

# State of Wisconsin

SENATE CHAIR  
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## Joint Committee on Finance

### MEMORANDUM

To: Members  
Joint Committee on Finance

From: Senator Alberta Darling  
Representative John Nygren

Date: June 1, 2018

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 1, 2018.

Please review the material and notify **Senator Darling** or **Representative Nygren** no later than **Wednesday, June 20, 2018**, 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  
Daniel L. Meyer, Secretary  
Telephone 608-266-2621  
FAX 608-267-3579  
TTY Access via relay - 711



May 25, 2018

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

JUN 01 2018  
J.F. Finace

Dear Senator Darling and Representative Nygren:

Pursuant to s. 23.0917(6m)(a), Wis. Stats., the Department is notifying you of paired, proposed Knowles-Nelson Stewardship grants exceeding \$250,000 to the Nature Conservancy for property purchases at Chiwaukee Prairie in Kenosha County.

While neither proposed grant exceeds \$250,000.00, the combined awards total \$298,940.00; the Department is therefore forwarding these projects to the Committee for approval.

The grants proposed are for property acquisition in the Village of Pleasant Prairie:

\$246,695.00 for 27.09 acres  
\$52,245.00 for the adjacent 18.28 acres

These properties lie adjacent to DNR's Chiwaukee Prairie State Natural Area. They fill in a block of public access conservation land and their restoration will provide important buffer and protection for the State Natural Area. These lands will be open to the public for hunting, fishing, trapping, hiking, cross-county skiing, and wildlife viewing.

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 award these grants.

Thank you for your consideration.

Sincerely,

Daniel L. Meyer  
Secretary

C: Doug Haag, Administrator, Internal Services Division  
Terry Bay, Director, Bureau of Facilities and Lands  
Pamela Foster Felt, Stewardship Grant Manager

**DATE:** May 25, 2018

**TO:** Members of the Joint Committee on Finance

**FROM:** Dan Meyer, Secretary

**SUBJECT: Request for approval of a Stewardship grant exceeding \$250,000**

Pursuant to s. 23.0917(6m)(a) and (c), Wis. Stats., the Department of Natural Resources is notifying you of paired proposed Knowles-Nelson Stewardship grants totaling \$298,940.00 to The Nature Conservancy for acquisition of 45.37 acres. The Knowles-Nelson Stewardship program is funded under s. 20.866(2)(ta), Wis. Stats.

**I. PROJECT DETAILS:**

**Project Sponsor:** The Nature Conservancy (TNC)

**Grant sub-program:** Natural Areas

**Location:**

These adjacent tracts are in the Village of Pleasant Prairie, Kenosha County. Situated between existing preserve lands north and south, these paired properties fill in a block of conservation land at Chiwaukee Prairie State Natural Area. Maps attached as Appendix A.

**Project Description:**

27.09 and 18.28 acres, respectively, these tracts are vacant, wooded and wet with small agricultural fields with ditched drainage. Cover types include 14.60 acres in row crop, wetland, mostly wooded upland and a ~5-acre rare emergent prairie on the BMW tract which hosts 70 native species, including smooth phlox, a Wisconsin Endangered plant found only in coastal Lake Michigan prairies. The GLS tract is landlocked and ditched and drains via culvert into the Chiwaukee Prairie wetland complex.

**Key benefits:**

These tracts are being acquired for two purposes: 1) To protect the integrity of and significant public investment in the adjacent Chiwaukee Prairie State Natural Area; 2) to fill a block of contiguous public access conservation lands. Notable features of these acquisitions include:

- These tracts sit on an ancient lake-shore ledge about 20 feet above DNR's Chiwaukee Prairie State Natural Area, a globally rare wet mesic prairie home to over 400 plant species (26 rare; 10 endangered), which are dependent on clean run off and consistent groundwater recharge from these tracts. Conservation of these upland properties protects the essential hydrology by controlling nutrient and sediment flows and preventing a drop in groundwater levels.
- Two private foundations – the Caerus and Bobolink Foundations – have committed significant funds for large-scale restoration of these Chiwaukee uplands. These purchases complete the block of land that is shovel-ready for that restoration starting late this year.
- These acquisitions connect currently disjunct lands in the existing preserve, making for 139.39 contiguous acres open to the public.

**Partnerships:**

Match for the acquisition has been awarded to DNR and partners from the federal Great Lake Restoration Initiative. US Fish and Wildlife Service is providing technical expertise and restoration planning, generous funding for which has been committed by two private foundations mentioned above.

Partners contributing to ongoing management of Chiwaukee Prairie SNA:

- WDNR
- UW Parkside
- Village of Pleasant Prairie
- Chiwaukee Prairie Preservation Foundation
- Kenosha County
- Illinois Department of Natural Resources
- Lake County Forest Preserve District

**Consistency with planning:**

These paired acquisitions will advance objectives of several regional conservation plans:

- Upper Midwest and Great Lakes Landscape and Conservation Cooperative’s Great Lakes Migratory Bird Stopover Site plan
- WDNR Land Management Plan for Chiwaukee Prairie State Natural Area
- The Southeast Regional Planning Commission designates this area as an important environmental corridor.

**Public Uses:**

The property will be open to the public for low-impact recreational activities including hunting, trapping, hiking, cross-country skiing, and wildlife viewing. Per Village ordinance, hunting is allowed by shotgun and archery. The Department’s analysis of the permitted nature-based outdoor activities is attached as Appendix B.

**Property Management:**

The property will be managed by The Nature Conservancy in coordination with DNR management of the adjacent State Natural Area.

**II. PROJECT FINANCES**

**A. Appraisals**

As required by s. 23.0917(7)(e)1., Wis. Stats., two appraisals were used to determine the fair market value of the BMW tract.

BMW Appraisal 1 - accepted by DNR	\$540,000.00
BMW Appraisal 2	\$640,000.00

In review of the Great Lakes Steel tract appraisal, the Department’s Reviewer found the value to be inflated by unsupported hypothetical assumptions of development potential on this land-locked parcel. DNR’s determination of fair market value for this tract is based on an opinion of value written to correct that inflated value.

Appraisal GLS	\$180,000.00
DNR adjusted value – accepted for grant calculation	\$99,000.00

**B: Grant Calculation:**

Land value – BMW tract	\$540,000.00
<u>Eligible related transaction costs BMW</u>	<u>\$3,390.00</u>
BMW eligible project costs	\$543,390.00

TNC has requested \$246,695.00 for this purchase, ~45%

Land value – GLS tract	\$99,000.00
<u>Eligible related transaction costs GLS</u>	<u>\$5,490.00</u>
GLS eligible project costs	\$104,490.00

Proposed Stewardship grant amount – BMW tract (45%)	\$246,695.00
<u>Proposed Stewardship grant amount – Carver -GLS tract (50%)</u>	<u>\$52,245.00</u>
<b>Combined award</b>	<b>\$298,940.00</b>

**III. RECOMMENDED:**

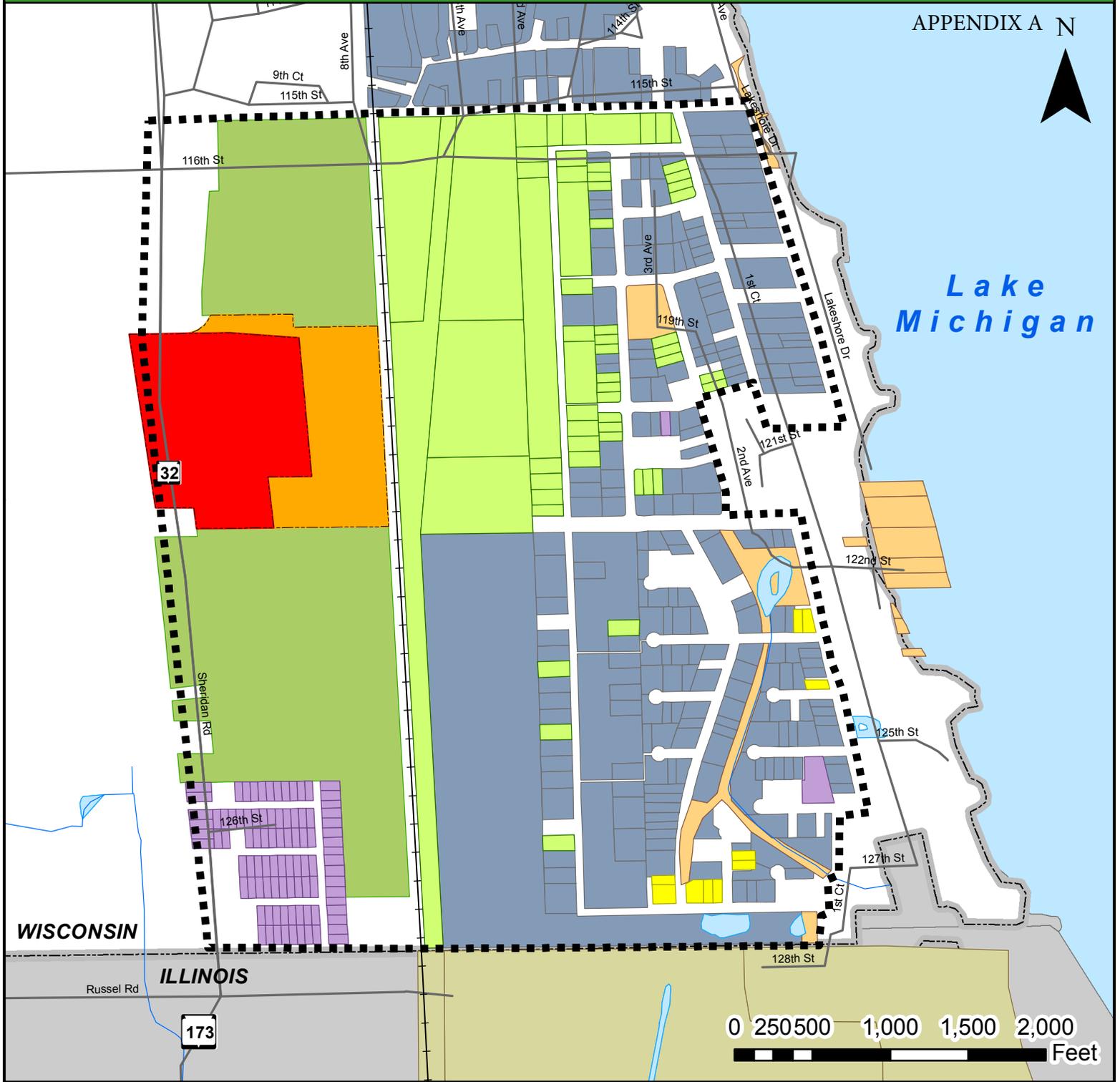
  
\_\_\_\_\_  
Terry Bay, Director, Bureau of Facilities and Lands

5/29/18  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Doug Haag, Administrator, Division of Internal Services

5-29-18  
\_\_\_\_\_  
Date

# Chiwaukee Prairie Project - TNC Acquisition Boundary



APPENDIX A N

Lake Michigan

WISCONSIN

ILLINOIS

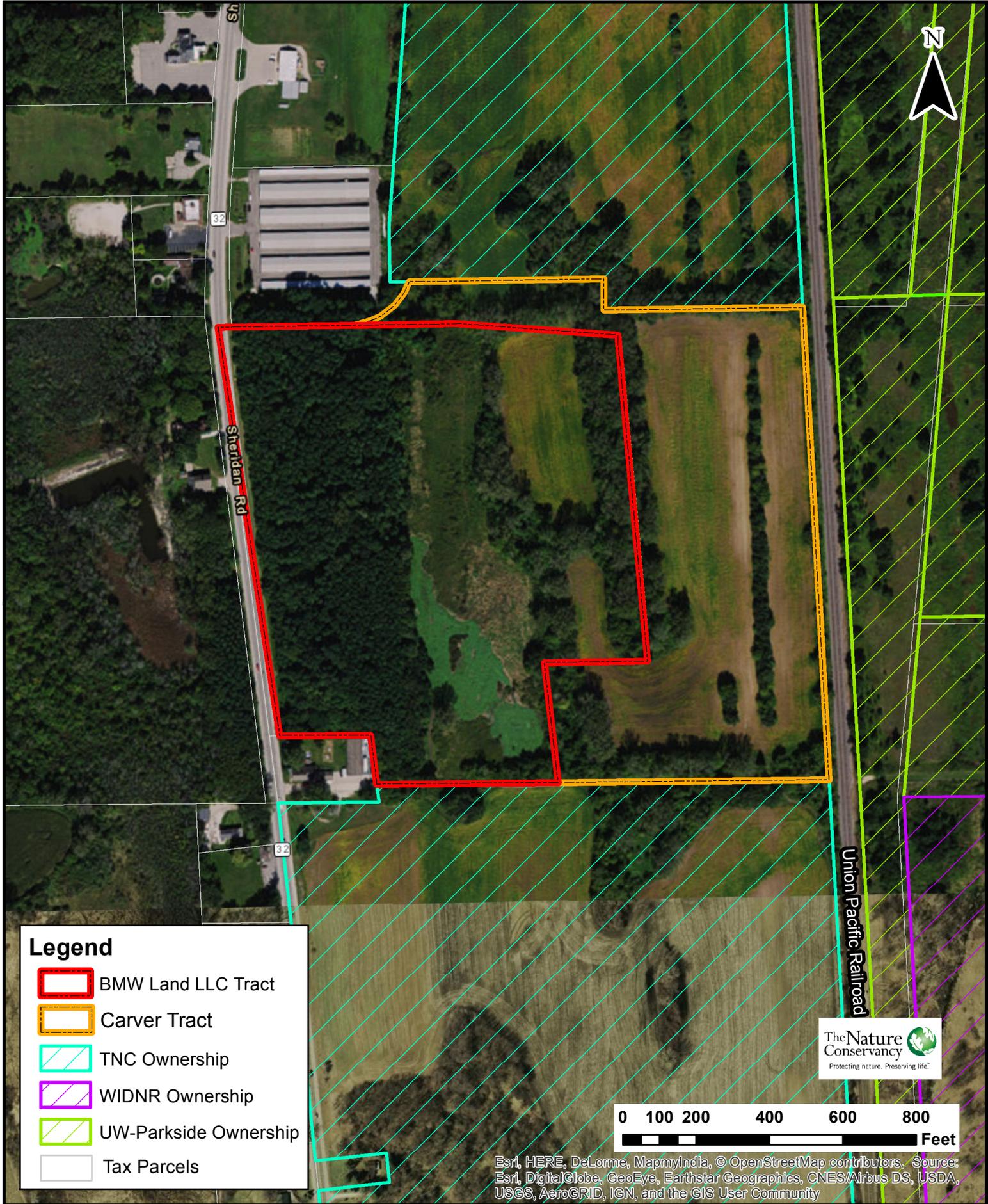
0 250 500 1,000 1,500 2,000 Feet

## Legend

-  TNC Acquisition Boundary
-  BMW Land LLC Tract
-  Carver Tract
-  TNC Ownership
-  WI DNR Ownership
-  UW-Parkside Ownership
-  Village of Pleasant Prairie Ownership
-  Kenosha County Ownership
-  Illinois State Ownership
-  County Boundaries
-  Roads
-  Railroad

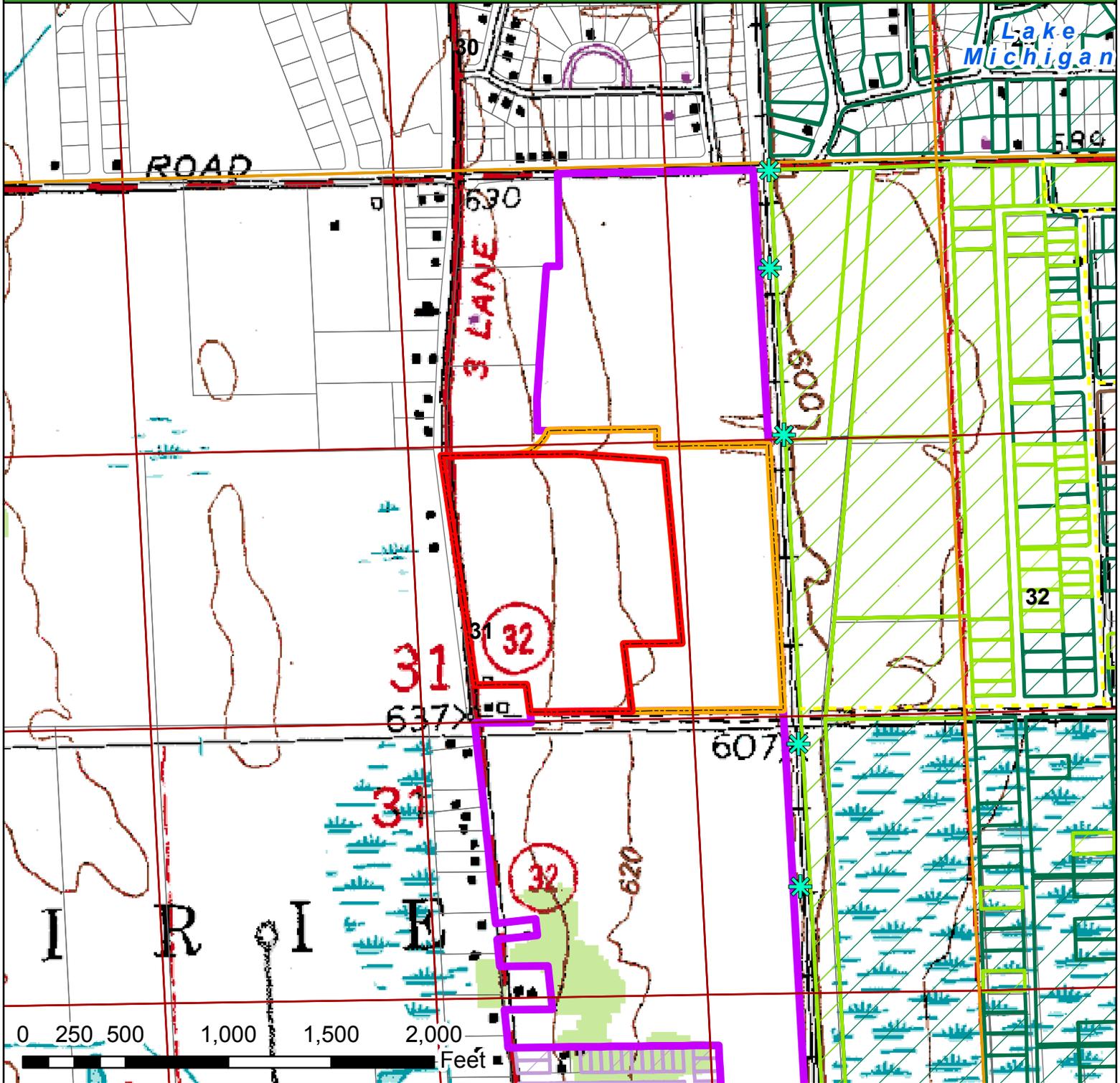
Area of Detail at Left

# BMW Land LLC and Carver Tracts - Aerial Map



Esri, HERE, DeLorme, MapmyIndia, © OpenStreetMap contributors, Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

# BMW Land LLC and Carver Tracts - Topographic Map



## Legend

- BMW Land LLC Tract
- Carver Tract
- TNC Ownership
- WIDNR Ownership
- UW-Parkside Ownership
- Kenosha County Ownership
- ✱ Culverts  
(drain west-east under railroad tracks)







