

SUBJECT: Land Acquisition – Northern Highland/American Legion State Forest – Oneida County

FOR: SEPTEMBER 2012 BOARD MEETING

TO BE PRESENTED BY: Richard Steffes

SUMMARY: The Department has obtained an option to purchase 540.07 acres of land from Plum Creek Timberlands for \$797,000.00 for the Northern Highland/American Legion State Forest in Oneida County. The item is being submitted because the price exceeds \$150,000.

The property is a 540.07-acre block of industrial plantation pine forest located entirely within the established project boundary of the Northern Highland and American Legion State Forests (NHLSF). It is adjacent to large blocks of state forest land along east, west and south sides; acquisition will provide improved access to thousands of acres of the state forest.

Established in 1925 to protect the headwaters of the Wisconsin, Flambeau and Manitowish Rivers, the Northern Highland and American Legion State Forests include more than 232,000 acres in Vilas, Oneida and Iron Counties. The nearest cities are Woodruff/Minocqua, Rhinelander and Eagle River. Many visitors are from the population centers of southern Wisconsin and northern Illinois. The primary use of the forest is for silvicultural practices and the growth of recurring forest crops with scenic values, outdoor recreation, public hunting and stabilization of stream flow as extra benefits. Each year approximately 80,000 cords of pulpwood and 2.5 million board feet of sawlogs are harvested in the forest, which contributes to employment in the woods and mills and provides commodities. Sale of timber products returns \$4 million per year to the state.

There are numerous state-operated campgrounds, boat landings, hiking, and ski trails, providing recreational opportunities to 225,000 campers and over 2 million visitors each year, generating \$900,000 in recreation revenue. Private facilities offering motel and housekeeping units are found throughout the forest and restaurants and retail businesses are located near population centers throughout the forest. The beautiful lakes, streams, and woods found within the state forest boundaries, together with recreational opportunities and other amenities, make this area one of the leading tourist attractions of northern Wisconsin.

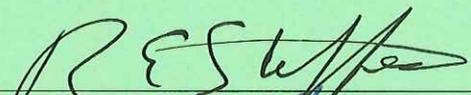
RECOMMENDATION: That the Board approve the purchase of 540.07 acres of land for \$797,000.00 for the Northern Highland/American Legion State Forest in Oneida County.

LIST OF ATTACHED MATERIALS:

- No Fiscal Estimate Required
- No Environmental Assessment of Impact Statement Required
- No Background Memo

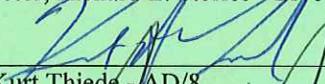
- Yes Attached
- Yes Attached
- Yes Attached

APPROVED:



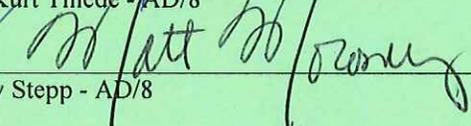
Real Estate Director, Richard E. Steffes - LF/6

8-13-12
Date



Administrator, Kurt Thiede - AD/8

8-15-12
Date



Secretary, Cathy Stepp - AD/8

8/23/12
Date

- cc: S. Miller – LF/6
- R. Steffes – LF/6
- L. Ross – AD/8
- R. Mather - FR/4
- J. Gozdziński - Spooner

CORRESPONDENCE/MEMORANDUM

DATE: August 13, 2012 FILE REF: NF 30074
 TO: Scott Walker
 FROM: Cathy Stepp
 SUBJECT: Proposed Land Acquisition, Plum Creek Timberlands Tract, File # NF 30074,
 Approval is Requested by October 31, 2012

1. PARCEL DESCRIPTION:

Northern Highland/American Legion State Forest
 Oneida County

Grantor:

Plum Creek Timberlands
 c/o Dan Lemke
 1411 N. 4th Street, Suite 101
 Tomahawk, WI 54487

Acres: 540.07Price: \$797,000Appraised Value: \$797,000Interest: Fee Title PurchaseImprovements: NoneLocation: The property is located in Oneida County 18 miles north of City of RhinelanderLand Description: The subject land varies from flat to rolling to steep.Coverture Breakdown:

Type	Acreage
Upland Woodland	513.07
Roads, grassland	27
Total:	540.07

Zoning: NonePresent Use: Industrial forestlandProposed Use: Public outdoor recreation and forest managementTenure: 9 yearsProperty Taxes: \$1,434Agreement Date: June 28, 2012Stewardship 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 540.07 acres of land from Plum Creek Timberlands for \$797,000.00 for the American Legion State Forest in Oneida County.

The property is a 540.07-acre block of industrial plantation pine forest located entirely within the established project boundary of the Northern Highland and American Legion State Forests (NHLSF). It is adjacent to



large blocks of state forest lands along both east, south and west boundaries and acquisition will provide improved access to thousands of acres of the state forest.

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3. LAND MANAGEMENT:

The subject parcel is located within the Oneida Sandy Plains Forest Production area identified and designated in the 2005 masterplan for the NHAL. This large block of forestland has been professionally managed for many years and will remain actively managed. Much of this property has been planted to red pine plantation and has been thinned at least once. Outside of the plantations the property has a mix of species common across the state forest. While aspen will remain a dominant community in this management area some stands will convert to pine types. Management will maintain current levels of white birch, jack pine, and fir-spruce. Where opportunities exist, red oak will be increased. Department ownership of this property greatly improves access via woods roads to thousands of acres of state forest land for forest management and for public access. This property is likely to be a popular area for hunting. The site also contains a gravel pit that will remain available for public projects.

4. FINANCING:

State Stewardship bond funds are anticipated:

Funds allotted to program:	Balance after proposed transaction:
\$2,096,000	\$984,060

5. ACQUISITION STATUS OF THE AMERICAN LEGION STATE FOREST:

Established: 1929
Acres Purchased to Date: 59,623.74
Acquisition Goal: 61,124
Percent Complete: 97.55 %
Cost to Date: \$11,508,893.23

6. APPRAISAL:

Appraiser: Michael Augustyn
Valuation Date: February 09, 2012
Appraised Value: \$797,000
Highest and Best Use: Recreational - forestry

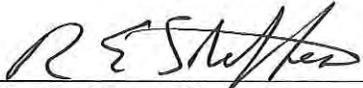
Allocation of Values:

- a. land: 540.07 acres @ \$1,475.73 per acre: \$797,000
- b. market data approach used, 4 comparable sales cited
- c. adjusted value range: \$1,444 - \$1,488 per acre

Appraisal Review: Peter Wolter - 3/23/2012

Comments: Only one appraisal was done due to the uniform covertime and straight forward highest and best use of the property

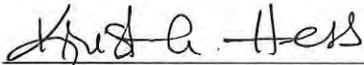
RECOMMENDED:



Richard E. Steffes, Real Estate Director

8-13-12

Date



Kristin A. Hess, Bureau of Legal Services

8/14/12

Date



Kurt Thiede, Land Division Administrator

8/15/12

Date

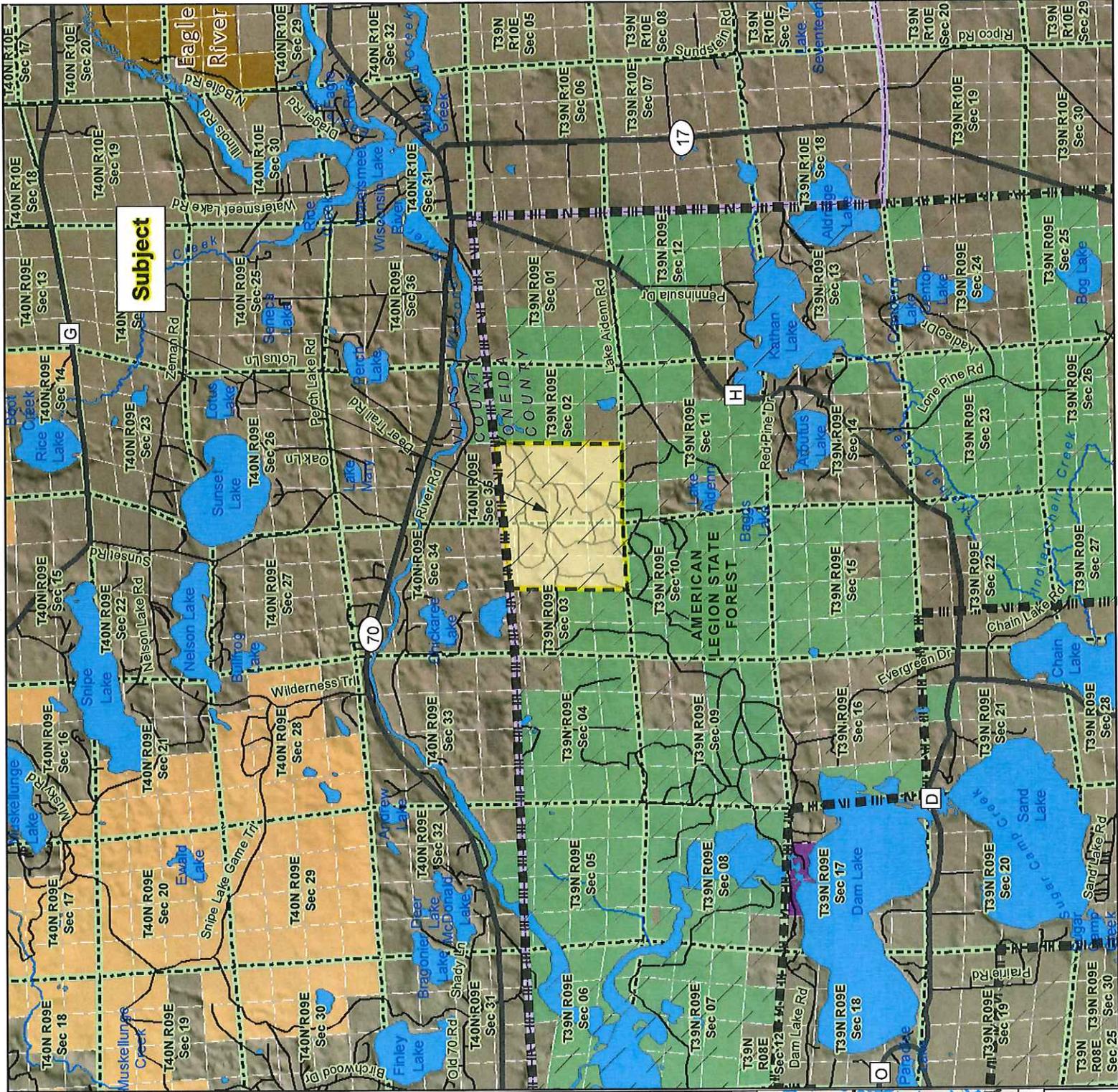
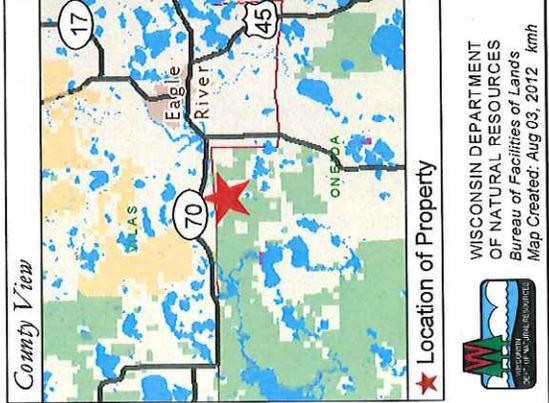
RES:

**Plum Creek
Timberlands - Fee**
American Legion
State Forest
NF 30074
T29N R9E Sec 2 & 3
Town of Sugar Camp
Oneida County
540.07 Acres
 **Subject**

-  WDNR Owned
-  WDNR Easement
-  DNR Project Boundary
-  County Forest Land
-  PLSS Section Line
-  QQ Section Boundary



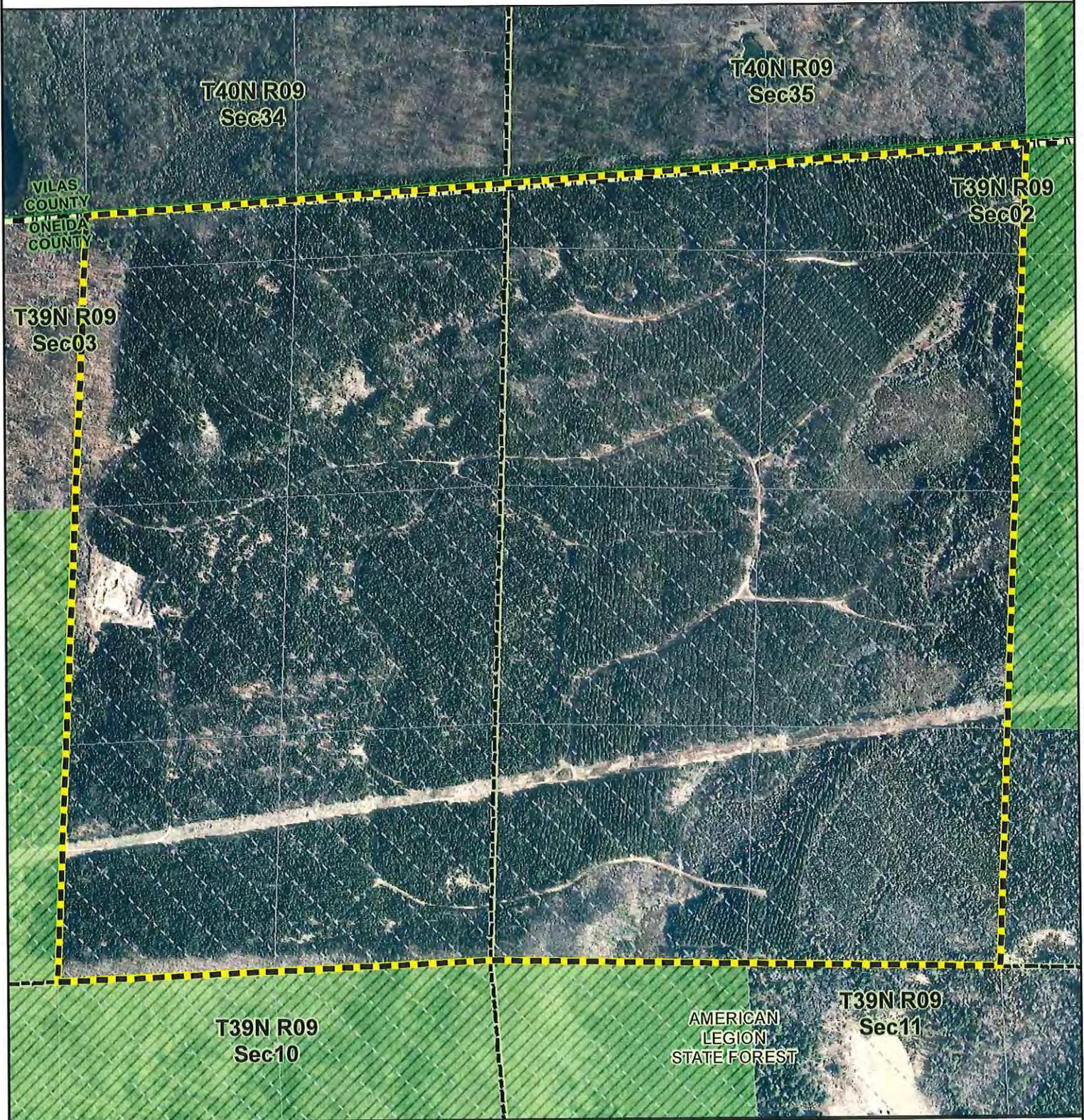
0 1,000
Feet



Location of Property
WISCONSIN DEPARTMENT
OF NATURAL RESOURCES
Bureau of Facilities of Lands
Map Created: Aug 03, 2012 kmh

-6-
Plum Creek Timberlands - Fee

T39N R9E Sec 2 & 3 Town of Sugar Camp, Oneida County



**American Legion
State Forest**



Subject

-  DNR Owned
 -  DNR Eased
 -  DNR Project Boundary
 -  Section Line
 -  QQ Section Lines
- 0 300 600 900 Feet



Aug 03, 2012 kmb
Real Estate Section
Bureau of Facilities and Lands

NORTHWEST PART SUGAR CAMP

T.39N.-R.9E.

