

SUBJECT: Land Acquisition – Governor Knowles State Forest – Polk County

FOR: SEPTEMBER 2012 BOARD MEETING

TO BE PRESENTED BY: Richard Steffes

SUMMARY: The Department has obtained an option to purchase 60 acres of land from James Miller for \$252,000 for the Governor Knowles State Forest in Polk County. The item is being submitted because the purchase price exceeds \$150,000.

The parcel is wooded with pine, oak and aspen and includes an approximately 2300 ft stretch of both banks of the Trade River - a Class II trout stream. It is located along Evergreen Avenue and 300th Street. State forest acquisition would allow anglers to access segments of Trade River and give the Department the opportunity to complete habitat restoration work to better improve the cold water fishery. Governor Knowles State Forest, located in west-central Wisconsin, was established in 1970 to protect and manage land along the St. Croix River for forestry, water quality, and other natural resource goals and to provide a variety of recreational opportunities. The property is used by the public for hunting, fishing, camping, snowmobiling, trapping, cross-country skiing, hiking, and other outdoor recreation.

The parcel is next to the Trade River Equestrian Campground, providing potential trail expansion. Purchase of the 60-acre property will better protect and manage the natural and scenic resources of the site and provide additional opportunities for public recreation.

In a separate NRB action item, the Department is proposing Board acceptance of a master plan including a boundary expansion for the state forest to include this parcel. If that item is approved, then the Miller parcel is proposed for purchase.

RECOMMENDATION: That the Board approves the purchase of 60 acres of land for \$252,000 for Governor Knowles State Forest.

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:



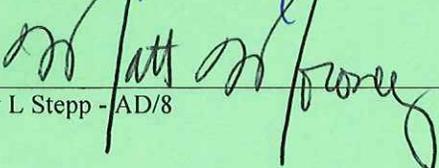
Real Estate Director, Richard E. Steffes - LF/6

8-14-12
Date



Administrator, Kurt Thiede - AD/8

8-21-12
Date



Secretary, Cathy L Stepp - AD/8

8/23/12
Date

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

CORRESPONDENCE/MEMORANDUM

DATE: August 14, 2012 FILE REF: NF 30068
 TO: Scott Walker
 FROM: Cathy L Stepp
 SUBJECT: Proposed Land Acquisition, James Miller Tract, File # NF 30068,
 Approval is Requested by October 24, 2012

1. PARCEL DESCRIPTION:

Governor Knowles State Forest
 Polk County

Grantor:

James Miller
 PO Box 639
 St. Croix Falls, WI 54024

Acres: 60
Price: \$252,000
Appraised Value: \$252,000, \$280,000, \$470,000*
Interest: Fee Title Purchase
Improvements: None

Location: The property is located in Polk County 17 miles northwest of St. Croix Falls

Land Description: The subject land is mostly level – sloped near river banks.

Covertypes Breakdown:

| | Type | Acreage |
|--|-----------------|---------|
| | Upland Woodland | 60.0 |

Total: 60.0

Zoning: General Purpose Agriculture
Present Use: Recreation and Investment
Proposed Use: Public outdoor recreation and forestry
Tenure: 21 years
Property Taxes: \$266.86 (80 acres in MFL)
Option Date: February 3, 2012

Comments: * The \$280,000 and \$470,000 values were for 80 acres. When the owner limited sale to 60 acres, Department staff estimated value at \$252,000 for that portion of the 80 acres. The agreement for this purchase was initially made in February but the Department approval was set aside pending master plan completion.

Stewardship 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 60 acres of land from James Miller for \$252,000. The parcel is a fully wooded parcel and includes an approximately 2300 ft stretch of both banks of the Trade River -



a Class II trout stream. It is located along Evergreen Avenue and 300th Street in the Township of East Sterling in Polk County. DNR acquisition would allow anglers to access segments of Trade River and give the Department opportunity to complete habitat restoration work to better improve the cold water fishery.

Governor Knowles State Forest, located in west-central Wisconsin, was established in 1970 to protect and manage land along the St. Croix River for forestry, water quality, and other natural resource goals and to provide a variety of recreational opportunities. The property is used by the public for hunting, fishing, camping, snowmobiling, trapping, cross-country skiing, hiking, and other outdoor recreation.

Purchase of the 60-acre property will better protect and manage the natural and scenic resources of the site and to provide additional opportunities for public recreation. The parcel adjoins and is just north of state forest land containing the Trade River Equestrian Campground and day use area. This purchase will add to area available for public use associated with that popular facility.

3. LAND MANAGEMENT:

Given the upland forest and stream bottomland mix of the property, management efforts will be diverse, focusing on timber production and fisheries habitat development/enhancement. Public recreational uses will center upon deer hunting, horseback riding, hiking, fishing, canoeing, wildlife viewing, etc.

Property management plans include establishing a walk-in access to the 2300 foot segment of the Trade River that traverses the parcel. The Trade River, a Class II trout stream, is the largest tributary to the St. Croix River within the Governor Knowles Forest. The river remains pristine and undeveloped through this area. Forestry staff will work in partnership with the fisheries program to further improve habitat and stream bank features to enhance the coldwater trout fishery.

Recreational trails will also be developed on the property. The parcel is adjacent to the Trade River Equestrian Campground and Day Use Area, providing an excellent opportunity to expand the existing trail system. The subject tract's forested features in combination with the meandering stream segment offer highly desirable trail route options for both equestrian and hiking purposes.

The subject property shares a common boundary with State land along the entire south boundary. This connection with existing DNR owned land allows for seamless, efficient management of the property at minimal cost to the agency. Road access along the south and west boundaries of the subject provide excellent accessibility to the property for both property management activities and public recreational use.

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 Governor Knowles State Forest:

Established: 1970
Acres Purchased to Date: 20,569.91
Acquisition Goal: 30,175
Percent Complete: 68.17 %
Cost to Date: \$4,769,139.20

6. APPRAISAL 1:

Appraiser: Ron Olson
Valuation Date: January 10, 2011
Appraised Value: \$280,000 (80 acres)
Highest and Best Use: Rural Residential/Recreational Property

Allocation of Values:

- a. land: 80 acres @ \$3,500.00 per acre: \$280,000
- b. market data approach used, 4 comparable sales cited
- c. adjusted value range: \$2,248 - \$3,800 per acre

Appraisal Review: Peter Wolter - 3/23/2011

APPRAISAL 2:

Appraiser: Craig Solum

Valuation Date: February 01, 2011

Appraised Value: \$470,000 (76 acres net of road right-of-way)

Highest and Best Use: Recreational

Allocation of Values:

- a. land: 76 acres @ \$6,200 per acre: rounded to \$470,000
- b. market data approach used, 4 comparable sales cited
- c. adjusted value range: \$6,006.27 - \$6,508.27 per acre

Appraisal Review: Peter Wolter - 3/23/2011

Comments: Reviewer constructed own opinion of value.

APPRAISAL 3:

Appraiser: Peter Wolter

Valuation Date: January 26, 2012

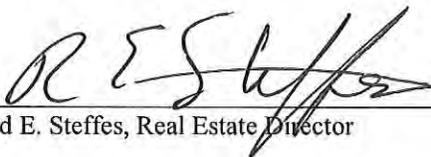
Appraised Value: \$252,000

Highest and Best Use: Rural Residential/Recreational

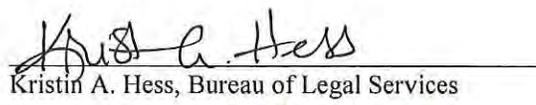
Allocation of Values:

- a. land: 60 acres @ \$4,200 per acre: rounded to \$252,000
- b. market data approach used, 4 comparable sales cited
- c. adjusted value range: \$2,346 - \$4,922 per acre

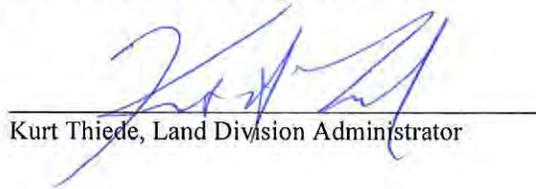
RECOMMENDED:


 Richard E. Steffes, Real Estate Director

8-14-12
 Date


 Kristin A. Hess, Bureau of Legal Services

8/15/12
 Date

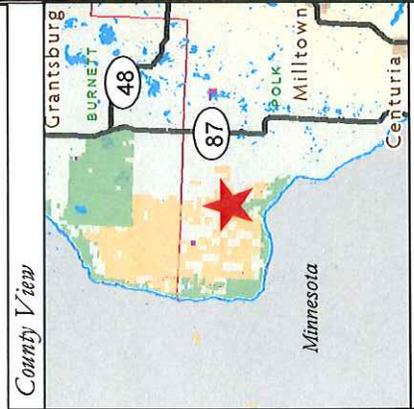

 Kurt Thiede, Land Division Administrator

8/21/12
 Date

RES:

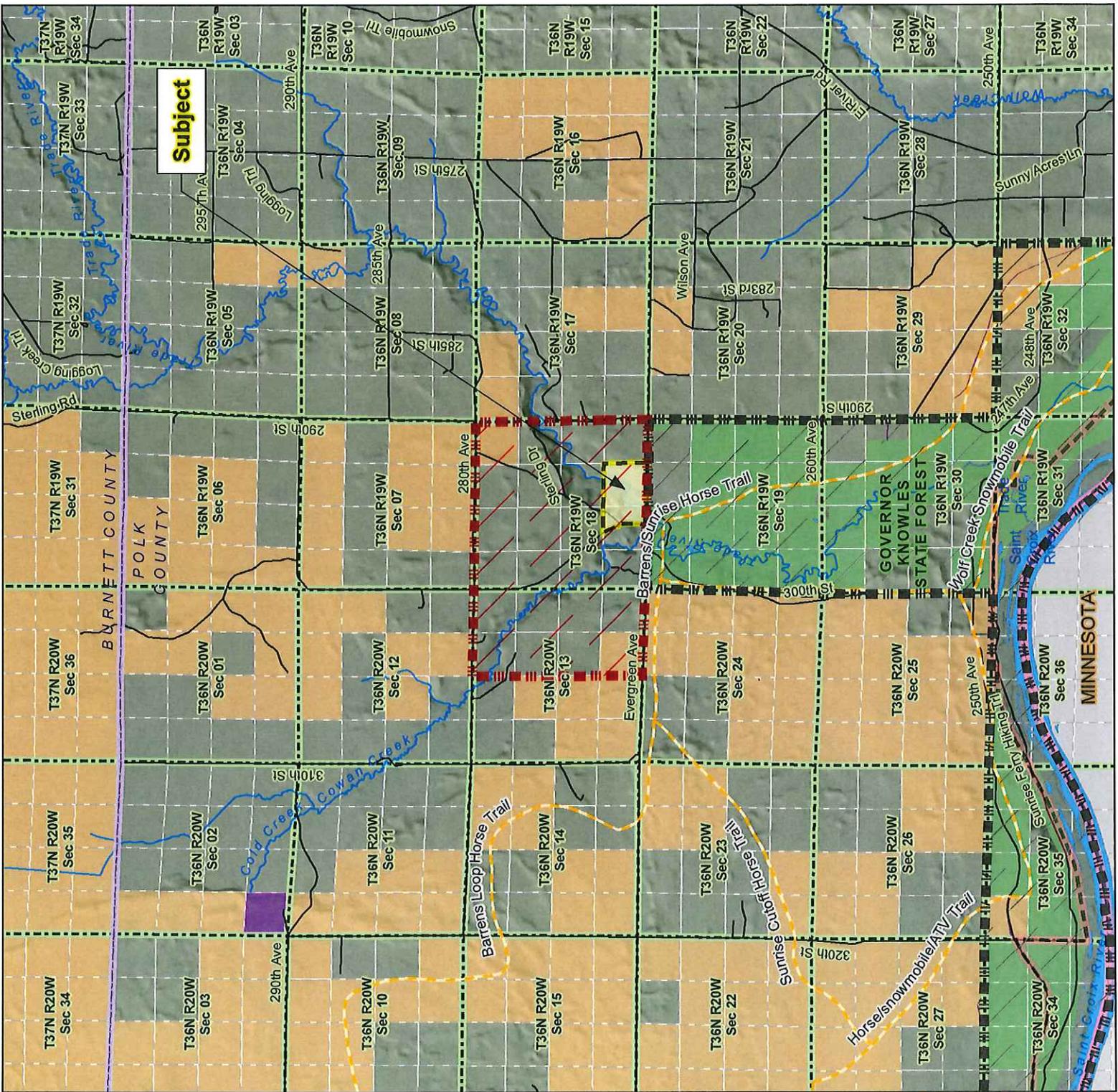
James C. Miller - Fee
Governor Knowles State Forest
NF 30068
T36N R19W Sec 18
Town of Sterling
Polk County
60 Acres
Subject

-  Proposed Project Boundary
-  WDNR Owned
-  WDNR Easement
-  DNR Project Boundary
-  County Forest Land
-  State Natural Area
-  Recreation Trail
-  PLSS Section Line
-  QQ Section Boundary



Location of Property

WISCONSIN DEPARTMENT OF NATURAL RESOURCES
 Bureau of Facilities & Lands
 Map Created: Aug 14, 2012 kmh



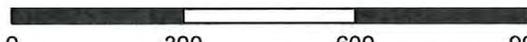
James C. Miller - Fee

T36N R19W Sec 18 Town of Sterling, Polk County



Governor Knowles State Forest

 Subject

| | |
|--|---|
|  DNR Owned |  Proposed Project Boundary |
|  DNR Eased |  QQ Section Lines |
|  DNR Project Boundary |  Section Line |
|  | |



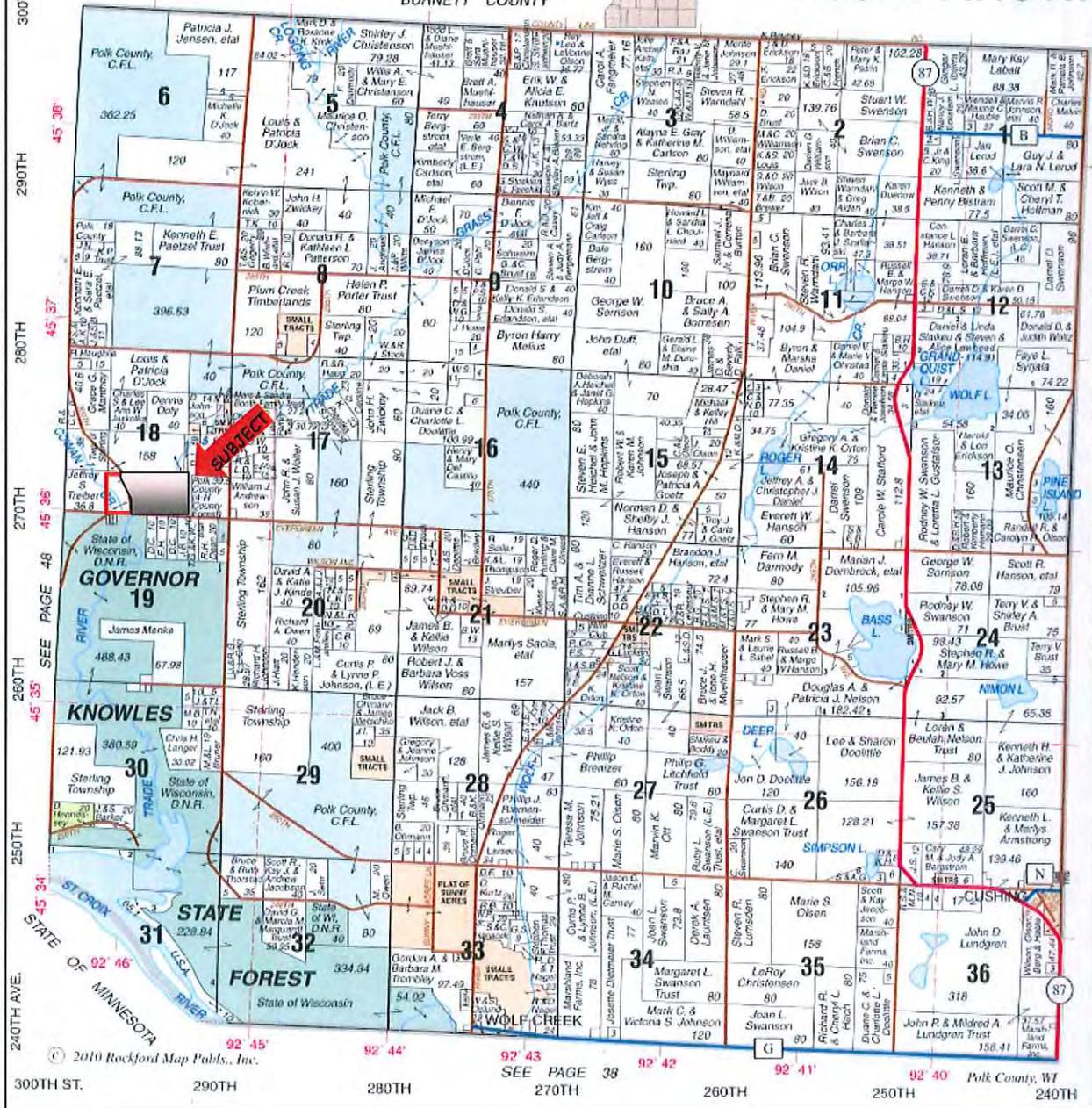



Aug 14, 2012 kmb
 Real Estate Section
 Bureau of Facilities and Lands

EAST PART STERLING

BURNETT COUNTY

T.36N.-R.19W.



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