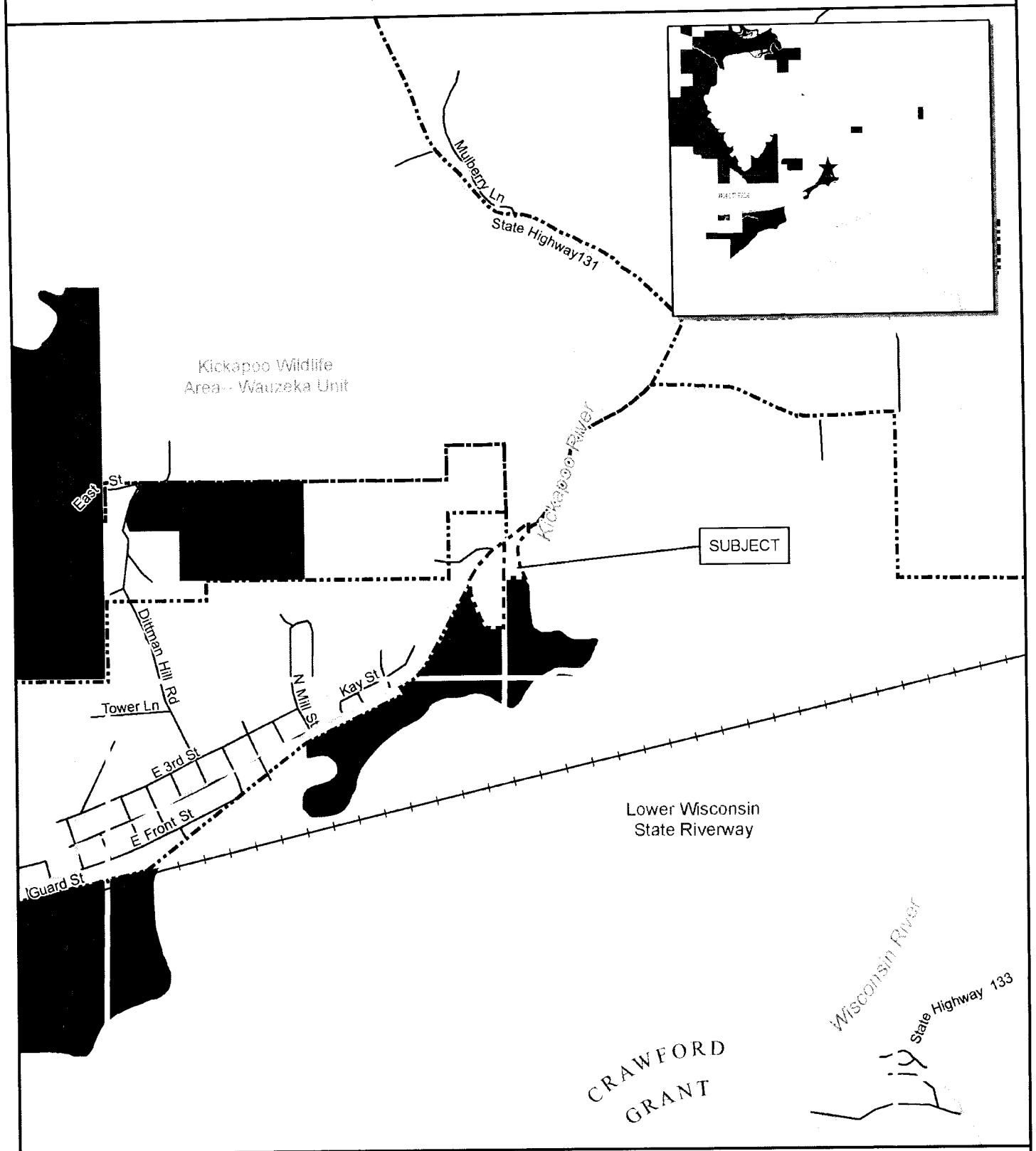
October 27, 2008





Ruth E. Kessler Property

Lower Wisconsin State Riverway



DNR Owned

DNR Easement

Subject Property

Project Boundary

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0 2,000 Feet

STATE OF WISCONSIN
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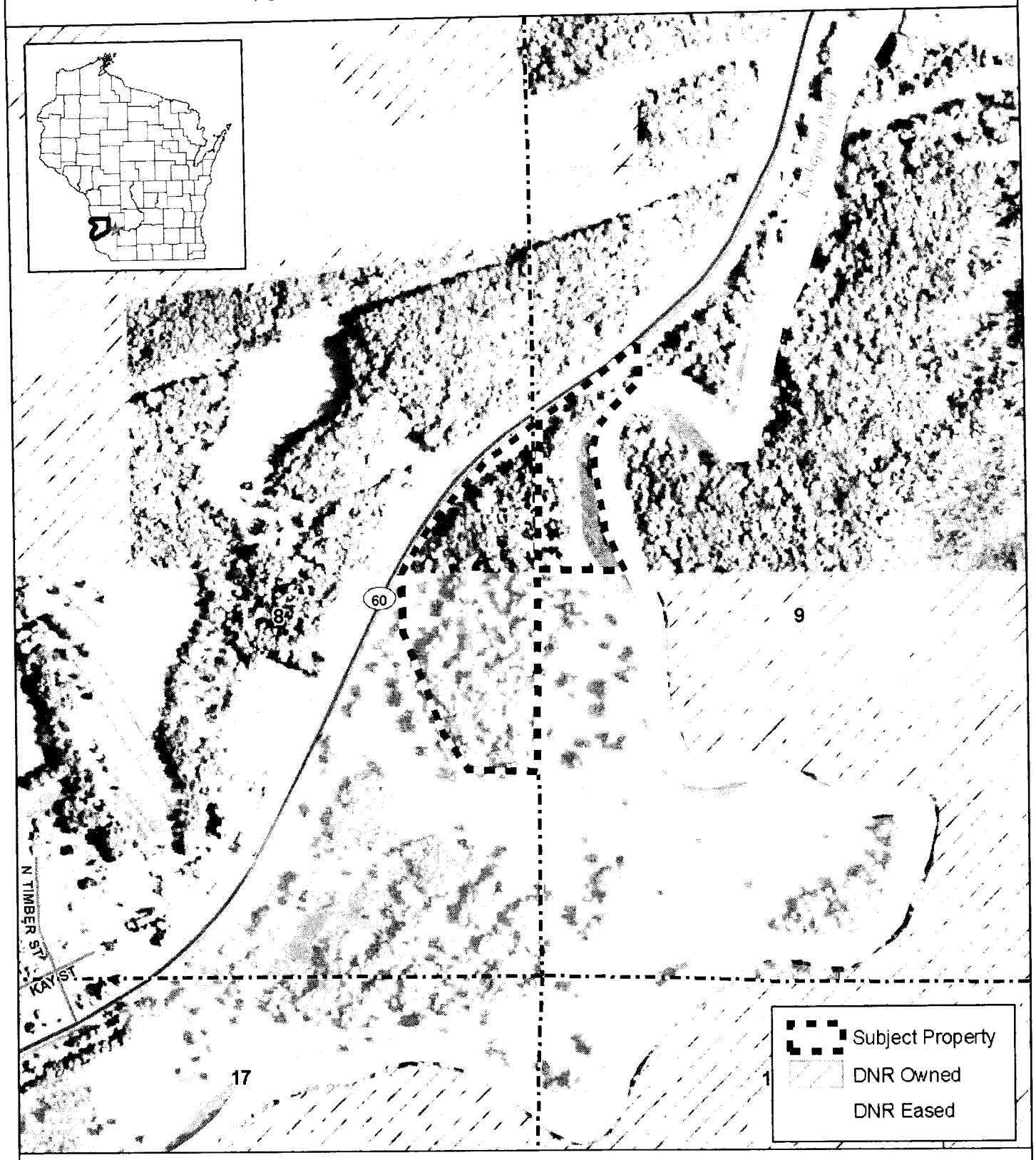
October 27, 2008

Ruth E. Kessler Property

T 07N R 04W Sections 8 & 9, Town of Wauzeka, Crawford County



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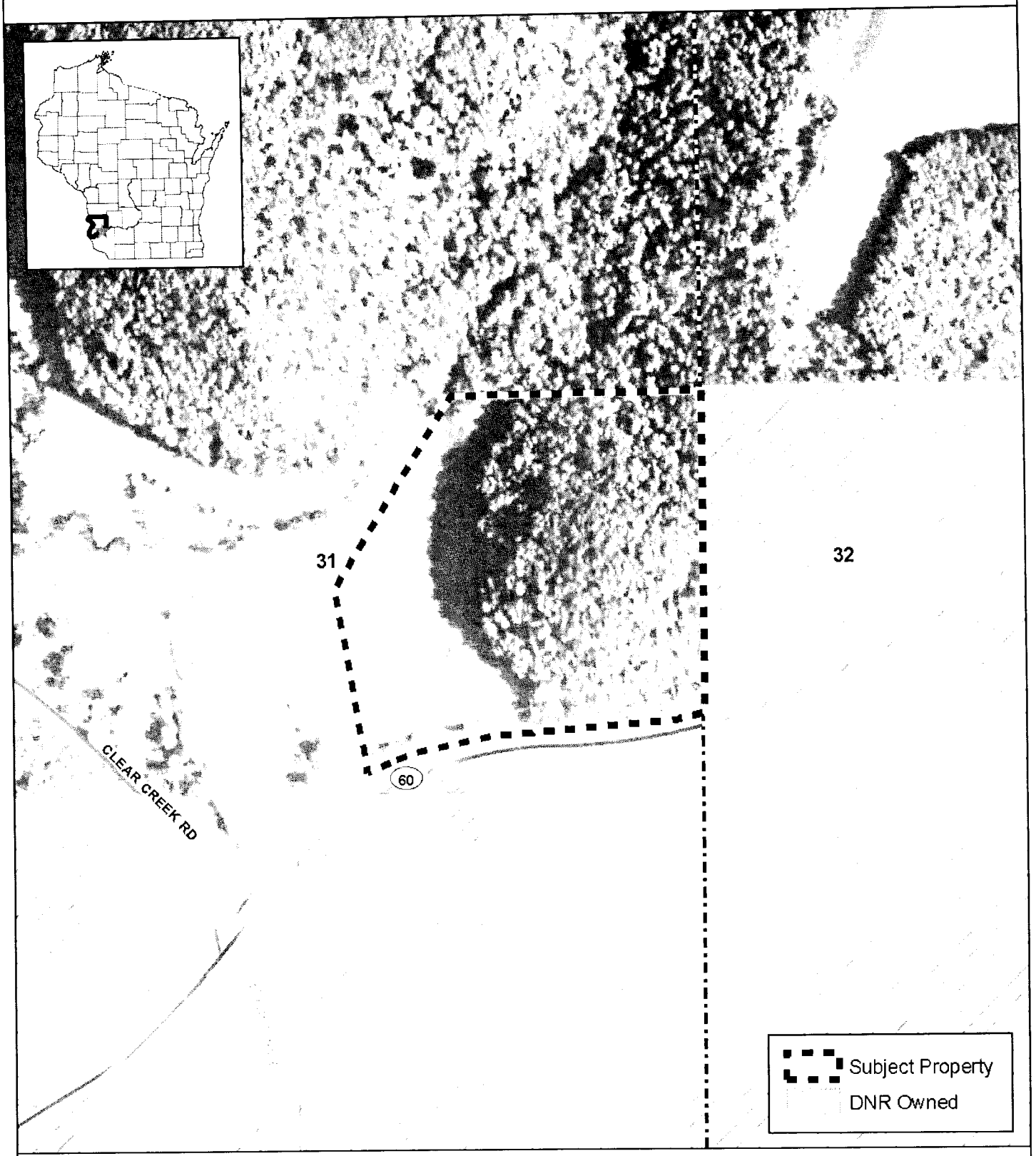
Real Estate Section
October 27, 2008

Dean M. Mara Property

T 08N R 03W Section 31, Town of Marietta, Crawford County



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Real Estate Section
October 27, 2008

Dean M. Mara Property

Lower Wisconsin State Riverway

Subject Property

WDNR Owned

Project Boundary

0 1,000 Feet

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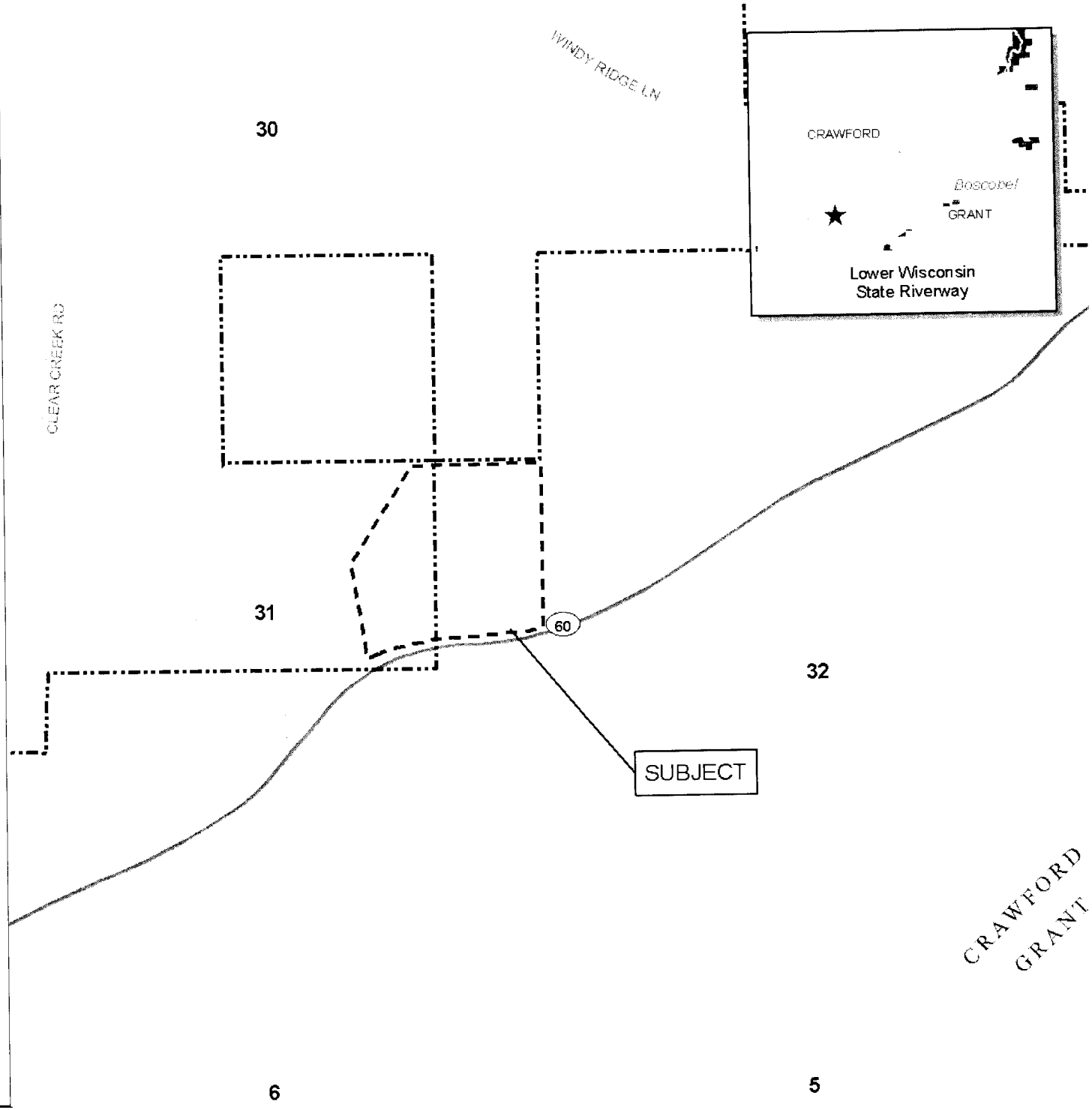
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