

State of Wisconsin

SENATE CHAIR
Alberta Darling

317 East, State Capitol
P.O. Box 7882
Madison, WI 53707-7882
Phone: (608) 266-5830



ASSEMBLY CHAIR
John Nygren

309 East, State Capitol
P.O. Box 8593
Madison, WI 53708-8953
Phone: (608) 266-2343

Joint Committee on Finance

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Alberta Darling
Representative John Nygren

Date: June 11, 2015

Re: 14-Day Passive Review Approval – DNR

Pursuant to s. 23.0917(6m), Stats., attached is a 14-day passive review request from the Department of Natural Resources, received on June 11, 2015.

Please review the material and notify **Senator Darling** or **Representative Nygren** no later than **Tuesday, June 30, 2015**, if you have any concerns about the request or if you would like the Committee to meet formally to consider it.

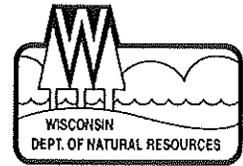
Also, please contact us if you need further information.

Attachments

AD:JN:jm

State of Wisconsin
DEPARTMENT OF NATURAL RESOURCES
101 S. Webster Street
Box 7921
Madison WI 53707-7921

Scott Walker, Governor
Cathy Stepp, Secretary
Telephone 608-266-2621
FAX 608-267-3579
TTY Access via relay - 711



JUN 08 2015

The Honorable Alberta Darling
Committee on Joint Finance
317 East, State Capitol
Madison, WI 53701

The Honorable John Nygren, Co-Chair
Committee of Joint Finance
309 East, State Capitol
Madison, WI 53701

Dear Senator Darling and Representative Nygren:

Pursuant to §23.0917(6m), Wis. Stats., the Department is notifying you as co-chairs of the Committee on Joint Finance of two proposed land acquisitions from Canadian National Railway using funds from the Knowles-Nelson Stewardship Program.

The purchase price of the Manitowoc County land is \$279,000.00 for 70.93 acres to be funded by the Knowles-Nelson Stewardship program. Miscellaneous fees associated with the transaction are estimated at \$4,677.00. The payment in lieu of taxes is estimated at \$709.30 per year.

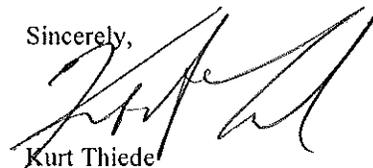
The purchase price of the Barron County land is \$245,000.00 for 13.29 acres to be funded by the Knowles-Nelson Stewardship program. Miscellaneous fees associated with the transaction are estimated at \$4,025.00. The payment in lieu of taxes is estimated at \$132.90 per year.

The transaction was approved at the May 2015 Natural Resources Board meeting. I have attached the materials that were presented to the Board.

As provided in §23.0917(6m), if the Department does not receive notification of the scheduling of a hearing from either of the JFC co-chairpersons within 14 working days from today, the Department will forward the proposal to the Governor for his consideration. If there are questions about the proposal, please contact Douglas Haag at 608-266-2136.

Thank you for this consideration.

Sincerely,


Kurt Thiede
Deputy Secretary

Attachment

SUBJECT: Land Acquisition – State Trails – Barron and Manitowoc Counties

FOR: MAY 2015 BOARD MEETING

TO BE PRESENTED BY: Douglas J Haag

SUMMARY: The Department has an option to purchase 7.6 miles of railroad corridor from Canadian National Railway Company (CN) for \$524,000. The tracts would be extensions to two of Wisconsin's 41 state trails. Both items are being submitted because the purchase prices exceed \$150,000.00, respectively. The first parcel consists of 70.93 acres of land for \$279,000 for the Devil's River State Trail in Manitowoc County. The parcel is an inactive railroad corridor between the town of Newton and village of Cleveland and is entirely within an existing project boundary. The acquisition would provide a non-contiguous, 6.8 mile extension of the currently 15-mile Devil's River State Trail, which will eventually extend from Green Bay through Manitowoc to Sheboygan if completed as planned.

One of 25 cooperatively managed state trails, the Devil's River State Trail was identified in the Wisconsin State Trail Network Plan as the Green Bay to Sheboygan Trail. This trail has the potential to provide recreational opportunities to an estimated population of 1,000,000 people within a one hour drive. Brown and Manitowoc counties are the current cooperative management partners of the Devil's River State Trail. The proposed extension would be cooperatively managed through an agreement with Manitowoc County, who is supportive of the proposed acquisition. Uses on the trail would likely be consistent with the current uses on the Devil's River State Trail (walking, bicycling and snowmobiling).

The second parcel consists of 13.29 acres of land for \$245,000 for the Wild Rivers State Trail in Barron County. The parcel is an inactive railroad corridor in the City of Rice Lake. The parcel is within the project boundary established by the Wisconsin State Trail Network Plan, which was approved by the NRB in 2001. This parcel would extend the Wild Rivers State Trail south 0.8 miles, and provide a connection to the local trail system.

Uses on the corridor would likely be consistent with the existing Wild Rivers State Trail (walking, bicycling, horseback riding, snowmobile and ATV recreation). In particular, snowmobile routes through Rice Lake would be aided by moving snowmobiles off of city streets and on to the new extension of the trail. All-terrain vehicles (ATVs) are allowed on the trail year-round. The Wild Rivers State Trail also provides connections to many miles of county ATV trails.

The existing Wild Rivers State Trail stretches 104 miles through Douglas, Washburn and Barron counties in northwest Wisconsin. Just north of Rice Lake, the Wild Rivers State Trail connects to the 74-mile Tuscobia State Trail.

Barron, Washburn and Douglas Counties are the current cooperative management partner of the Department on the Wild Rivers State Trail. Barron County supports this proposed acquisition and would enter into a cooperative agreement with the Department to develop, maintain and operate the proposed extension.

The parcels would be acquired under the federal railbanking process and will be subject to potential rail reversion, allowing the railroad to reinstate rail service in the future if deemed necessary and approved through rail authorities. Rail reversion of a railbanked trail has not happened in Wisconsin but has taken place approximately nine times across the country since the railbanking program came into existence in 1983. This year (2015) is the 50th anniversary of "rails to trails" in Wisconsin, with the establishment of the Elroy-Sparta State Trail in 1965.

RECOMMENDATION: That the Board approves the purchase of 84.22 acres of land for \$524,000 for extensions of two existing State trails from the Canadian National Railway Company.

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:

Steve Miller

Deputy Director, Bureau of Facilities and Lands, Douglas J Haag - LF/6

5-8-15

Date

Sanjay Olson

Administrator, Sanjay Olson - AD/8

5-12-15

Date

Cathy Stepp

Secretary, Cathy Stepp - AD/8

5-12-15

Date

- cc: S. Miller - LF/6
D. Haag - LF/6
L. Ross - AD/8
D. Schuller - PR/6
A. Buchholz - NER - GREEN BAY

CORRESPONDENCE/MEMORANDUM

DATE: May 8, 2015 FILE REF: PR 40193 & PR 40194
 TO: Scott Walker
 FROM: Cathy Stepp
 SUBJECT: Proposed Land Acquisition, Canadian National Railway Tracts, File # PR 40193 & PR 40194
 Option Expires June 30, 2015

I. PARCEL DESCRIPTIONS:

Devil's River State Trail Manitowoc County	Wild Rivers State Trail Barron County
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Grantors:

Canadian National Railway Attn: Ms. Ann Nelson 17641 S. Ashland Ave. Homewood, IL 60430	Canadian National Railway Attn: Ms. Ann Nelson 17641 S. Ashland Ave. Homewood, IL 60430
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<u>Acres:</u>	70.93	13.29
<u>Price:</u>	\$279,000.00	\$245,000.00
<u>Appraised Value:</u>	\$279,000.00	\$245,000.00
<u>Improvements:</u>	None	None
<u>Interest:</u>	Fee Title	Fee Title

Location: The Devil's River State Trail parcel is located in Manitowoc County 6 miles south of Manitowoc. The Wild Rivers State Trail Parcel is located within the City of Rice Lake.

Land Description: The subject lands are railway grades.

Covertypes Breakdown:

Type	Acreage	Acreage
Railway Corridor	70.93	13.29
Total:	70.93	13.29

<u>Zoning:</u>	Agricultural, Residential and Commercial	Industrial
<u>Present Use:</u>	Inactive Railway Grade	Inactive Railway Grade
<u>Proposed Use:</u>	Public Recreation	Public Recreation
<u>Tenure:</u>	50 years	50 years
<u>Property Taxes:</u>	Tax Exempt	Tax Exempt

Agreement Date: March 19, 2015

Stewardship Land Access: The properties will be open to the public for nature based outdoor recreational activities consistent with existing uses as previously approved by the NRB through the Act 168 implementation process and following the NRB requirements for hunting and trapping in state parks.

2. JUSTIFICATION:

The Department has an option to purchase 7.6 miles of railroad corridor from Canadian National Railway Company (CN) for \$524,000. The tracts would be extensions to two of Wisconsin's 41 state trails. Both items are being submitted because the purchase prices exceed \$150,000.00, respectively. The first parcel consists of 70.93 acres of land for \$279,000 for the Devil's River State Trail in Manitowoc County. The parcel is an inactive railroad corridor between the town of Newton and village of Cleveland and is entirely within an existing project boundary. The acquisition would provide a non-contiguous, 6.8 mile extension of the currently 15-mile Devil's River State Trail, which will eventually extend from Green Bay through Manitowoc to Sheboygan if completed as planned.

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3. LAND MANAGEMENT:

Brown and Manitowoc counties are the current cooperative management partners of the Devil's River State Trail. The proposed extension would be cooperatively managed through an agreement with Manitowoc County.

Barron, Washburn and Douglas Counties are the current cooperative management partner of the Department on the Wild Rivers State Trail. Barron County supports this proposed acquisition and would enter into a cooperative agreement with the Department to develop, maintain and operate the proposed extension.

4. FINANCING:

State Stewardship bond funds are anticipated:

	Funds allotted to program:	Balance after proposed transaction:
Rice Lake:	\$900,000.00	\$594,145.00
Newton to Cleveland:	\$900,000.00	\$298,405.00

5. ACQUISITION STATUS:

a. THE DEVIL'S RIVER STATE TRAIL:

Established: 2003
Acres Purchased to Date: 210.96
Acquisition Goal: 210.00
Percent Complete: 100.46 %
Cost to Date: \$649,008.26

b. THE WILD RIVERS STATE TRAIL:

Established: 1993
Acres Purchased to Date: 1,118.42
Acquisition Goal: 1,250.00
Percent Complete: 89.47 %
Cost to Date: \$757,019.58

6. APPRAISALS:

a. NEWTON TO CLEVELAND

Appraiser: Jolene Brod
Valuation Date: March 12, 2015
Appraised Value: \$279,000.00
Highest and Best Use: Recreational Trail Corridor

Allocation of Values:

- a. land: 70.93 acres @ \$3,933.46 per acre: \$279,000.00
- b. across the fence approach used, 3 comparable properties cited
- c. adjusted value range: \$0.07 - \$0.68 per square foot

b. RICE LAKE

Appraiser: Jolene Brod
Valuation Date: March 12, 2015
Appraised Value: \$245,000.00
Highest and Best Use: Recreational Trail Corridor

Allocation of Values:

- a. land: 13.29 acres @ \$18,434.91 per acre: \$245,000.00
- b. across the fence approach used, 3 comparable properties cited
- c. adjusted value range: \$0.31 - \$0.59 per square foot

RECOMMENDED:

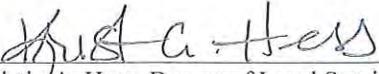


Douglas J Haag, Deputy Director, Bureau of Facilities and Lands

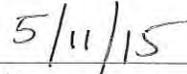


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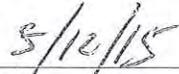
Kristin A. Hess, Bureau of Legal Services



Date



Sanjay Olson, Land Division Administrator



Date



Canadian National (MP 69
to Manitowoc/Sheboygan
County Line) - Fee Title

State Trails-
Manitowoc County

PR - 40194

Towns of Newton & Center Ville
Manitowoc County

- Wisconsin Trail Network
- Acquisition Authority
- Project Boundary Not Subject to Act 20
- DNR Fee Title Lands
- Easement Lands
- DNR Easement (Closed to Public Access)
- State Natural Area
- Stewardship Grant Public Lands
- NRCS - WRP (Wetland Reserve Program - Closed to public access)
- County Boundary



★ Location of Property

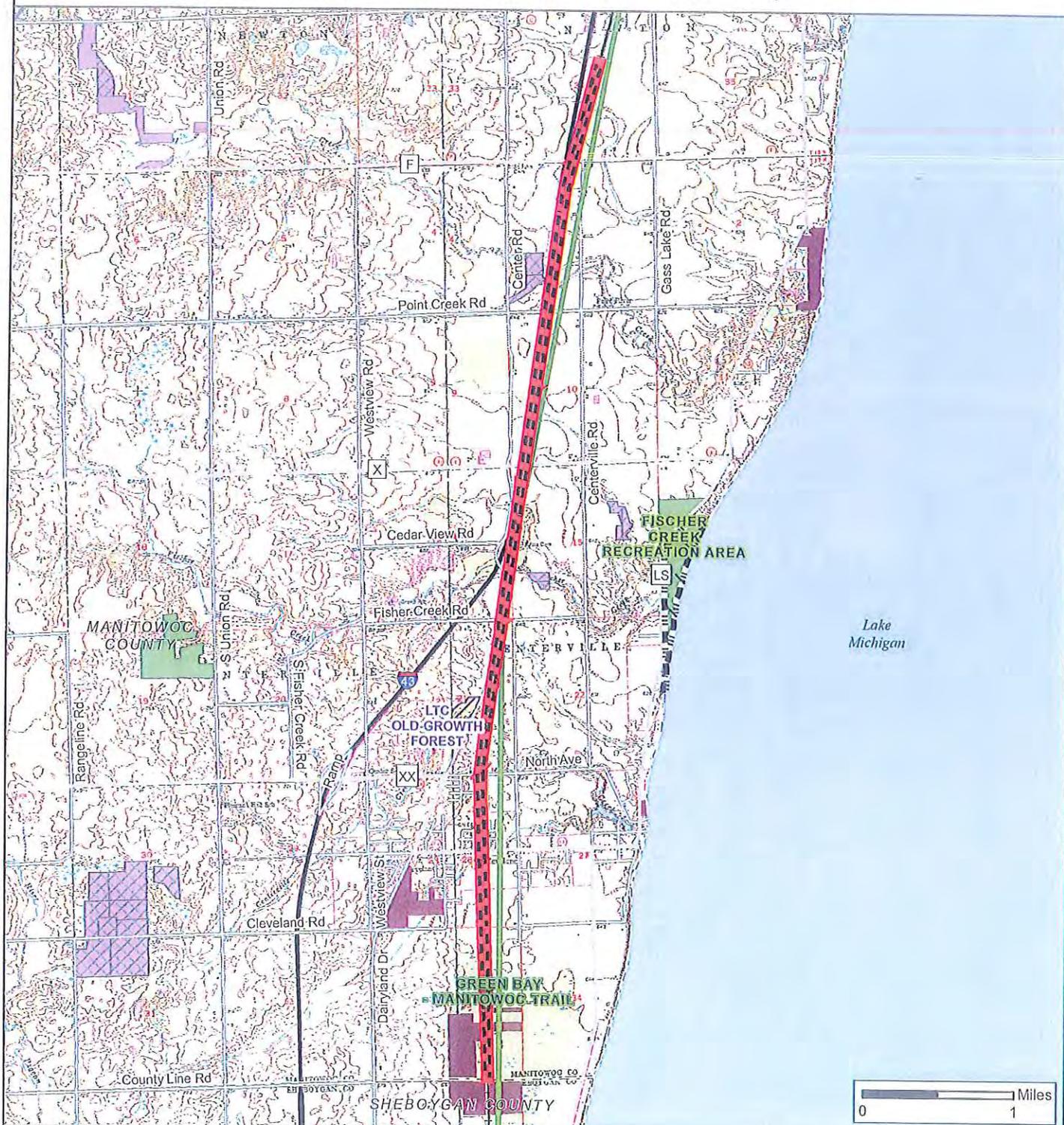
WISCONSIN DEPARTMENT
OF NATURAL RESOURCES
Bureau of Facilities of Lands
Mno Created: May 08, 2015 drs

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Canadian National (MP 69 to Manitowoc/Sheboygan County Line) - Fee Title Towns of Newton & Center Ville, Manitowoc County



State Trails - Manitowoc County



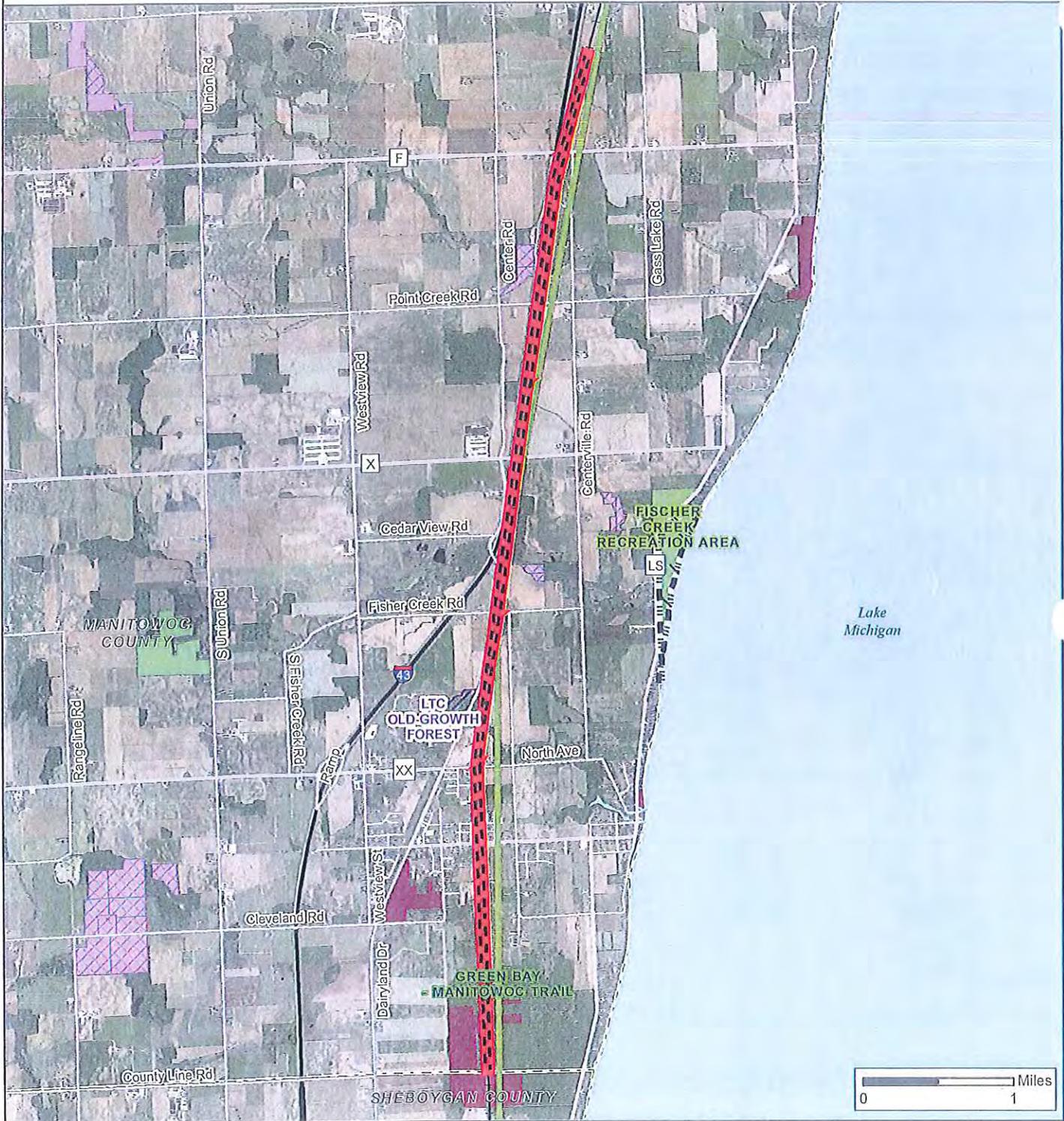
- Wisconsin Trail Network Acquisition Authority
- Project Boundary Not Subject to Act 20
- DNR Fee Title Lands
- Easement Lands
- DNR Easement (Closed To Public Access)
- Stewardship Grants Land (Open to Public Access)
- State Natural Area
- County Boundary

May 08, 2015 drs
 Real Estate Section
 Bureau of Facilities and Lands

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Canadian National (MP 69 to Manitowoc/Sheboygan County Line) - Fee Title

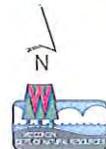
Towns of Newton & Center Ville, Manitowoc County



State Trails - Manitowoc County

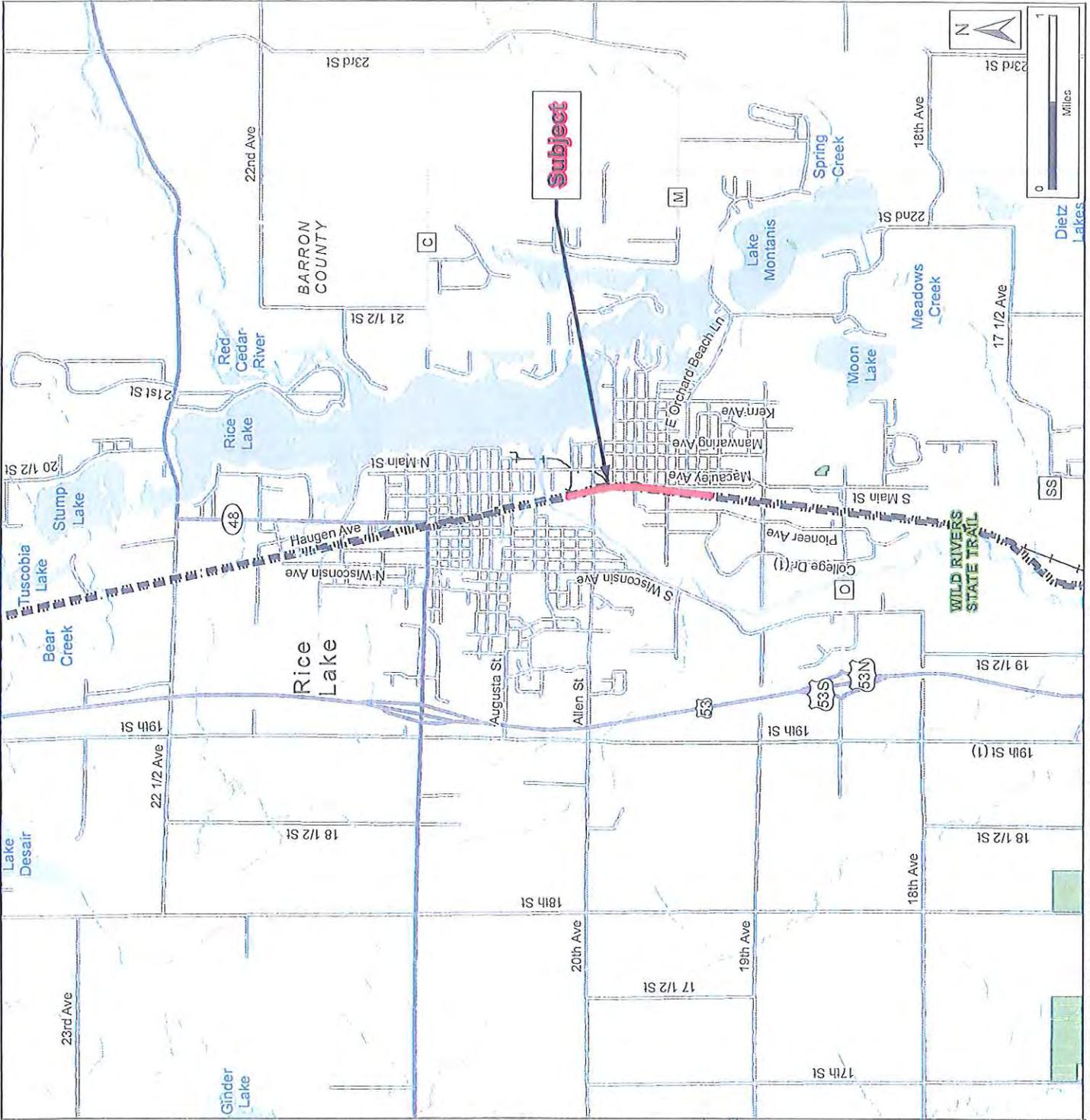
 Subject

-  Wisconsin Trail Network Acquisition Authority
-  Project Boundary Not Subject to Act 20
-  DNR Fee Title Lands
-  Easement Lands
-  DNR Easement (Closed To Public Access)
-  Stewardship Grants Land (Open to Public Access)
-  State Natural Area
-  County Boundary



May 08, 2015 drs
 Real Estate Section
 Bureau of Facilities and Lands

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Wisconsin Central Limited (MP 55.2 to MP 56) - Fee Title

Wild Rivers State Trail

PR - 40193

T35N R11W Sec 21 & 28
City of Rice Lake
Barron County

Subject

- Project Boundary Not Subject to Act 20
- DNR Fee Title Lands
- DNR Easement (Closed to Public Access)
- State Recreation Trail



Location of Property

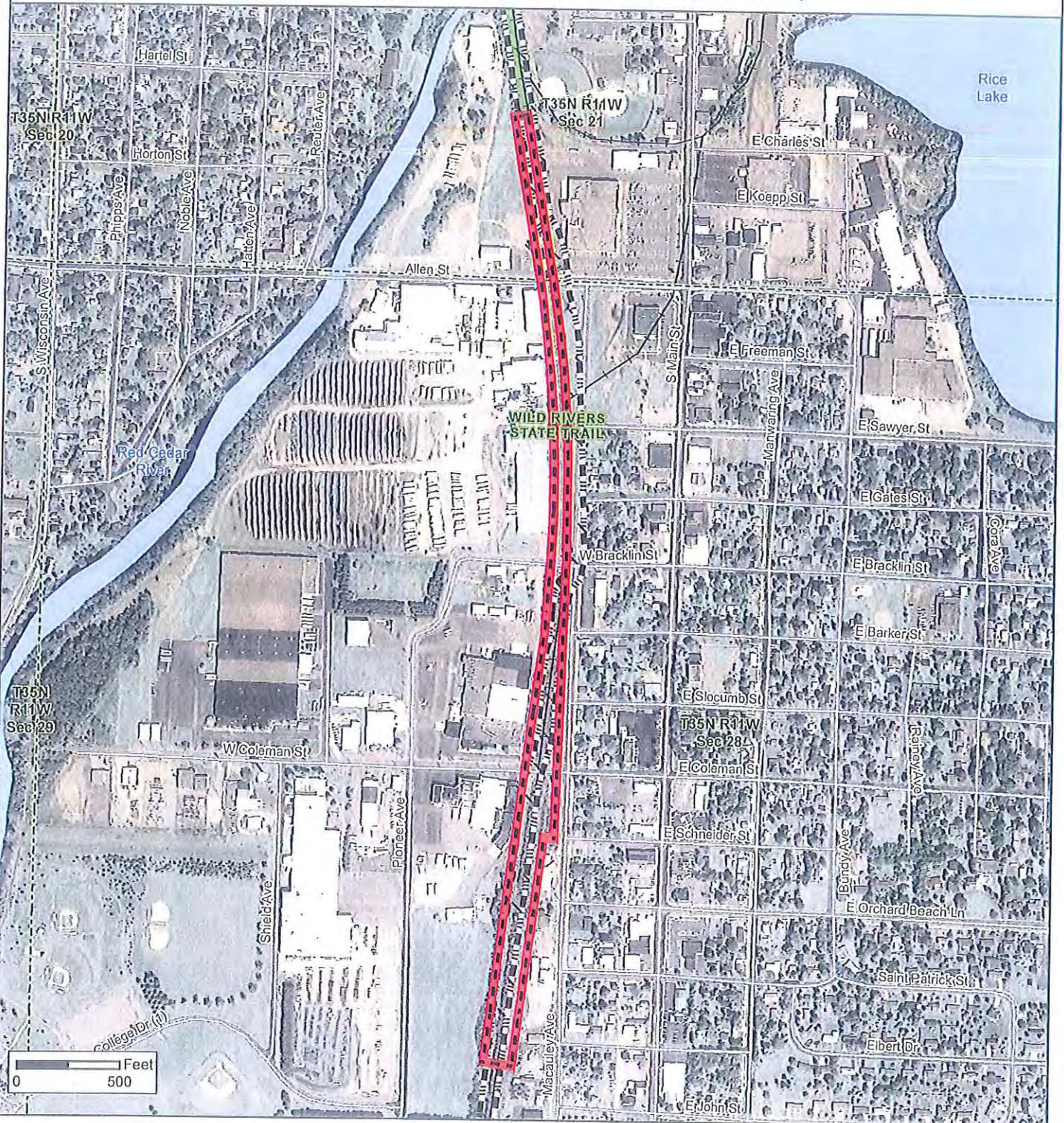
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Wisconsin Central Limited (MP 55.2 to MP 56) - Fee Title

T35N R11W Sec 21 & 28, City of Rice Lake, Barron County



Wild Rivers State Trail



Subject



Project Boundary Not Subject to Act 20



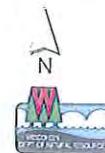
DNR Fee Title Lands



State Recreation Trail



PLSS Section Line



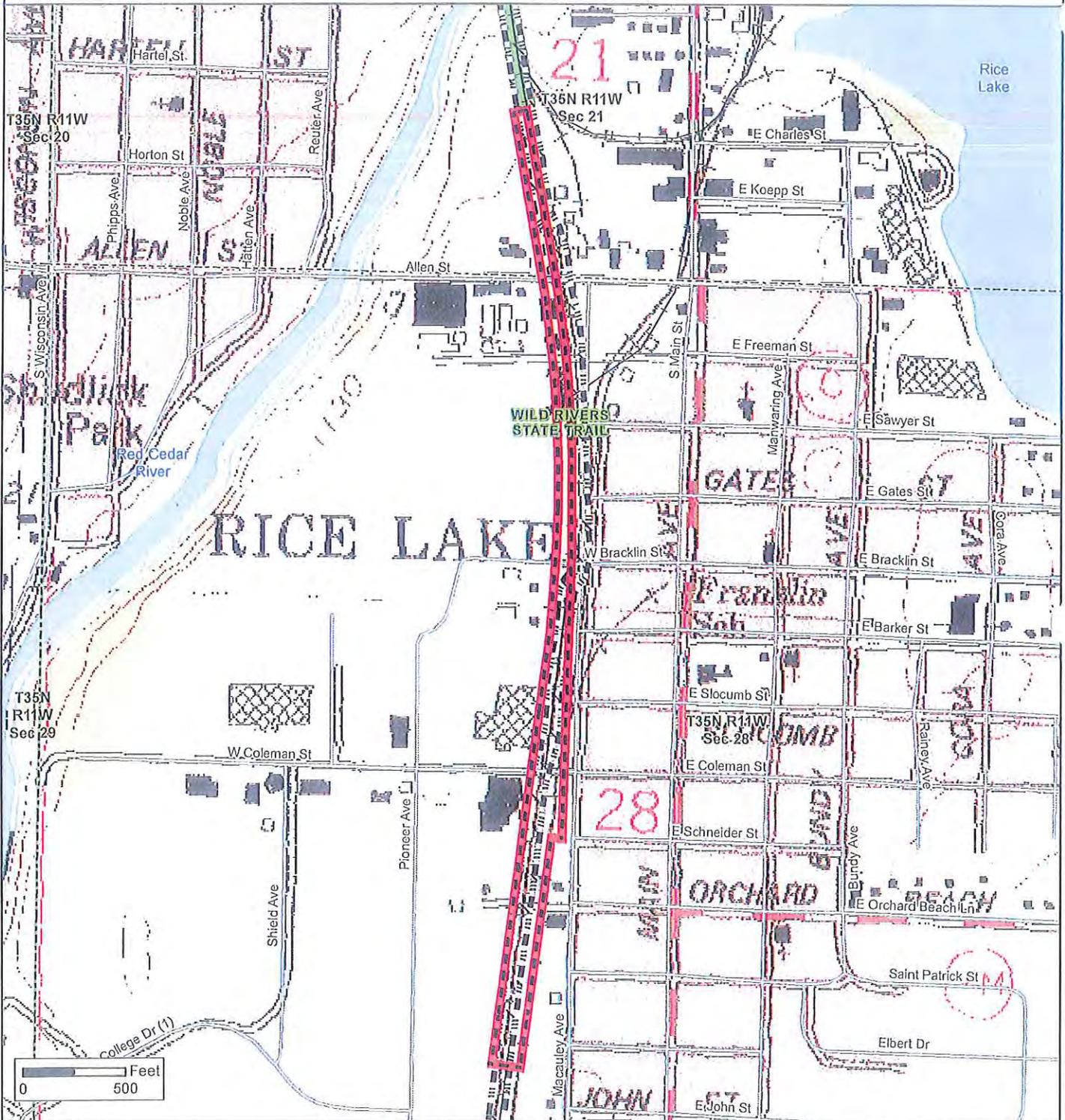
May 06, 2015 drs

Real Estate Section
Bureau of Facilities and Lands

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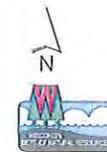
Wisconsin Central Limited (MP 55.2 to MP 56) - Fee Title

T35N R11W Sec 21 & 28, City of Rice Lake, Barron County



Wild Rivers State Trail
 Subject

-  Project Boundary Not Subject to Act 20
-  DNR Fee Title Lands
-  State Recreation Trail
-  PLSS Section Line



May 06, 2015 drs
 Real Estate Section
 Bureau of Facilities and Lands

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