Form 1100-1
Rev. 5-91

NATURAL RESOURCES BOARD AGENDA ITEM

Item No. 3. C. 8

SUBJECT: EASEMENT ACQUISITION AND DONATION - FOREST LEGACY PROGRAM & ICE AGE TRAIL – WASHINGTON COUNTY

FOR: DECEMBER 2008 BOARD MEETING

TO BE PRESENTED BY: Richard Steffes

SUMMARY: The Department proposes to purchase an 89.0-acre conservation easement from Joseph and Barbara Kohler for $693,100 for the Forest Legacy Program in Washington County and a 9.06-acre Ice Age Trail Easement for $91,900 for a total purchase price of $785,000. The item is being submitted because the purchase price exceeds $150,000 and to recognize and accept a partial donation of easement value. The combined easement value is $1,116,000, thus, the Kohler's are donating $331,000 in easement value as part of this transaction.

The Kohler tract is located in the Town of Erin, in Washington County in southeastern Wisconsin. The property borders land owned by the Carmelite Fathers along the western boundary, commonly known as Holy Hill, a well-known tourist and spiritual attraction to many visitors. The remainder of the property is surrounded by other private lands with a Forest Legacy easement on the parcel to the north. Acquisition of a Forest Legacy easement will protect and preserve the integrity of these mid-Kettle Moraine forestlands and will prevent forest fragmentation as well as promote the sustainable use of these forests. The 89.0-acre Forest Legacy easement does not provide for public use and will be primarily funded by a Federal Forest Legacy Grant. However, the Ice Age Trail easement will be acquired with Stewardship funds and does allow for public use. Both easements prohibit any development and the Forest Legacy easement requires sustainable forest management.

The purpose of the Forest Legacy Program is to preserve and protect land for continued sustainable forestry and resource management and maintain the undeveloped character of the property. In addition, the program aims to manage the property as part of a commercial timber harvest base while providing open space by precluding buildings, deforestation or any significant topographical change. The Kettle Moraine Forest Legacy Area is largely developed and populated compared to other parts of the state's proposed Forest Legacy Areas. This area is under significant pressure for both recreation and development. The glacial features of this area are internationally significant, formed from ice-disintegration topography, an interlobe area between the Green Bay and Lake Michigan lobes of the Wisconsin Glaciation. The landform features numerous kettle lakes on steep ridges of fluvial sand and gravel. Within these areas fens, prairies, and oak dominated uplands are the objects of protection. The religious order that owns Holy Hill is voluntarily keeping the hill in a largely natural, wooded condition. Thus, the Department, the Mid-Kettle Moraine Partner Group and the Ozaukee/Washington Land Trust have emphasized working with surrounding neighbors for land protection.

RECOMMENDATION: That the Board approve the acquisition of a 89.0-acre conservation easement for $693,100 for the Forest Legacy Program in Washington County and a 9.06 acre Ice Age Trail Easement for $91,900. In addition, that the Board accept a partial donation of value and that an expression of appreciation be made part of the official records of the Natural Resources Board.

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

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

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

cc: S. Miller – LF/6; R. Steffes – LF/6; L. Ross – AD/8; P. DeLong – AD/8; G. McCutcheon – SER/Milwaukee

State of Wisconsin

CORRESPONDENCE/MEMORANDUM

DATE: November 11, 2008 FILE REF: NF 30013

TO: Natural Resources Board

FROM: Matthew J. Frank MF

SUBJECT: Proposed Easements on the Joseph and Barbara Kohler Tract, File # NF 30013

1. PARCEL DESCRIPTION:

Forest Legacy Program
Washington County

Grantor:

Joseph and Barbara Kohler
5660 Donegal Road
Hartford, WI 53033

Acres: Forest Legacy Easement 89 acres; Ice Age Trail Easement 9.06 acres
Price: $693,100 Forest Legacy Easement; $91,900 Ice Age Trail Easement
Appraised Value: $1,085,000 Forest Legacy Easement; $31,000 Ice Age Trail Easement (Total Easement Price: $785,000)
Interest: Two Conservation Easements (Total Appraised Value: $1,116,000)
Improvements: None
Location: The tract is located in Washington County five miles south of Hartford.
Land Description: The subject land is gently rolling.

Covertype Breakdown:

Type:	Acreage:
Brush	5
Cropland	24
Upland Woodland	30
Grass	2
Lowland Woodland	9
Wetland	19
TOTAL	89

Zoning: Agriculture
Present Use: Part of residential site
Proposed Use: Scenic Protection and Timber Management
Tenure: 18 years
Easement Date: November 7, 2008

Stewardship Land Access: The Forest Legacy easement does not provide for public access. However, only $25,000 of state funds are being used. The Ice Age Trail easement does allow for public access in the form of hiking and cross-country skiing on a nine-acre corridor.

2. JUSTIFICATION:

The Department proposes to purchase an 89-acre conservation easement from Joseph and Barbara Kohler for $693,100 for the Forest Legacy Program in Washington County and a 9.06-acre Ice Age Trail easement for $91,900. The Kohler tract is located in the Town of Erin, in Washington County in southeastern Wisconsin. The property borders land owned by the Carmelite Fathers along the western boundary, commonly known as Holy Hill, a well-known tourist and spiritual attraction to many visitors. The remainder of the property is surrounded by other private lands with a Forest Legacy easement on the parcel to the north. Acquisition of a Forest Legacy easement will protect and preserve the integrity of these mid-Kettle Moraine

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forestlands and will prevent forest fragmentation as well as promote the sustainable use of these forests. The 89-acre easement does not provide public access and will be primarily funded by a Federal Forest Legacy Grant from the U.S. Forest Service. However, the 9.06-acre Ice Age Trail Easement will be acquired with Stewardship funds and the easement does allow for public use. Both easements prohibit any development and the Forest Legacy easement requires sustainable forest management.

The purpose of the Forest Legacy Program is to preserve and protect land for continued sustainable forestry and resource management and to maintain the undeveloped character of the property. In addition, the program aims to manage the property as part of a commercial timber harvest base while providing open space by precluding buildings, deforestation or any significant topographical change. The Kettle Moraine Forest Legacy Area is largely developed and populated compared to other parts of the state's proposed Forest Legacy Areas. This area is under significant pressure for both recreation and development. The glacial features of this area are internationally significant, formed from ice-disintegration topography, an interlobe area between the Green Bay and Lake Michigan lobes of the Wisconsin Glaciation.

The Kohler easement, along with the adjacent Ice Age Park and Trail Foundation parcel will preserve woodland along the southeast side of Holy Hill to compile a larger block of forested area, as well as provide scenic protect for lands within the Ice Age Trail corridor. Recent acquisitions in this area, such as a Forest Legacy easement with Mark and Renee Beeler to the north, focus on forming an environmental corridor from Holy Hill to Kettle Moraine State Forest-Loew Lake. The unique landform features of the area are numerous kettle lakes on steep ridges of fluvial sand and gravel. Within these areas, fens, prairies, and oak dominated uplands are the objects of protection. The religious order that owns Holy Hill is voluntarily keeping the hill in a largely natural, wooded condition. Thus, the Department, the Mid-Kettle Moraine Partner Group and the Ozaukee/Washington Land Trust have emphasized working with surrounding neighbors for land protection.

This block of forest is important habitat to rare and endangered neotropical songbirds. The area is considered critical landscape for many uncommon or rare species characteristic of southern Wisconsin, especially vertebrates, but also invertebrates, plants and aquatic organisms. This is the most intact landscape remaining in southeastern Wisconsin (Albert, 1995). The Department is working to form partnerships and a coalition of municipalities and non-profit conservation organizations to work together to protect the Kettle Moraine area in Washington and Waukesha County. The public input from this area underscored the political support for including this area as one of Wisconsin's Forest Legacy Areas.

The Wisconsin Assembly passed Joint Resolution 48 in 1997, which states, "that the Wisconsin Legislature recognizes the importance of the Kettle Moraine State Forest in protecting the features of our glacial landscape, providing open space and recreational opportunity and maintain and enhancing natural communities; and, be it further resolved, the Wisconsin Legislature encourages the efforts of the Wisconsin Department of Natural Resources, in cooperation with private citizens, conservation organizations and local governments, to protect the Kettle Moraine lands linking the Northern and Southern Units of the Kettle Moraine State Forest and provide a route for the Ice Age Trail." These easement acquisitions will help protect scenic qualities of the area.

Acquisition of a Forest Legacy easement is recommended to protect and preserve the integrity of these Mid-Kettle Forest Lands in perpetuity, to prevent forest fragmentation and to promote the sustainable use of the forests. The property included in this easement will be managed as sustainable forestland with some tree planting required of the owners. In addition, purchase of the Ice Age Trail easement is recommended to provide additional lands to link the Ice Age Trail through the mid-Kettle area, therefore, consolidating some recent land acquisitions and providing opportunities for public recreation while simultaneously protecting the natural and scenic character of the land within this corridor.

3. FINANCING:

Federal Forest Legacy funds are anticipated for the 89-acre Forest Legacy easement:

Funds allotted to program:	Balance after proposed transaction:
$1,975,000	$0

State Stewardship funds are anticipated for the 9.06-acre Ice Age Trail Easement and an overlap portion of the Forest Legacy easement:

	Funds allotted to program:	Balance after proposed transaction:
Trails:	$2,000,000	$1,246,222
Forest Legacy:	$25,000	$0

4. ACQUISITION STATUS OF THE FOREST LEGACY PROGRAM:

Established: 2002
Acres Purchased to Date: 148,435.83
Acquisition Goal: 112,876.00
Percent Complete: 131.50
Cost to Date: $35,399,629.00

ACQUISITION STATUS OF THE ICE AGE TRAIL:

Established: 1988
Acres Purchased to Date: 5,871
Acquisition Goal: 19,673
Percent Complete: 60.6%
Cost to Date: $10,494,211

5a. APPRAISAL:

Forest Legacy Easement (89 acres)
Appraiser: S. Steven Vitale - (Private Appraiser)
Valuation Date: August 24, 2006
Appraised Value: $1,085,000
Highest and Best Use (Before): Low Density Residential (larger lots)
Highest and Best Use (After): Low Density Residential with Recreation (compact development)

Allocation of Values:
a. easement: 89 acres @ $12,191 per acre: $1,085,000 (Rounded)
b. five comparable sales cited
c. range of values for the easement: $9,631 to $20,856 per acre

Appraisal Review: Kenneth Daw, U.S. Forest Service

5b. APPRAISAL:

Ice Age Trail Easement (9.06 acres)
Appraiser: S. Steven Vitale - (Private Appraiser)
Valuation Date: October 17, 2008
Appraised Value: $31,000
Highest and Best Use (Before): Low Density Residential (larger lots)
Highest and Best Use (After): Low Density Residential with Recreation (compact development)

Allocation of Values:
a. value of land encumbered by Forest Legacy easement: $15,000
b. value of unencumbered land: $16,000
c. total value of Ice Age Trail easement: $31,000

Appraisal Review: Richard Steffes - October 30, 2008

Comment: The Ice Age Trail was appraised at a discounted amount due to a portion of it running over the area to be encumbered with the Forest Legacy Easement. Since part of the value of the Legacy easement was donated, the Department agreed to negotiate a higher amount ($91,900) for the Ice Age Trail easement. If there had not been this overlap of easements, then the appraised value of the Ice Age Trail easement would likely have been between $85,000 and $100,000.

RECOMMENDED:

Richard E. Steffes — Date

Joseph Wm. Renville — Date 11/11/08

Laurie Osterndorf — Date

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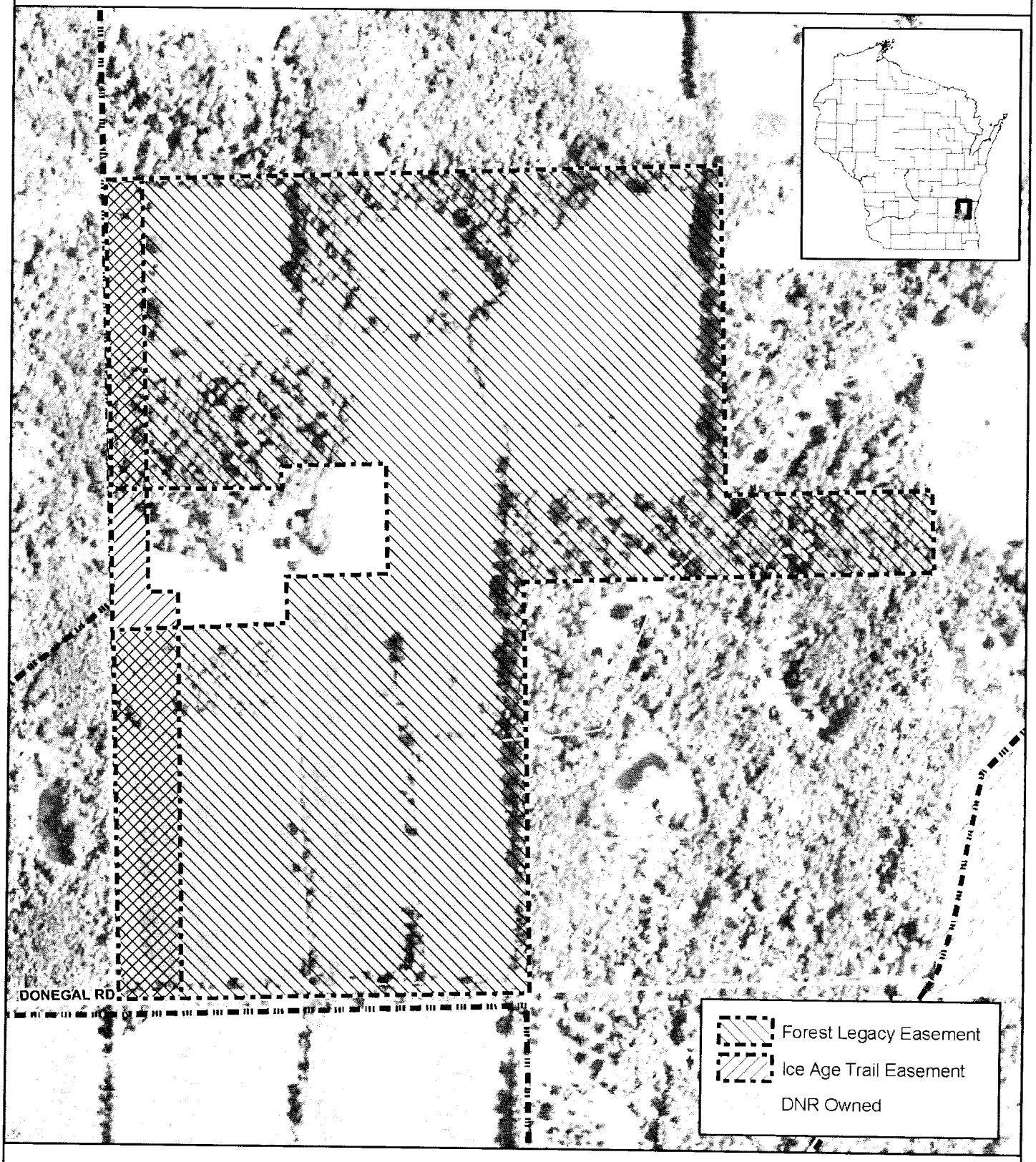
Joseph and Barbara Kohler Easements

T 9N R 18E Section 13, Town of Erin, Washington County



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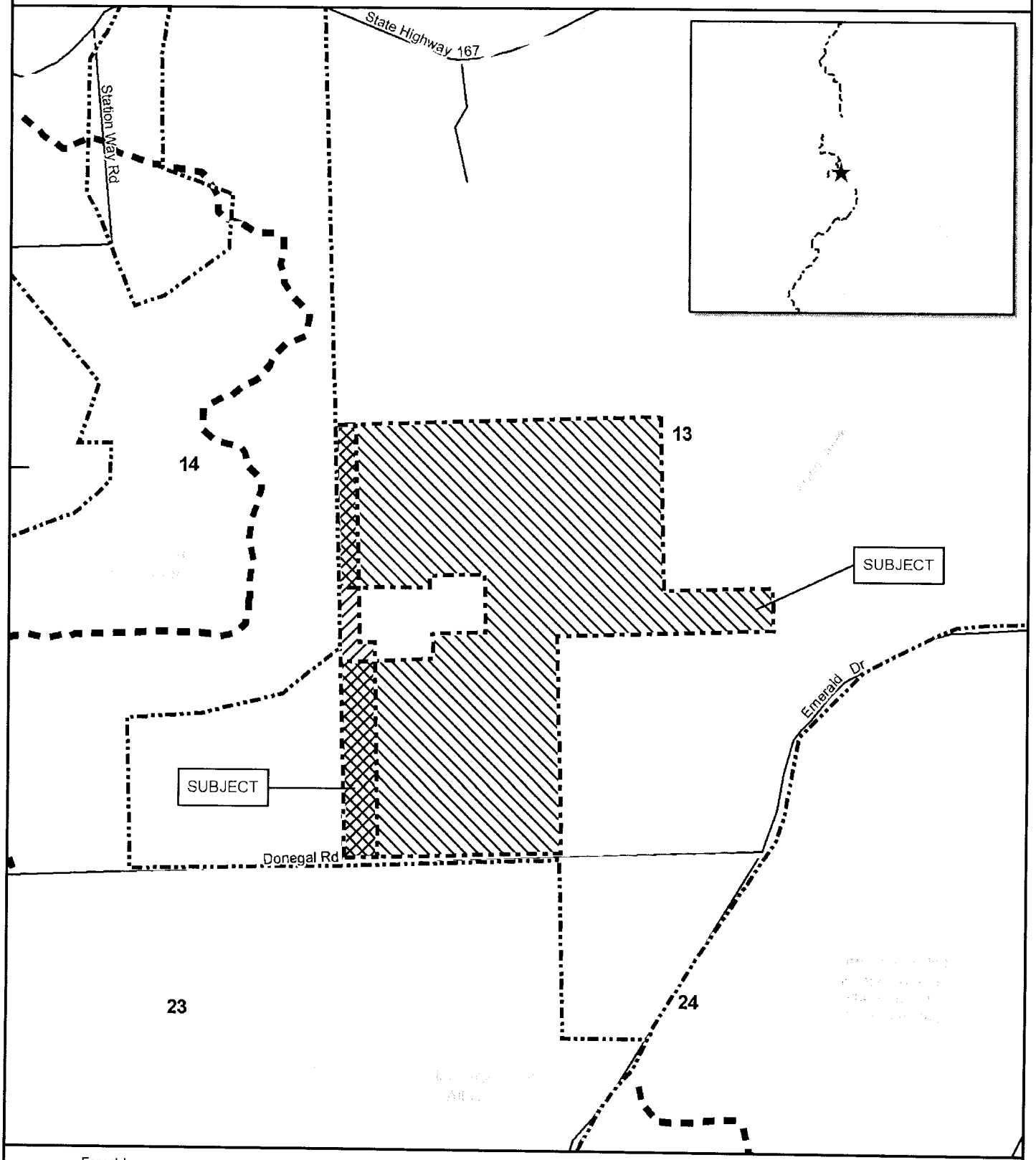
Created by Bureau of Facilities and Lands
Real Estate Section
November 10, 2008

Joseph and Barbara Kohler Easements

State Ice Age Trail and Forest Legacy Program



Forest Legacy Easement

Ice Age Trail Easement

DNR Owned

Project Boundary

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 ease 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.

0 1,000 Feet

STATE OF WISCONSIN
DEPT. OF NATURAL RESOURCES

Bureau of Facilities and Lands

November 10, 2008

Acknowledgment Of Gift

This is to certify that at its December 2008 meeting, the Natural Resources Board gratefully accepted a partial donation of value for an 89.0-acre conservation easement from

JOSEPH AND BARBARA KOHLER

The easement will protect and enhance the scenic and timber management values under the Forest Legacy Program at Holy Hill. It is significant that individuals like you are interested in helping protect Wisconsin's natural heritage and contribute materially toward this goal.

An expression of our appreciation is a part of the official records of the Natural Resources Board. We present this certificate of sincere appreciation on behalf of present and future generations to thank you for your thoughtfulness and generosity.

Natural Resources Board

Christine L. Thomas, CHAIR