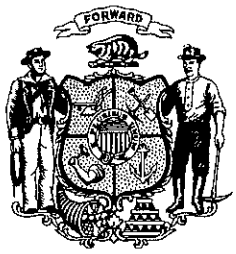
State of Wisconsin

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: November 6, 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 November 6, 2015.

Please review the material and notify **Senator Darling** or **Representative Nygren** no later than **Wednesday, November 25, 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

NOV - 4 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 the proposed easement acquisition of 441.97 acres from Gary Goska, Jr. using funds from the Knowles-Nelson Stewardship Program.

The purchase price of the easement is $400,000.00 to be funded by the Knowles-Nelson Stewardship program. Miscellaneous fees associated with the transaction are estimated at $7,760.00.

The transaction was approved at the October 28, 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

Form 1100-001N (Rev. 09/14) Wisconsin Department of Natural Resources Item No: 3.B.5.

Natural Resources Board Agenda Item

SUBJECT: Easement Acquisition and Donation, Goska - Forest Legacy Program, Vilas County

FOR: OCTOBER 2015 BOARD MEETING

TO BE PRESENTED BY: Douglas J Haag

SUMMARY: The Department has obtained an option to purchase a working forest conservation easement on 441.97 acres of land from Gary Goska, Jr. at the price of $400,000.00 for the Forest Legacy Program in Vilas County. The item is being submitted because the purchase price exceeds $150,000.00 and because there is a substantial bargain sale donation associated with the purchase.

The easement consists of two parcels; the northern parcel contains 281.97 acres and has an appraised value of $310,000. The southern parcel contains 160 acres and has an appraised value of $220,000. Mr. Goska has offered to sell the easement at the price of $400,000 with the difference between the appraised value and the purchase price to be recognized as a bargain sale donation to the Department. The total value of the bargain sale donation is $130,000.

The conservation easement area is in Land O' Lakes Township in Vilas County. The eastern border of both parcels is adjacent to the Nicolet National Forest. The southern border of the northern parcel and most of the northern border of the southern parcel is adjacent to property owned by Joseph and Mary Hovel, with whom the Department has also negotiated to purchase a conservation easement. The remaining boundaries are adjacent to private lands or town roads. The northern parcel has excellent public access along Crystal Lake Road. The southern parcel has over 1 mile of frontage on County Highway E. The public will also be allowed motorized access on the parcel over an existing woods road that leads to an area that will be used for a parking lot on the Hovel property that lies between the two Goska parcels. The combination of public road access and the interior road access and parking, combined with and excellent network of interior walking trails (woods roads) will provide good opportunities for hunters and other recreational users to move throughout the property. The northern parcel is made up of upland and lowland with level to rolling topography providing scenic views of the Wisconsin River. The northern parcel has two main forest types with about one-half of the land in swamp conifers and the remainder of the land has a mixed upland forest with aspen, jack pine, red pine, balsam, and scattered birch.

The Wisconsin River bisects part of the northern parcel and makes up part of the eastern boundary of the northern parcel. There is approximately 7,806 feet of two-bank frontage and 3,250 of one bank frontage on the Wisconsin River. The Wisconsin River is relatively shallow and slow moving though the property, making it ideal for recreational activities such as duck hunting, trapping, kayaking, and canoeing. The river also offers excellent fishing, and this stretch is known to contain bass, musky, and walleye. Public outdoor recreation is an important component of this Forest Legacy easement. The entire property will be open for hiking, fishing, hunting, trapping, cross-country skiing, and other nature based outdoor activities.

The southern parcel is mostly upland covered with pine trees and the remainder of the parcel is covered with aspen, spruce, and open marshlands. There are no water features on the southern parcel. The conservation easement will ensure continued opportunities for sustainable forest management on this block of forestland in northern Wisconsin while providing habitat management opportunities for many wildlife species. In addition, the easement will secure the property's economic values as Wisconsin leads the nation in the number of employees and the value of shipments in the forest products sector at $18 billion annually. The enrichment of sustainable forestry practices on forest ownerships directly benefits our state's economy and environment.

The purpose of the Forest Legacy Program in Wisconsin is to:

- preserve and protect the land for continued sustainable forestry and resource management and to maintain the undeveloped character of the property by precluding buildings, deforestation or any significant topographical change;
- manage the property as part of the underlying landowner's commercial timber harvest base while providing open space;
- provide for the public the right to access the property for public outdoor recreational uses; and
- accomplish these goals permanently and at lower cost than fee title purchase.

Acquisition of this 441.97 acre Forest Legacy easement, along with the adjoining 600 acre Forest Legacy easement to be acquired from Joseph and Mary Hovel will help promote the sustainable use of the northern forests and ensures that the land will remain open to the public for outdoor recreational activities including hunting, hiking, trapping, fishing and cross country skiing. The property included in this easement will be managed by private owners as working forestland with many opportunities for public recreation.

RECOMMENDATION: That the Board approve the purchase of a 441.97 acre conservation easement from Gary Goska, Jr. for $400,000.00 for the Forest Legacy Program in Vilas County and the Board recognize the donation of $130,000 in value toward the purchase and that a certificate of appreciation be sent to Gary S. Goska, Jr. and an expression of appreciation be made a part of the official records of the Natural Resources Board.

LIST OF ATTACHED MATERIALS (Check all that are applicable):

- ☒ Background Memo
- ☒ Maps and Documents
- ☐ Type name of attachment if applicable
- ☐ Type name of attachment if applicable

Approved By	Signature	Date
Douglas J. Haag Deputy Bureau Director	Douglas J. Haag	10-13-15
Sanjay Olson Division Administrator		10-14-15
Cathy Stepp, Secretary		10/14/15

CORRESPONDENCE/MEMORANDUM

State of Wisconsin

DATE: October 13, 2015 FILE REF: NF 30119

TO: Sanjay Olson

FROM: Douglas J. Haag

SUBJECT: Proposed Land Acquisition, Gary Goska, Jr. Tract, File # NF 30119,
Option Expires: 12/31/2015

1. PARCEL DESCRIPTION:

Forest Legacy Program
Vilas County

Grantor:

Gary Goska, Jr.
812 Robertson Street
Wauwatosa, WI 53213

Acres: 441.97
Price: $400,000.00
Appraised Value: $530,000.00
Interest: Easement
Improvements: 30' x 42' pole building and several sheds

Location: The property is located 1 miles east of Land O Lakes in Vilas County.

Land Description: The northern parcel is approximately 50% upland and 50% lowland with level to rolling topography providing scenic views of the Wisconsin River and contains swamp conifers and the remainder of the land has a mixed upland forest with aspen, jack pine, red pine, balsam, and scattered birch. The Wisconsin River bisect the parcel and makes up part of its eastern boundary. The southern parcel is approximately 80% upland and 20% lowland with level topography. Seventy percent of the southern parcel is covered with pine trees and the remainder of the parcel is covered with aspen, spruce, and open marshlands.

Covertype Breakdown:

Type	Acreage
Lowland Woodland	160.00
Upland Woodland	281.97
Total:	441.97

Zoning: Forestry
Present Use: Recreation and Timber Management
Proposed Use: Public Recreation and Timber Management
Tenure: less than 1 year
Property Taxes: $7,148.82
Option Date: 10/02/15

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. Physical features of the property may not be conducive to all these activities.

Printed on Recycled Paper

2. JUSTIFICATION:

The Department has obtained an option to purchase a working forest conservation easement on 441.97 acres of land from Gary Goska, Jr. at the price of $400,000.00 for the Forest Legacy Program in Vilas County. The item is being submitted because the purchase price exceeds $150,000.00 and because there is a substantial bargain sale donation associated with the purchase.

The easement consists of two parcels; the northern parcel contains 281.97 acres and has an appraised value of $310,000. The southern parcel contains 160 acres and has an appraised value of $220,000. Mr. Goska has offered to sell the easement at the price of $400,000 with the difference between the appraised value and the purchase price to be recognized as a bargain sale donation to the Department. The total value of the bargain sale donation is $130,000.

The conservation easement area is in Land O' Lakes Township in Vilas County. The eastern border of both parcels is adjacent to the Nicolet National Forest. The southern border of the northern parcel and most of the northern border of the southern parcel is adjacent to property owned by Joseph and Mary Hovel, with whom the Department has also negotiated to purchase a conservation easement. The remaining boundaries are adjacent to private lands or town roads. The northern parcel has excellent public access along Crystal Lake Road. The southern parcel has over 1 mile of frontage on County Highway E. The public will also be allowed motorized access on the parcel over an existing woods road that leads to an area that will be used for a parking lot on the Hovel property that lies between the two Goska parcels. The combination of public road access and the interior road access and parking, combined with and excellent network of interior walking trails (wood roads) will provide good opportunities for hunters and other recreational users to move throughout the property. The northern parcel is made up of upland and lowland with level to rolling topography providing scenic views of the Wisconsin River. The northern parcel has two main forest types with about one-half of the land in swamp conifers and the remainder of the land has a mixed upland forest with aspen, jack pine, red pine, balsam, and scattered birch.

The Wisconsin River bisects part of the northern parcel and makes up part of the eastern boundary of the northern parcel. There is approximately 7,806 feet of two-bank frontage and 3,250 of one bank frontage on the Wisconsin River. The Wisconsin River is relatively shallow and slow moving though the property, making it ideal for recreational activities such as duck hunting, trapping, kayaking, and canoeing. The river also offers excellent fishing, and this stretch is known to contain bass, musky, and walleye. Public outdoor recreation is an important component of this Forest Legacy easement. The entire property will be open for hiking, fishing, hunting, trapping, cross-country skiing, and other nature based outdoor activities.

The southern parcel is mostly upland covered with pine trees and the remainder of the parcel is covered with aspen, spruce, and open marshlands. There are no water features on the southern parcel. The conservation easement will ensure continued opportunities for sustainable forest management on this block of forestland in northern Wisconsin while providing habitat management opportunities for many wildlife species. In addition, the easement will secure the property's economic values as Wisconsin leads the nation in the number of employees and the value of shipments in the forest products sector at $18 billion annually. The enrichment of sustainable forestry practices on forest ownerships directly benefits our state's economy and environment.

The purpose of the Forest Legacy Program in Wisconsin is to:

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- manage the property as part of the underlying landowner's commercial timber harvest base while providing open space;
- provide for the public the right to access the property for public outdoor recreational uses; and
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Acquisition of this 441.97 acre Forest Legacy easement, along with the adjoining 600 acre Forest Legacy easement to be acquired from Joseph and Mary Hovel will help promote the sustainable use of the northern forests and ensures that the land will remain open to the public for outdoor recreational activities including hunting, hiking, trapping, fishing and cross country skiing. The property included in this easement will be managed by private owners as working forestland with many opportunities for public recreation.

3. LAND MANAGEMENT:

The property included in this easement will be managed by private owners as working forestland working with the Department to provide opportunities for public recreation.

4. FINANCING:

State Stewardship bond funds are anticipated:

Funds allotted to program:	Balance after proposed transaction:
$3,360,000	$2,615,000

5. ACQUISITION STATUS OF THE FOREST LEGACY PROGRAM:

Established: 2002
Acres Purchased to Date: 0.00
Acquisition Goal: 112,876.00
Percent Complete: 0.00 %
Cost to Date: $0.00

6. APPRAISAL TRACT I (281.97 acres):

Appraiser: William Steigerwaldt
Valuation Date: April 11, 2014
Appraised Value: $310,000.00
Highest and Best Use: Timber/ Investment

Allocation of Values:

Before Value:	$492,000.00
After Value:	$182,000.00
Easement:	$310,000.00

Appraisal Review: Jolene Brod

Comments: The easement has a significant impact on the value of the subject property. The easement removes all development potential and opens the land to the general public for outdoor recreation uses. The economic utility remaining after the easement is in place is primarily related to forestry and timber production. Given the small size of the parcel, the parcel has limited market appeal as an income producing property in the after condition.

APPRAISAL TRACT II (160 acres)
Appraiser: William Steigerwaldt
Valuation Date: April 22, 2014
Appraised Value: $220,000.00
Highest and Best Use: Timber/Investment

Allocation of Values:

Before Value:	$316,000.00
After Value:	$96,000.00
Easement:	$220,000.00

Appraisal Review: Jolene Brod

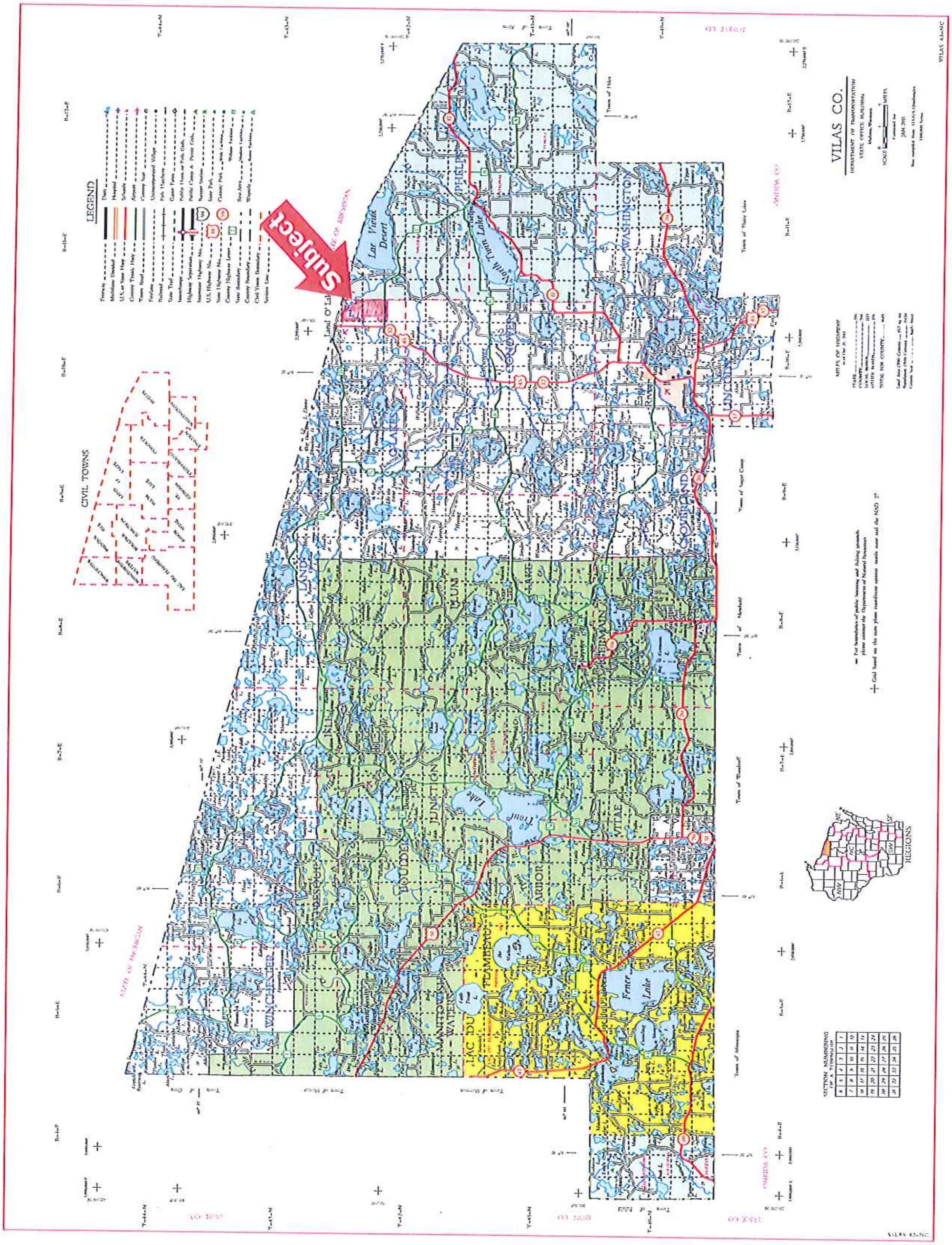
Comments: The easement has a significant impact on the value of the subject property. The easement removes all development potential and opens the land to the general public for outdoor recreation uses. The economic utility remaining after the easement is in place is primarily related to forestry and timber production. Given the small size of the parcel, the parcel has limited market appeal as an income producing property in the after condition.

RECOMMENDED:

Douglas J Haag, Deputy Director, Bureau of Facilities and Lands — Date 10-13-15

Kristin A. Hess, Bureau of Legal Services — Date 10/13/15

Sanjay Olson, Fish, Wildlife and Parks Division Administrator — Date 10/14/15



Subject
VILAS CO.
LEGEND
CIVIL TOWNS
REGIONS

Gary Goska, Jr. & Joseph P. & Mary E. Hovel Trust - Easement

Forest Legacy Program

NF 30119 & NF 30118

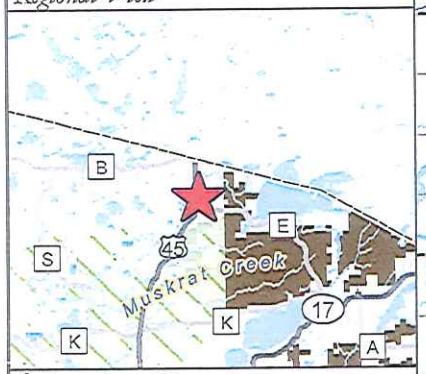
T42N R10E Sec 1 & 12
Town of Land O Lakes
Vilas County

Hovel Trust

Goska

- DNR Fee Title
- DNR Easement
- WDNR Easement (Closed to Public Access)
- Project Boundary Subject to Act 20
- Project Boundary Not Subject to Act 20
- National Forest
- Board of Commissioners of Public Lands
- Public Land - Funded by Stewardship Grants
- County Forest

Regional View



Location of Property

WISCONSIN DEPARTMENT OF NATURAL RESOURCES
Bureau of Facilities of Lands
Updated: Sep 30, 2015 kmh

N

0 1,000 Feet

Goska

Hovel Trust

T43N R10E Sec 33
T43N R10E Sec 34
T43N R10E Sec 35
T43N R10E Sec 36
Airport Rd
Crystal Lake Rd
B
T42N R10E Sec 04
T42N R10E Sec 03
T42N R10E Sec 02
T42N R10E Sec 01
T42N R11E Sec 06
T42N R11E Sec 05
T42N R11E Sec 04
Little Portage Lake
T42N R10E Sec.09
T42N R10E Sec 10
T42N R10E Sec 11
T42N R10E Sec 12
T42N R11E Sec 07
T42N R11E Sec 08
T42N R11E Sec 09
W Shore Rd
E
Wisconsin River
45
T42N R10E Sec 16
T42N R10E Sec 15
T42N R10E Sec 14
T42N R10E Sec 13
T42N R11E Sec 18
T42N R11E Sec 17
T42N R11E Sec 16
Razorback Rd
T42N R10E Sec 21
T42N R10E Sec 22
T42N R10E Sec 23
T42N R10E Sec 24
Haymeadow Creek
Blong Rd
T42N R11E Sec 19
T42N R11E Sec 20
T42N R11E Sec 21
FS2567 Rd
T42N R10E Sec 28
T42N R10E Sec 27
T42N R10E Sec 26
T42N R10E Sec 25
T42N R11E Sec 30
T42N R11E Sec 29
T42N R11E Sec 28

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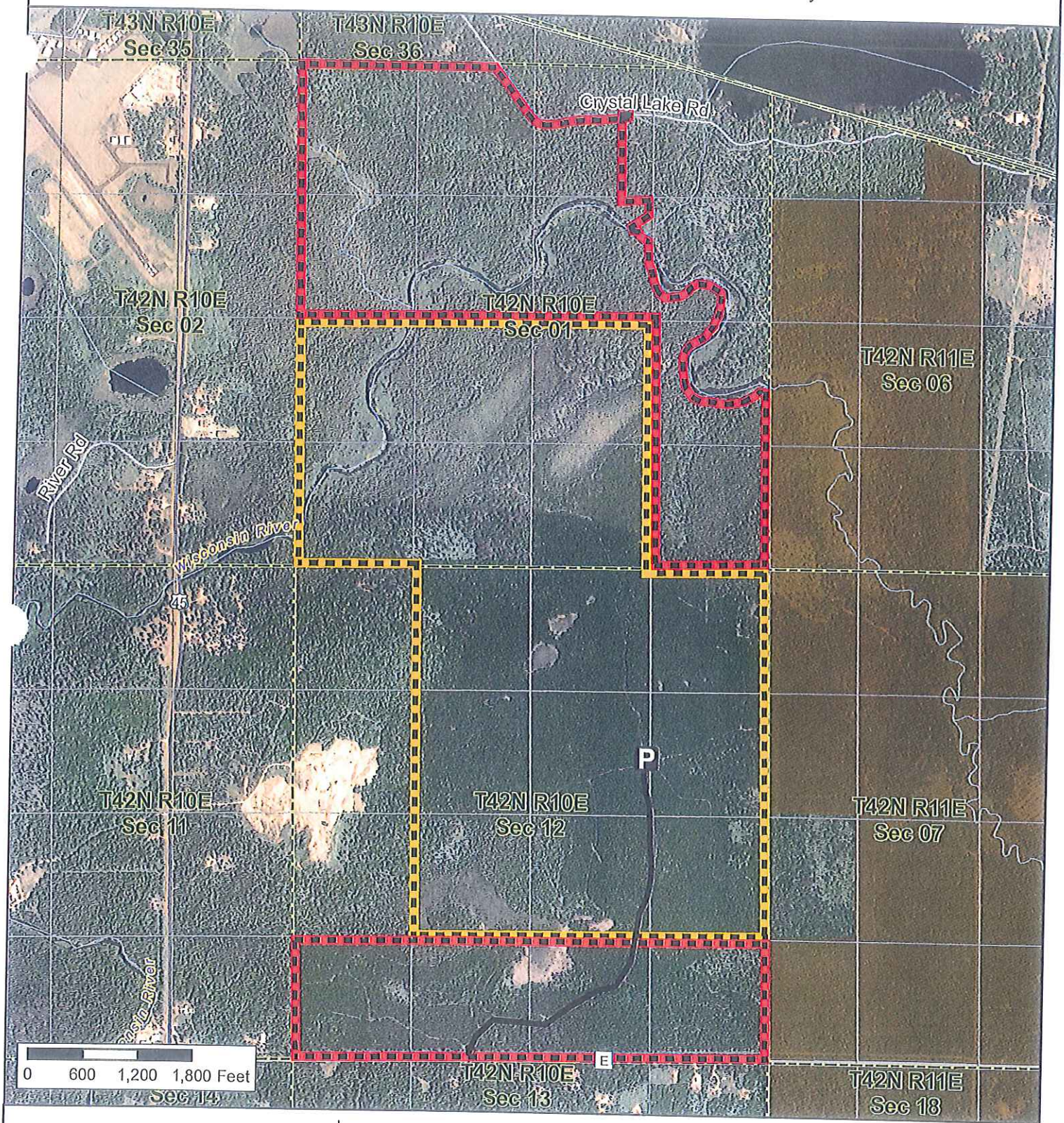
Gary Goska, Jr. - Easement

T42N R10E Sec 1 & 12, Town of Land O Lakes, Vilas County



Forest Legacy Program

- Subject - Goska
- Hovel Trust

- P Parking
- Existing Woods Road - Open for Public Motorized Access
- National Forest
- Section Line
- QQ Section Lines

N

Oct 12, 2015 kmh

Real Estate Section
Bureau of Facilities and Lands

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