

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: December 15, 2016

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 December 15, 2016.

Please review the material and notify **Senator Darling** or **Representative Nygren** no later than **Thursday, January 5, 2017**, 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



DEC 15 2016

IN REPLY REFER TO: NF 30180 *

The Honorable Alberta Darling, Co-Chair
Committee on Joint Finance
Room 317 East
State Capitol
PO Box 7882
Madison, WI 53707-7882

The Honorable John Nygren, Co-Chair
Committee on Joint Finance
Room 309 East
State Capitol
PO Box 8953
Madison, WI 53707-53708

DEC 15 2016

J.F. Finance

Dear Senator Darling and Representative Nygren:

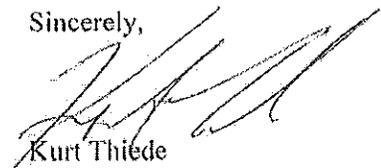
Pursuant to s. 23.0917(6m), Wis. Stats., the Department is notifying you as co-chairs of the Committee on Joint Finance of the proposed acquisition of 4.4 acres from Vilas County, using funds from the Knowles-Nelson Stewardship Program. The acquisition is located within the boundary of Northern Highland State Forest.

The purchase price of the acquisition is \$2,803.00, to be funded by the Knowles-Nelson Stewardship Program along with the miscellaneous fees associated with the transaction, estimated at \$483.40. The payment in-lieu of taxes is estimated at \$21.97. There are no prohibitions of nature-based outdoor activities, as defined in s. 23.0916(1)(b), Wis. Stats.

As provided in s. 23.0917(6m)(a), Wis. Stats., if the Department does not receive notification of the scheduling of a hearing from either of the Joint Committee on Finance 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 Terry H. Bay at (608) 266-5782.

Thank you for this consideration.

Sincerely,


Kurt Thiede
Deputy Secretary

C: Sanjay Olson, Administrator, Division of Fish, Wildlife and Parks
Terry H. Bay, Director, Bureau of Facilities and Lands
Peter Wolter, Real Estate Regional Supervisor
Micah Zeitler, Real Estate Specialist

CORRESPONDENCE/MEMORANDUM

DATE: November 28, 2016
 TO: Scott Walker
 FROM: Cathy Stepp
 SUBJECT: Proposed Land Acquisition, Vilas County Tract, File # NF 30180,
 Option Expires January 18, 2017

FILE REF: NF 30180

1. PARCEL DESCRIPTION:

Northern Highland State Forest
 Vilas County

Grantor:

Vilas County
 Attn: Mr. John Gagnon
 330 Court Street
 Eagle River WI 54521

Acres: 4.40
Price: \$2,803.00
Appraised Value: \$2,803.00
Interest: Fee Title Purchase
Improvements: None

Location: The property is located seven miles northeast of Manitowish Waters in Vilas County.

Land Description: The subject land is gently rolling.

Covertypc Breakdown:

Type	Acreage
Upland Woodland	4.40
Total:	4.40

Zoning: Single Family Residential (R-1)
Present Use: Road Right of Way
Proposed Use: Public Recreation
Tenure: 66 years
Property Taxes: Tax Exempt
Option Date: October 21, 2016

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.

2. JUSTIFICATION:

The Department has received an option from Vilas County for 4.4 acres in the Northern Highland State Forest project boundary for \$2,803.00. The parcel is excess road right-of-way located in the Town of Presque Isle in Vilas County. The lands surrounding the excess right-of-way are owned by the Department.

Vilas County had reserved a 200 foot strip of right-of-way in the 1950s on the larger 40 acre parcel that the Department currently owns. The Wisconsin Department of Transportation, Vilas County Surveyor and the Department have researched Gi Wa Din Trail and Big Lake Road to determine the required right-of-way widths. It has been determined that only 66 feet is required for the right-of-way in this area.

The Department recommends purchase of the Vilas County property to consolidate ownership for the Department in this area.

3. LAND MANAGEMENT:

The subject property will be managed as a part of the larger Northern Highlands State Forest.

4. FINANCING:

State Stewardship bond funds are anticipated:

<u>Funds allotted to program:</u>	<u>Balance before this transaction:</u>	<u>Balance after this transaction:</u>
\$2,640,000.00	\$154,118.00	\$151,315.00

5. ACQUISITION STATUS OF THE NORTHERN HIGHLAND STATE FOREST:

Established: 1925

Acres Purchased to Date: 174,098.41

Acquisition Goal: 229,976.00

Percent Complete: 75.70 %

Cost to Date: \$40,252,776.14

6. OPINION OF VALUE:

Appraiser: Peter Wolter

Valuation Date: November 07, 2016

Appraised Value (County timber appraisal): \$2,803.00

Highest and Best Use: Assemblage to Adjacent Property

Allocation of Values:

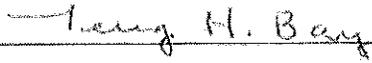
a. (County timber appraisal) land: 4.40 acres @ \$637.05 per acre: \$2,803.00

Comments:

Vilas County based their asking price of \$2803.00 on a timber appraisal of the trees that lie within this 4.4 acre area. While this is not a typical way of valuing vacant forestland, the asking price appears to be below fair market value.

The Department's typical appraisal methodology for valuing vacant forestland would be to look at similar type property in the area to derive a per acre price. Therefore, I researched sales of vacant recreational forestland in the near vicinity and looked at the most recent average sales prices for vacant forestland in Vilas County. After reviewing this data, it appears that the range of value that this property would fall into would be \$1750-\$2500 per acre. I would apply a small discount to this per acre price for the fact that this property's best use is for assemblage to adjacent property.

RECOMMENDED:



11/28/16

Terry H. Bay, Bureau Director, Bureau of Facilities and Lands

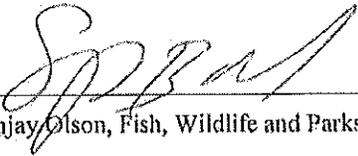
Date



11/28/16

Richard W. Henneger, Bureau of Legal Services

Date



12/4/16

Sanjay Olson, Fish, Wildlife and Parks Division Administrator

Date

Vilas County - Fee Sale

Northern Highland State Forest

NF 30180

T43N R6E Sec 32
Town of Presque Isle
Vilas County

Subject

Project Boundary Not Subject to Act 20 JFC Review

DNR Fee Title

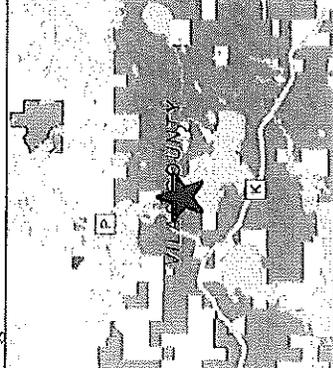
State Natural Area

County Boundary

Section Boundary

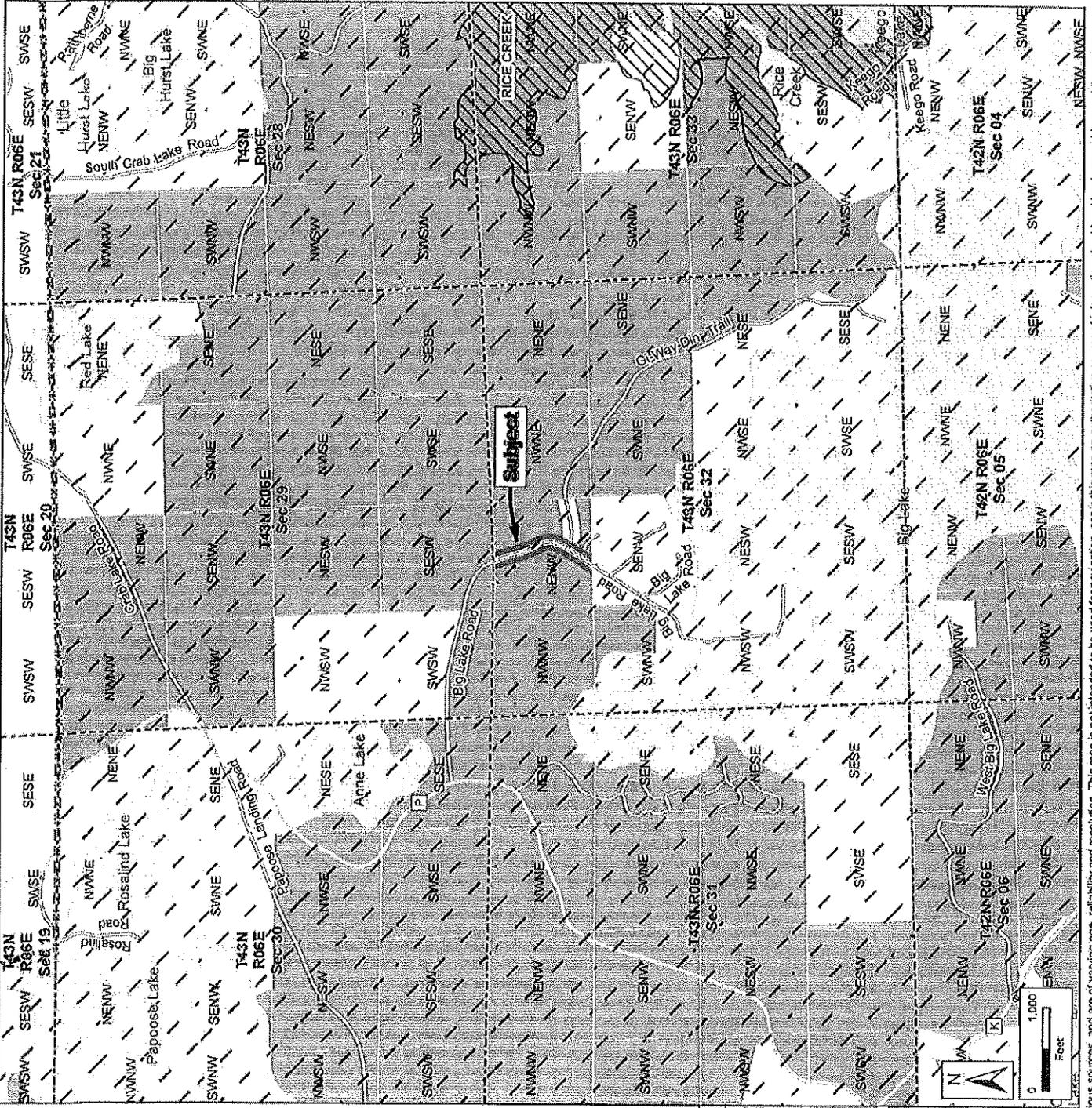
QQ Section Boundary

Regional View



Location of Property

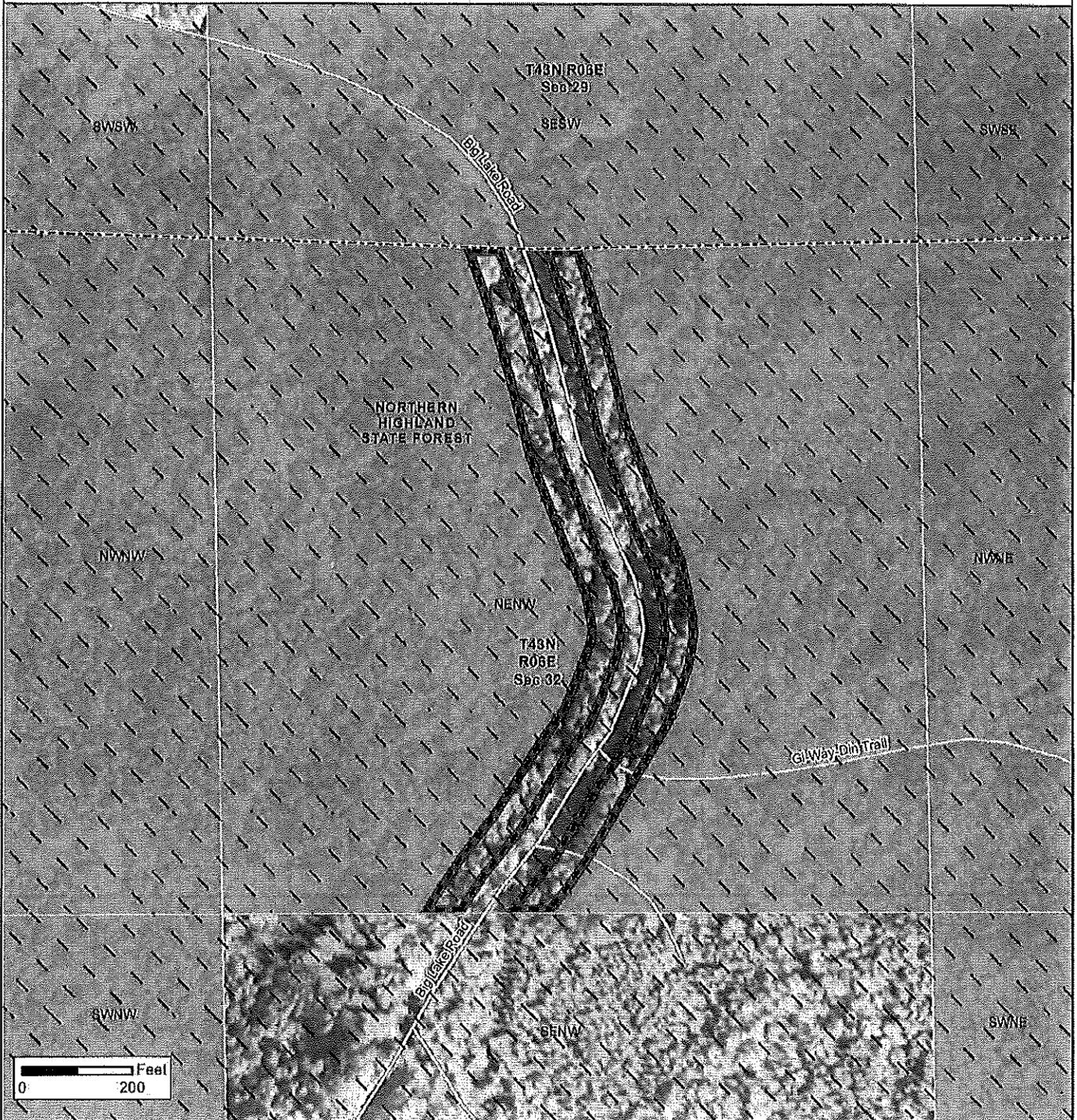
WISCONSIN DEPARTMENT OF NATURAL RESOURCES
Bureau of Facilities or Lands
Map Created: Nov 23, 2016 1st



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Vilas County - Fee Sale

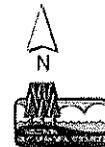
T43N R6E Sec 32, Town of Presque Isle, Vilas County



Northern Highland State Forest

 **Subject**

 **Project Boundary Not Subject to Act 20 JFC Review**



Nov 23, 2016 jst

Real Estate Section
Bureau of Facilities and Lands

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