

SUBJECT: LAND ACQUISITION – KETTLE MORAINE STATE FOREST-PIKE LAKE UNIT – WASHINGTON COUNTY

FOR: OCTOBER 2010 BOARD MEETING

TO BE PRESENTED BY: Richard Steffes

SUMMARY: The Department has obtained an option to purchase 74.33 acres of land from Franklin Brown and M. James Brown for \$677,500.00 for the Kettle Moraine State Forest-Pike Lake Unit in Washington County. This item is being submitted because the purchase price exceeds \$150,000.

The Pike Lake Unit of the Kettle Moraine State Forest is located in Washington County, approximately 25 miles northwest of Milwaukee. The Pike Lake Unit was designated as a state park from its creation in 1971 until 1997. At that time, the park was incorporated as a management unit of the Kettle Moraine State Forest. The area is a rolling landscape with a mix of agriculture, forest, wetland, rural residential and urban areas. Pike Lake is a 522-acre spring-fed lake, which attracts tourists and day-use visitors to the property to motorboat, ski, swim, windsurf, and fish. Hiking, cross-country skiing and rustic camping is also popular at this rolling, forested property. The National Ice Age Trail follows the glacial moraine through the county and is an important feature of the Pike Lake Unit. This is the most densely populated region of the state, with about two million people in the southwest part of Wisconsin. Washington County lies in the northwestern portion of the region, and contains a mix of urban areas, small villages, rural subdivisions, and areas of farmland, forest, and wetlands. While agricultural and other undeveloped lands are still common here, farming has been on a steady decline. This area is rapidly developing as cities and villages push outward and more rural subdivisions are platted. The municipalities of Hartford and Slinger bracket the Pike Lake Unit. The county has experienced significant population growth and increased urbanization in recent decades

Recreational use of the Pike Lake Unit is year-round and quite broad, including trail-based activities such as hiking, snowshoeing, and skiing; water-based activities such as swimming, wind surfing, canoeing and kayaking, and cold and warm water fishing; picnicking; camping; and nature-based activities such as birding, nature study and photography. The property does not provide a public motor boat access to Pike Lake. The unit offers 32 campsites, eight miles of trail and a very popular beach/day-use area along with a 60-foot observation tower. Visitation at the Pike Lake Unit is estimated at more than 190,000 visitors annually. The numbers have been climbing steadily recording a 22 percent increase over the last 10 years.

The Brown parcel consists of 74.33 acres with 650 feet of lake-frontage on Pike Lake. The frontage is primarily wetland as remnant tamaracks and other high quality wetland species exist here. The Brown parcel lies in the Headwaters Recreation Management Area (2,810 acres) of the Pike Lake Unit. This newly expanded area of the unit, which was classified as recreation management, was to provide readily accessible areas with modest recreational facilities offering opportunities at different times and places for a variety of dispersed recreation. The primary focus of recreation management in the Headwaters Management Area is to provide for a variety of compatible, non-motorized recreational uses, including hunting, to compliment the more intensive uses on the Pike Lake Management Area.

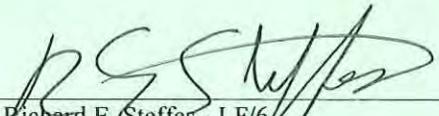
Acquisition of the Brown parcel will provide additional recreational opportunities consistent with the goals of the Headwaters Recreation Management, such as hunting and trapping as well as other activities. In addition, purchase of the Brown parcel will also provide a diverse array of wildlife habitat and vegetative species from wetlands to uplands.

RECOMMENDATION: That the Board approve the purchase of 74.33 acres of land for \$677,500.00 for the Kettle Moraine State Forest-Pike Lake Unit.

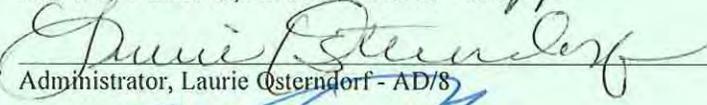
LIST OF ATTACHED MATERIALS:

- | | |
|--|--|
| No <input checked="" type="checkbox"/> Fiscal Estimate Required | Yes <input type="checkbox"/> Attached |
| No <input checked="" type="checkbox"/> Environmental Assessment of Impact Statement Required | Yes <input type="checkbox"/> Attached |
| No <input type="checkbox"/> Background Memo | Yes <input checked="" type="checkbox"/> Attached |

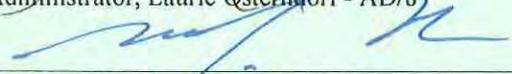
APPROVED:


Real Estate Director, Richard E. Steffes - LF/6

9-24-10
Date


Administrator, Laurie Osterndorf - AD/8

10/8/10
Date


Secretary, Matthew J. Frank - AD/8

10-13-10
Date

CORRESPONDENCE/MEMORANDUM

DATE: September 24, 2010 FILE REF: SF 50014 *

TO: Governor Doyle

FROM: Matthew J. Frank *MJF*

SUBJECT: Proposed Land Acquisition, M. James Brown and Franklin Brown Tract, File # SF 50014,
Option Expires December 11, 2010

1. PARCEL DESCRIPTION:

Kettle Moraine State Forest-Pike Lake Unit
Washington County

Grantor:

M. James Brown and Franklin Brown
5595 Stonefield Road
Slinger, WI 53086

Acres: 74.33Price: \$677,500.00*Appraised Value: \$670,000 and 685,000Interest: Fee Title PurchaseImprovements: None of valueLocation: The property is located in Washington County one mile southeast of the City of Hartford.Land Description: The subject land is level to gently rolling.

<u>Covertypes Breakdown:</u>	<u>Type:</u>	<u>Acreage</u>
	Cropland	28.0
	Upland Woodland	10.0
	Lowland Woodland	8.0
	Wetland	25.0
	Building Site	<u>3.33</u>
	TOTAL:	74.33

Zoning: Agriculture TransitionPresent Use: Agriculture/VacantProposed Use: Forest Management and Public Outdoor RecreationTenure: In family for over 100 yearsProperty Taxes: \$2,733.35Option Date: September 13, 2010Stewardship Land Access: This property 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 has obtained an option to purchase 74.33 acres of land from Franklin and M. James Brown for \$677,500.00 for the Kettle Moraine State Forest-Pike Lake Unit in Washington County. The property is entirely within the project area and includes a critical tract of wetland and waterfront on Pike Lake.

The Pike Lake Unit of the Kettle Moraine State Forest is located in Washington County, approximately 25 miles northwest of Milwaukee. The Pike Lake Unit was designated as a state park from its creation in 1971 until 1997. At that time, the park was incorporated as a management unit of the Kettle Moraine State Forest. The area is a rolling landscape with a mix of agriculture, forest, wetland, rural residential and urban areas. Washington County's landscape was shaped by glaciers and consists of wooded hills, valleys, rivers and lakes, wetlands, and abundant farmland. Rugged kettle moraine features define the central portion of the county, including the Pike Lake Unit. The 522-acre spring-fed kettle lake attracts tourists and day-use visitors to the property to motorboat, ski, swim, windsurf, and fish. Hiking, cross-country skiing and rustic camping is also popular at this rolling, forested property. The National Ice Age Trail follows the glacial moraine through the county and is an important feature of the Pike Lake Unit. Washington County lies within the eight-county, southeastern Wisconsin region and is part of the Milwaukee metropolitan area. It is the most densely populated region of the state, with over two million people in 2000. Washington County lies in the northwestern portion of the region, and contains a mix of urban areas, small villages, rural subdivisions, and areas of farmland, forest, and wetlands.

The Brown parcel consists of 74.33 acres with 650 feet of lake-frontage on Pike Lake. The lake frontage is primarily wetland as remnant tamaracks and other high quality wetland species exist here. The parcel lies in the Headwaters Recreation Management Area (2,810 acres) of the Pike Lake Unit. This newly expanded area of the unit, which was classified as recreation management, was to provide readily accessible areas with modest recreational facilities offering opportunities at different times and places for a variety of dispersed recreation. The primary focus of recreation management in the Headwaters Management Area is to provide for a variety of compatible non-motorized recreational uses, including hunting, to compliment the more intensive uses on the Pike Lake Management Area. An old set of buildings on the southeast corner of the parcel will be removed and the area restored.

Approval of the Pike Lake Unit Master Plan expanded the project's acquisition boundary and goal from 722 acres to 3,540 acres in October of 2009. The expansion area of the unit, laying to the south and west of the original boundary, contains significant acreage of wetland, some agricultural land, and the remaining undeveloped shoreline on Pike Lake. The primary objectives for acquisition of these lands are to protect the headwaters of the Ashippun River and wetland habitat; increase forest and grassland block sizes to better accommodate area-sensitive wildlife species; provide an important open-space buffer between the current Pike Lake Unit and residential and commercial development; provide additional public space for future recreational trail uses and for hunting. The Department recommends acquisition of the Brown parcel to provide additional opportunities for recreation consistent with the goals of the Headwaters Recreation Management, such as hunting and trapping as well as other activities. In addition, purchase of the Brown parcel will also provide a diverse array of wildlife habitat and vegetative species from wetlands to uplands.

3. FINANCING:

State Stewardship bond funds are anticipated:

Funds allotted to program:	Balance after proposed transaction:
\$50,702,000	\$12,323,167

4. ACQUISITION STATUS OF THE KETTLE MORAINE STATE FOREST-PIKE LAKE UNIT:

Established: 1960
Acres Purchased to Date: 678.22
Acquisition Goal: 3,540.0 Acres
Percent Complete: 19.16%
Cost to Date: \$1,114,751.60

5. APPRAISAL 1:

Appraiser: Linn Duesterbeck
Valuation Date: April 19, 2010
Appraised Value: \$685,000.00
Highest and Best Use: Recreational/Agriculture

Allocation of Values:

- a. land: 74.33 acres @ \$9,200 per acre: \$685,000.00 (Rounded)
- b. market data approach used, five comparable sales cited
- c. adjusted value range: \$6,250.00 to \$9,554.00 per acre

Appraisal Review: Paul Scott – June 14, 2010

APPRAISAL 2:

Appraiser: Steve Stiloski

Valuation Date: April 30, 2010

Appraised Value: \$670,000.00

Highest and Best Use: Agriculture

Allocation of Values:

- a. land: 74.33 @ \$9,000 per acre: \$670,000.00 (Rounded)
- b. market data approach used, four comparable sales cited
- c. adjusted value range: \$6,701.00 to \$9,203.00 per acre

Appraisal Review: Paul Scott – June 15, 2010

*Comments: The purchase price of \$677,500 was the best-negotiated value between the two appraisals.

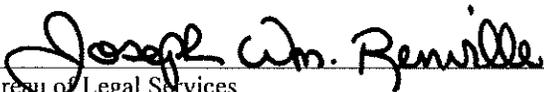
RECOMMENDED:



Richard E. Steffes

9-24-10

Date



Bureau of Legal Services

9-27-10

Date

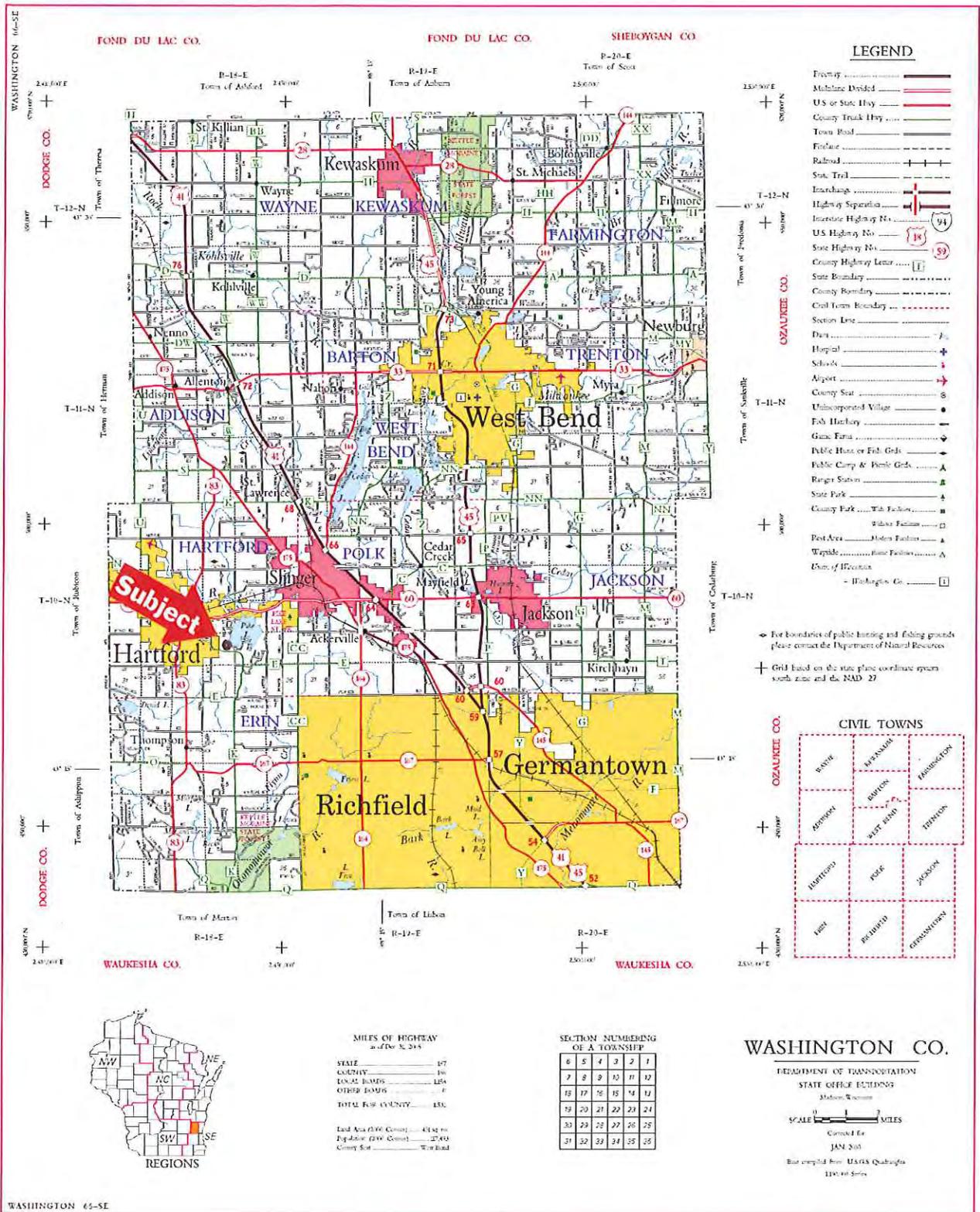


Laurie Osterdorf

10/8/10

Date

RES:ch



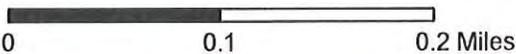
M. James Brown Parcel

T10N R18E Section 27, Town of Hartford, Washington County, WI (74.33 Acres)



Legend

- - - PLSS Section Line
- PLSS Quarter-Quarter
- DNR Project Boundary
- County Boundary
- DNR Eased
- DNR Owned



Subject Property

SF 50014

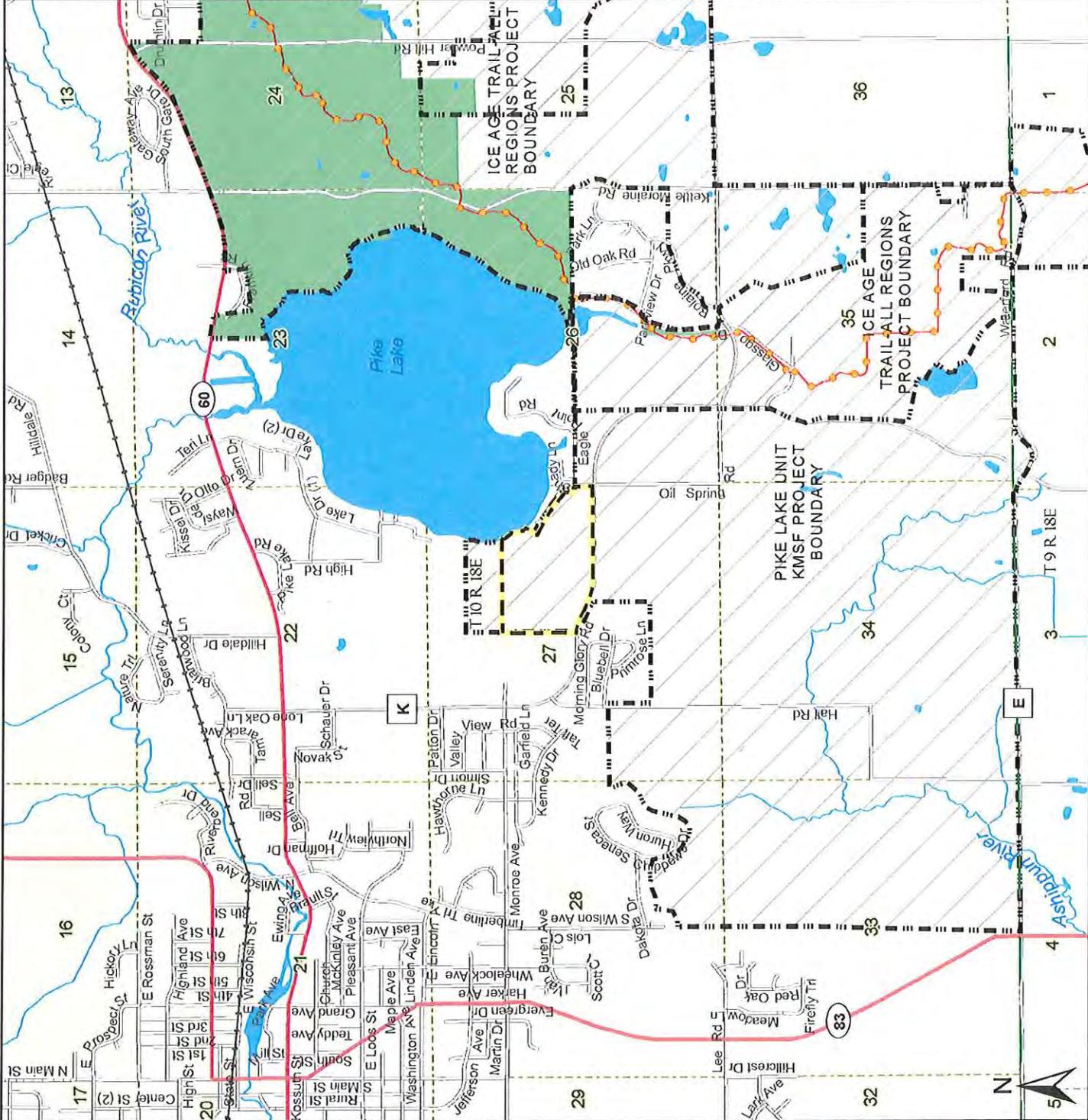
Kettle Moraine State Forest
Pike Lake Unit

- Fee Simple
- Easement
- Ingress/Egress

State of Wisconsin

September 21, 2011
Real Estate Section
Bureau of Facilities and Lands

Use Advisory: Neither the Wisconsin Department of Natural Resources (DNR) nor any of its employees shall be held liable for any improper or incorrect use of the information and/or contained herein and assume no responsibility for use of the information. Furthermore, no warranty, expressed or implied, is made regarding accuracy, adequacy, completeness, legality, or reliability of any information. The DNR provides mapped information on an "as is" basis. The DNR has made reasonable efforts to provide accurate information, but cannot exclude the possibility of errors or omissions in source information. There is no guarantee the parcel boundaries are defined by a survey. The map user is expected to exercise reasonable use of the map information.

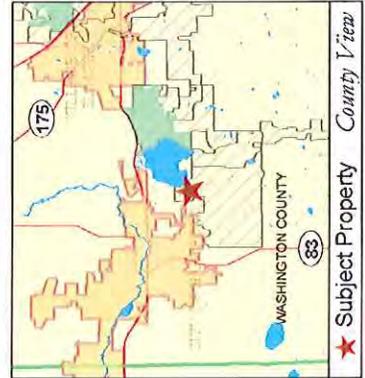


M. James Brown Parcel
SF 50014
 Kettle Moraine State
 Forest - Pike Lake Unit

T10N R18E Section 27
 Town of Hartford
 Washington County, WI
 (74.33 Acres)

- Subject Property**
- Fee Simple
 - Easement
 - Ingress/Egress

- Legend**
- DNR Project Boundary
 - State Natural Area
 - PLSS Section Line
 - County Boundary
 - DNR Owned
 - DNR Easement
 - Ice Age Trail



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 dataset is a spatial representation of the Cradle Land Records System maintained by the DNR, Bureau of Facilities and Lands (L7), and may include errors and/or omissions. Users are advised that this dataset is for 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 dataset is not intended for use as a land management tool; it is a listing of all DNR managed parcels that have occurred in these lands over time. For more information, please contact the DNR Regional Office or Service Centers. Contact information for DNR Regional Offices and Service Centers is provided on the following internet site: <http://www.dnr.state.wi.us/org/cenr/cenr/office/locations.htm>. Updates to this data set are ongoing, and will be incorporated into future versions when available.