

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

FOR: May 2014 BOARD MEETING

TO BE PRESENTED BY: Douglas J. Haag

SUMMARY: The Department has obtained an option to purchase 185.6 acres of land from Bell Lumber and Pole Company for \$222,000 for the Governor Knowles State Forest in Burnett County. The item is being submitted because Purchase price exceeds \$150,000.

The subject property is located in northern Burnett County in West Swiss Township and lies entirely within the project boundary of Governor Knowles State Forest. The parcel sits on a plateau and adjoins private land on all sides, with the exception of the north boundary which connects to National Park Service (NPS) property. NPS ownership consists of an approximate 400 foot wide strip that abuts the St. Croix River. The north 93 acres of the subject property are encumbered by a scenic easement held by the NPS. This easement restricts use and development of that acreage, but does allow for timber cuts. The subject lies within ¼ mile of current state forest ownership. Acquisition of this property will initiate efforts toward blocking in expansion area # 1 as described in the recently approved State Forest master plan.

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, as well as 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 relatively level with dry, upland timber types. Dominant cover type consists of aspen, with maple and white pine as a secondary species. The aspen and pine timber types are well suited for the site and are productive. The property overlooks the St. Croix River and offers not only access to the St. Croix River through the adjacent NPS land, but also scenic views of the riverway. Two small open water wetlands are located on the northwest part of the parcel. Approximately 1 mile of woods roads and trails are established on the subject. The woods trail extends from the southeast corner of the property, north and west into the north central portion of the subject.

The proximity of the parcel to the St. Croix River combined with the nearby public lands makes this area very attractive to outdoor enthusiasts. Elsewhere on the state forest, hiking trails parallel the St. Croix River, meandering between the state forest and NPS lands. If acquired, the Department will explore development of a trail system on this north end of the forest. Development of a trail connection to the Village of Danbury will create both an economic benefit for the area and a desired destination for hikers.

The Bell Lumber and Pole Company tract offers excellent recreational opportunities to the public. It connects to federal land that directly connects to the St. Croix River and it provides opportunities to expand trail connections northerly and route the trail into the Village of Danbury. The Department recommends approval of this property acquisition to allow natural resources management and an opportunity to build contiguous land connections that render the forest more viable for public recreational opportunities and resource management.

RECOMMENDATION: That the Board approve the purchase of 185.6 acres of land from Bell Lumber and Pole Company for \$222,000 for the Governor Knowles State Forest in Burnett County.

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 |

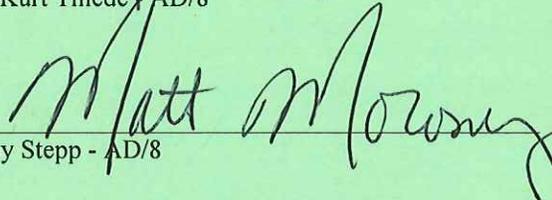
APPROVED:


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

5-25-14
Date


Administrator, Kurt Thiede - AD/8

4-28-14
Date


Secretary, Cathy Stepp - AD/8

4/28/14
Date

- cc: S. Miller - LF/6
D. Haag - LF/6
L. Ross - AD/8
T. Marty - FR/4
P. Bruggink - NOD - WOODRUFF

CORRESPONDENCE/MEMORANDUM

DATE: April 24, 2014 FILE REF: NF 30098
 TO: Scott Walker
 FROM: Cathy Stepp
 SUBJECT: Proposed Land Acquisition, Bell Lumber and Pole Company Tract, File # NF 30098,
 Option Expires August 13, 2014

1. PARCEL DESCRIPTION:

Governor Knowles State Forest
 Burnett County

Grantor:

Bell Lumber and Pole Company
 c/o Attorney Jim Yarosh
 100 Washington Ave S.-- Suite 1300
 Minneapolis, MN 55401

Acres: 185.6Price: \$222,000Appraised Value: \$194,000 (Olson); \$297,000 (Karl); \$222,000 (Wolter)Interest: Fee TitleImprovements: NoneLocation: The property is located 1 mile north of Danbury in Burnett County.Land Description: The subject land is general level and well drained with the exception of a strip that borders the St. Croix River valley, which begins to slope downward.Covertypes Breakdown:

Type	Acreage
Upland Woodland	185.6
Total:	185.

Zoning: Recreation/Residential (RR-3)Present Use: RecreationProposed Use: Public RecreationTenure: 17 yearsProperty Taxes: \$3487.76Option Date: April 15, 2014

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 subject property is located in northern Burnett County in West Swiss Township and lies entirely within the project boundary of Governor Knowles State Forest. The parcel sits on a plateau and adjoins private land on all sides, with the exception of the north boundary which connects to National Park Service (NPS) property. NPS ownership consists of an approximate 400 foot wide strip that abuts the St. Croix River. The north 93 acres of

the subject property are encumbered by a scenic easement held by the NPS. This easement restricts use and development of that acreage, but does allow for timber cuts. The subject lies within ¼ mile of current state forest ownership. Acquisition of this property will initiate efforts toward blocking in expansion area # 1 as described in the recently approved State Forest master plan.

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, as well as 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 relatively level with dry, upland timber types. Dominant cover type consists of aspen, with maple and white pine as a secondary species. The aspen and pine timber types are well suited for the site and are productive. The property overlooks the St. Croix River and offers not only access to the St. Croix River through the adjacent NPS land, but also scenic views of the riverway. Two small open water wetlands are located on the northwest part of the parcel. Approximately 1 mile of woods roads and trails are established on the subject. The woods trail extends from the southeast corner of the property, north and west into the north central portion of the subject. The woods road provides drivable, seasonal access.

The proximity of the parcel to the St. Croix River combined with the surrounding and nearby public lands makes this area very attractive to outdoor enthusiasts. Elsewhere on the state forest, hiking trails parallel the St. Croix River, meandering between the state forest and NPS lands. If acquired, the Department will explore development of a trail system on this north end of the forest. Development of a trail connection to the Village of Danbury will create both an economic benefit for the area and a desired destination for hikers.

Along with enhancing the property for recreational opportunities and enjoyment, the Department will also continue to manage the property for forest production. The timber types found on this parcel provide exceptional upland game habitat, making the property a popular destination for hunting. Approximately 45 acres of this parcel had been in productive pine.

The Bell Lumber and Pole Company tract offers excellent recreational use opportunities to the public. It connects to federal land that directly connects to the St. Croix River and it provides opportunities to expand trail connections northerly and route the trail into the Village of Danbury, thereby creating an economic benefit to the local community. The Department recommends approval of this property acquisition to allow natural resources management and an opportunity to build contiguous land connections that render the forest more viable for public recreational opportunities and resource management.

3. LAND MANAGEMENT:

Department staff will explore development of a trail system on this north end of the forest. Development of a trail connection to the Village of Danbury will create both an economic benefit for the area and a desired destination for hikers. The Department will continue to manage the property for forest production. Approximately 45 acres of this parcel had been in productive pine. In 2011 the red pine was harvested due to storm damage that occurred on July 1, 2011. The red pine stands are now stocked with variable densities of natural red pine seedlings and saplings in an area that has tremendous potential to grow high quality pole timber. The remainder of the property consists of aspen stands that were harvested in the late 1980's and early 1990's. Those stands are now well stocked with aspen and other hardwood forest types that will be ready for harvest in the late 2030's. Using present stumpage estimates, the aspen harvests are expected to gross roughly \$1,000 per acre at the next harvest.

4. FINANCING:

State Stewardship bond funds are anticipated:

Funds allotted to program:	Balance after proposed transaction:
\$825,000	\$169,178

5. ACQUISITION STATUS OF THE GOVERNOR KNOWLES STATE FOREST:

Established: 1970
Acres Purchased to Date: 20,505.01
Acquisition Goal: 30,175.00
Percent Complete: 67.95 %
Cost to Date: \$4,910,698.84

6. APPRAISAL 1:

Appraiser: Ronald P. Olson
Valuation Date: March 3, 2014
Appraised Value: \$194,000
Highest and Best Use: Recreational
Allocation of Values:

- a. land: 185.6 acres @ \$1,048.65 per acre: \$194,000
- b. market data approach used, 4 comparable sales cited
- c. adjusted value range: \$1,000 - \$1,130 per acre

Appraisal Review:
Peter Wolter Date: 3/28/2014

APPRAISAL 2:

Appraiser: Robert Karl
Valuation Date: March 12, 2014
Appraised Value: \$297,000
Highest and Best Use: Recreational with future large parcel residential use
Allocation of Values:

- a. land: 185.06 @ \$1,600.22 per acre: \$297,000
- b. market data approach used, 4 comparable sales cited
- c. adjusted value range: \$1,200 - \$1,800 per acre

Appraisal Review:
Peter Wolter Date: 3/28/2014

APPRAISAL 3: REVIEWER'S OPINION OF VALUE:

Appraiser: Peter Wolter
Valuation Date: March 4, 2014
Appraised Value: \$222,000
Highest and Best Use: Recreational
Allocation of Values:

- a. land: 185.6 @ \$1,196.12 per acre: \$222,000
- b. market data approach used, 4 comparable sales cited
- c. adjusted value range: \$1,050 - \$1,482 per acre

Comments: The opinion of value was based on the selection and analysis of the sales in the Ronald P. Olson report as they seemed more appropriate

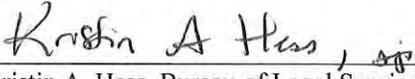
RECOMMENDED:



Douglas J Haag, Deputy Facilities and Lands Bureau Director

5-25-14

Date



Kristin A. Hess, Bureau of Legal Services

4/24/14

Date



Kurt Thiede, Land Division Administrator

4/28/14

Date

**Bell Lumber & Pole
Company, a Minnesota
Corporation - Fee
Governor Knowles
State Forest
NF 30098**

T41N R16W Sec 20
Town of Swiss
Burnett County



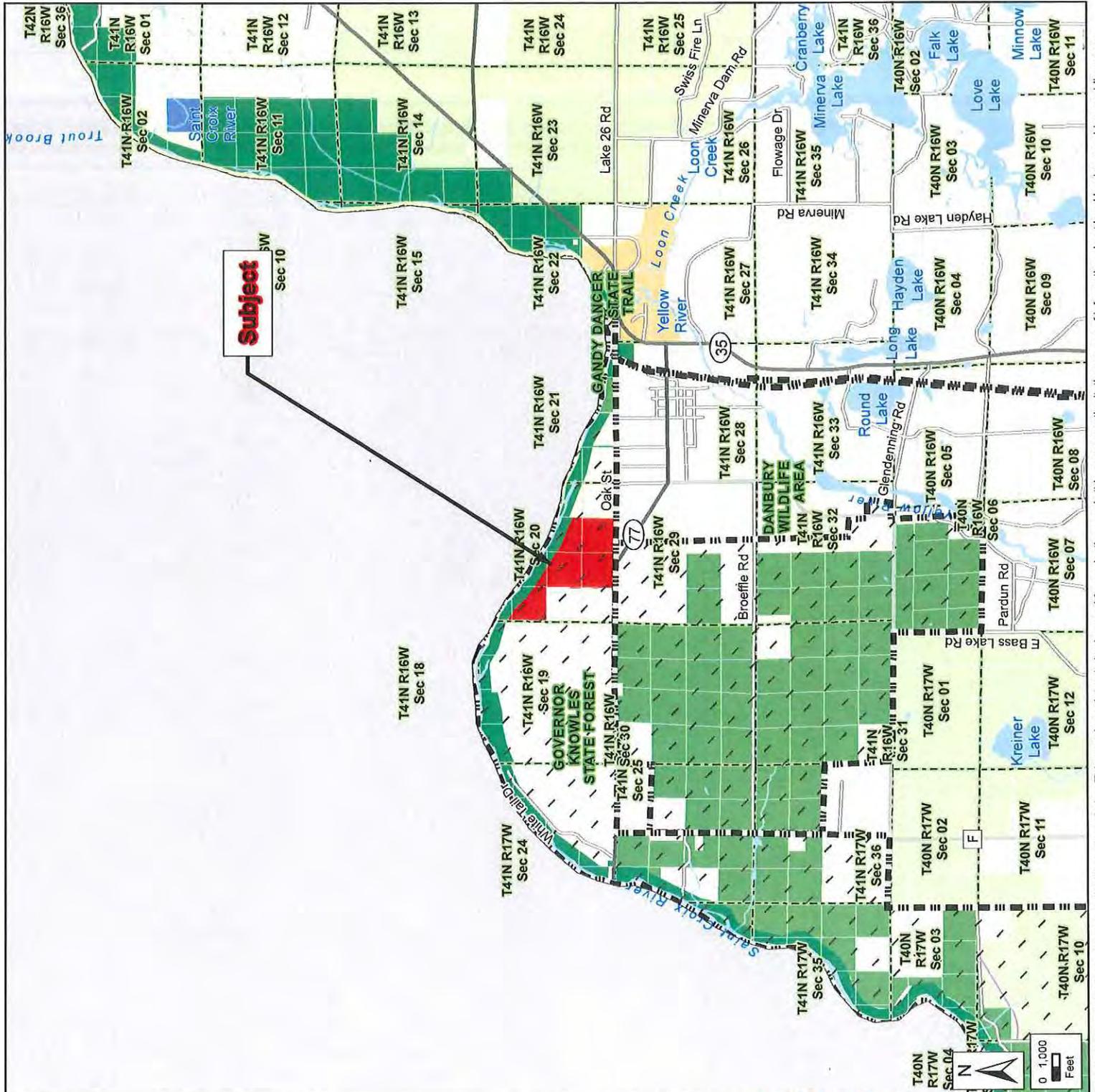
- DNR Fee Title
- DNR Easement
- DNR Easement (Closed to Public Access)
- DNR Project Boundary

- County Forest
- Tribal Land
- Board of Commissioners of Public Lands
- National Park Service
- Recreation Trail
- PLSS Section Line
- QQ Section Boundary



Location of Property

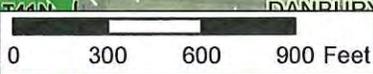
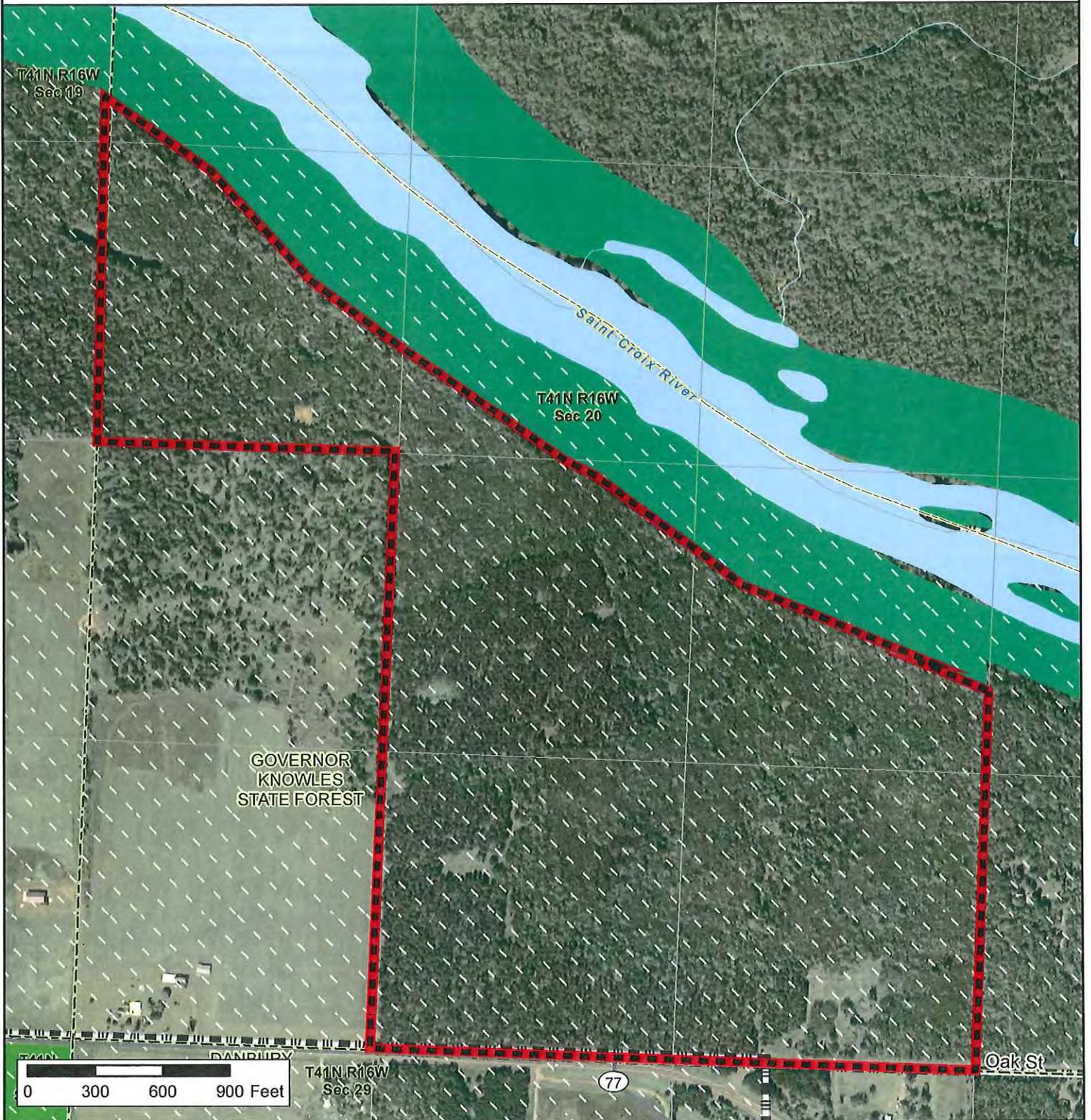
WISCONSIN DEPARTMENT OF NATURAL RESOURCES
Bureau of Facilities of Lands
Map Created: Apr 21, 2014 kmh



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Bell Lumber & Pole Company, a Minnesota Corporation - Fee

T41N R16W Sec 20, Town of Swiss, Burnett County



Governor Knowles State Forest

 **Subject**

-  DNR Fee Title Land
-  --- Section Line
-  DNR Project Boundary
-  □ QQ Section Lines
-  National Park Service



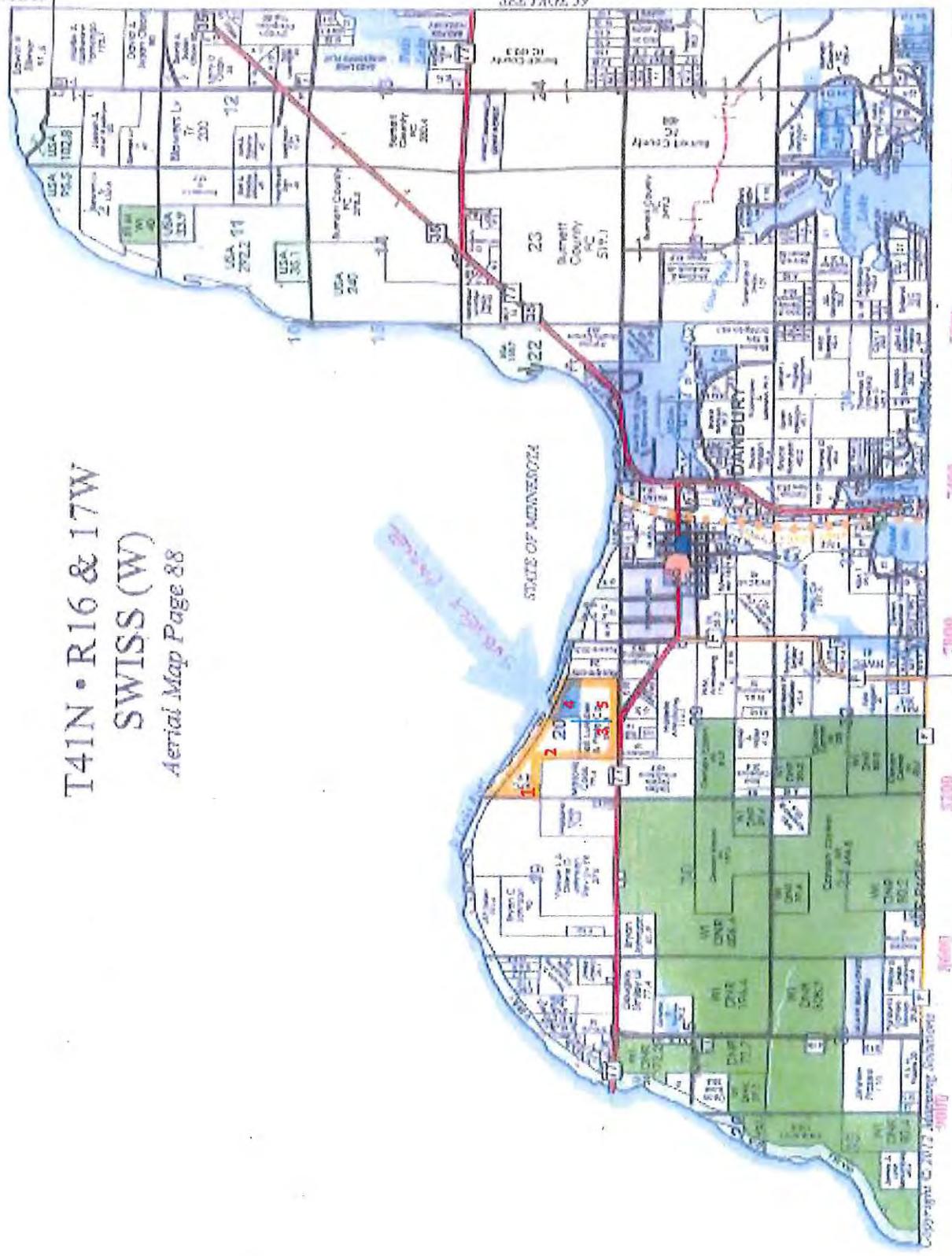
 Apr 21, 2014 kmh
 Real Estate Section
 Bureau of Facilities and Lands



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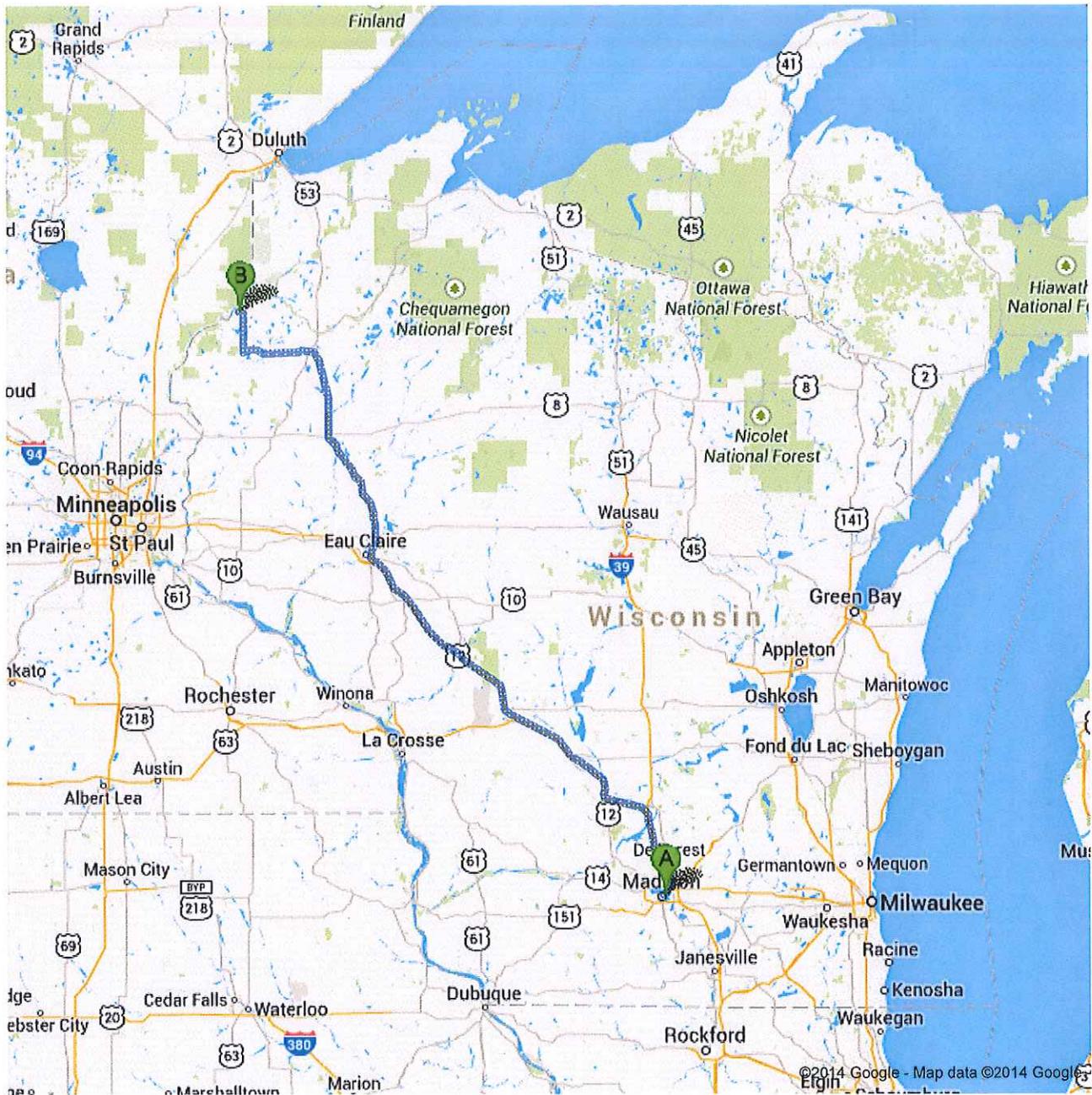
32000 31600 31200 30800 30400 30000 29600
SEE PAGE 87 SEE PAGE 89

T41N • R16 & 17W
SWISS (W)
Aerial Map Page 88





Directions to WI-77 W
294 mi – about 4 hours 38 mins



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 101 S Webster St, Madison, WI 53703



1. Head **northwest** on **S Webster St** toward **E Main St**

go 0.1 mi
total 0.1 mi



2. Take the 2nd right onto **E Washington Ave**
About 8 mins

go 4.1 mi
total 4.2 mi



3. Turn left onto **US-51 N/N Stoughton Rd**
Continue to follow US-51 N
About 6 mins

go 4.4 mi
total 8.6 mi



4. Take the ramp onto **I-39 N/I-90 W/I-94 W**
About 21 mins

go 23.7 mi
total 32.2 mi



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5. Keep left to continue on **I-94 W**
About 2 hours 2 mins



go 139 mi
total 172 mi



6. Take exit **70** for **US-53 N** toward **Eau Claire**
About 47 secs



go 0.6 mi
total 172 mi



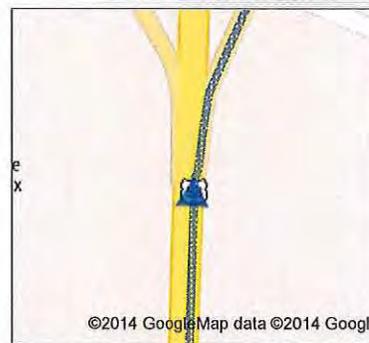
7. Slight right onto **US-53 N**
About 1 hour 12 mins



go 80.7 mi
total 253 mi



8. Take the **WI-70** exit toward **Spoooner/Stone Lake**



go 0.3 mi
total 253 mi



9. Turn left onto **WI-70 W/WI-70 Trunk W**
About 28 mins



go 25.5 mi
total 279 mi

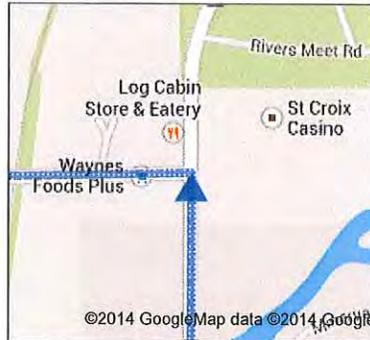
13

- 35 10. Turn right onto **WI-35 N**
About 16 mins



go 13.3 mi
total 292 mi

- 77 11. Turn left onto **WI-77 W**
About 3 mins



go 1.6 mi
total 294 mi

B WI-77 W



These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

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