

**SUBJECT: LAND ACQUISITION AND PROJECT BOUNDARY MODIFICATION – LOWER WISCONSIN STATE RIVERWAY – DANE COUNTY**

**FOR: DECEMBER 2008 BOARD MEETING**

**TO BE PRESENTED BY:** Richard Steffes

**SUMMARY:** The Department has obtained an agreement to purchase 160.50 acres of land from 7A Farms, LLC for \$658,050 for the Lower Wisconsin State Riverway in Dane County. The item is being submitted because the purchase price exceeds \$150,000 and because the \$4,100 per acre purchase price is based on the per-acre price of the whole property, but which exceeds the highest appraised value assigned to the Department's portion by \$68,050. Forty acres of the parcel are outside of the project boundary.

The purchase of this tract is part of a long and cooperative effort with Dane County and other conservation partners. Dane County was successful in optioning the complete 1,071-acre 7A Farms, LLC property and has agreed to assign its purchase rights to the Department for the 160.5 acres on the west end of the ownership. The parcel includes 2,000 feet of frontage along the southern bank of the Wisconsin River and is bordered by state-owned lands along three sides. The overall purchase price is at \$4,100 per acre and that is its asking price for the portion to be conveyed to the state. It is noted that after state purchase of the 160.5 acres on the Wisconsin River, the county will own 910.5 acres, which will be open for public hunting. The Department highly values public access for hunting and this is especially needed in southern Wisconsin.

The property is primarily bottomland hardwoods in the floodplain of the Wisconsin River. The area is part of the Mazomanie Bottoms Natural Area, a large area of Wisconsin River floodplain forest dissected by old river channels that are dry except during periodic floods. The forest harbors thousands of migrating birds. Nesting birds include these uncommon species: warblers, winter wren, and brown creeper. The site has a large woodpecker population and is used in winter by bald eagles.

The Department and the county will work together to restore a large 400-acre wetland on lands the county will be retaining and manage the entire 7A Farms acquisition. The south-central part of the land to be purchased by the county adjoins Walking Iron County Park. County plans call for hiking and horse trail connections from Walking Iron Park to the Blackhawk Ridge Unit of the Riverway, which is three miles northeast of this parcel. Parts of those trails may be on department land.

The Lower Wisconsin State Riverway (LWSR) was formed by combining nine existing wildlife areas along the Wisconsin River between Prairie du Chien and Sauk City as well as some additional lands to close separations between the wildlife area boundaries. The goals of the LWSR are to protect scenic lands along the river, enhance wildlife habitat and to meet the recreational the needs of the public. A cooperative effort between citizens, environmental groups, elected officials and the Department ended successfully with the passage of the law establishing the Lower Wisconsin State Riverway and the Lower Wisconsin State Riverway Board about 20 years ago.

**RECOMMENDATION:** That the Board approve the purchase of 160.5 acres of land for \$658,050 for the Lower Wisconsin State River and modification of the project boundary to include the parcel.

**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 |

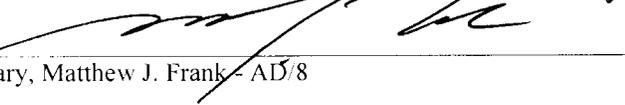
**APPROVED:**

  
Real Estate Director, Richard E. Steffes - LF/6

11-21-08  
Date

  
Administrator, Laurie Osterndorf - AD/8

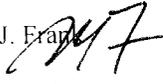
11/21/08  
Date

  
Secretary, Matthew J. Frank - AD/8

11/29/08  
Date

- |                      |                          |
|----------------------|--------------------------|
| cc: S. Miller – LF/6 | L. Ross – AD/8           |
| R. Steffes – LF/6    | L. Eagan – SCR/Fitchburg |

## CORRESPONDENCE/MEMORANDUM

DATE: November 21, 2008  
 TO: Governor Doyle  
 FROM: Matthew J. Frank   
 SUBJECT: Proposed Land Acquisition, 7A Farms, LLC Tract, File # WR 70014,  
 Option Expires December 28, 2008

FILE REF: WR 70014

1. PARCEL DESCRIPTION:

Lower Wisconsin State Riverway  
 Dane County

Grantor:

7A Farms, LLC  
 844 South Washington Street  
 Hinsdale, IL 60521

Acres: 160.50Price: \$658,050\*Appraised Value: \$560,000 (Mike Augustyn); \$590,000 (Michael Stone)Interest: Fee TitleImprovements: None

Location: The property is located in northwestern Dane County about one mile north of Mazomanie, seven miles southwest of Sauk City and 16 miles northwest of the City of Madison in the Town of Mazomanie.

Land Description: The subject land is fairly level to gently rolling.

Water Resources: The subject has about 2,000 feet of frontage along the southern bank of the Wisconsin River.

<u>Covertypes Breakdown:</u>	Type:	Acreage:
	Lowland/Woodland	160.50

Zoning: AgriculturePresent Use: Agriculture/RecreationProposed Use: Resource Protection and RecreationTenure: 6 yearsDate of Accepted Offer: October 2, 2008

Stewardship Land Access: This property will be open to the public for all nature-based outdoor recreational activities to include hunting, fishing, trapping and cross-country skiing.

Comment: The county has received an accepted offer to purchase the whole ownership of 1,071 acres for \$4,387,000. This is considered to be a price of \$4,100 per acre. The county has assigned its purchase rights to the Department for the westerly 160.5 acres, the portion needed for the Lower Wisconsin River project at \$4,100 per acre.

2. JUSTIFICATION:

The Department proposes to purchase the 160.5-acre 7A Farms, LLC tract that is located in the Town of Mazomanie in Dane County about 16 miles northwest of the City of Madison for the Lower Wisconsin State Riverway. About 40 acres of the 160.5 fall outside of the project boundary. The parcel, that includes 2,000 feet of frontage along the southern bank of the Wisconsin River, is bordered by

state-owned lands along three sides and by Dane County-owned lands along the east edge of the property. The purchase of this tract is part of a long and cooperative effort with Dane County and other conservation partners. Dane County was successful in optioning the complete 1,071-acre 7A Farms, LLC property, which has a 1.75-mile common boundary on its north side with department land. The county has assigned purchase rights on the westerly 160.5 acres to the Department for their purchase price. The Department's portion was not separately appraised until after a purchase agreement was reached because the owner would only consider a sale of the property as one parcel. The Department proposes to pay the price per acre of the whole property in a cooperative effort to acquire and manage this large property for conservation purposes. It is noted that after state purchase of the 160.5 acres on the Wisconsin River, the county will own 910.5 acres, which will be open for public hunting. The Department highly values public access for hunting and this is especially needed in southern Wisconsin.

The property is primarily bottomland hardwoods in the floodplain of the Wisconsin River. The area is part of the Mazomanie Bottoms Natural Area, a large area of Wisconsin River floodplain forest dissected by old river channels that are dry except during periodic floods. The forest harbors thousands of migrating birds. Nesting birds include these uncommon species: warblers, winter wren, and brown creeper. The site has a large woodpecker population and is used in winter by bald eagles.

The Department proposes to acquire 160.5 acres of that from 7A Farms by assignment of part of the county purchase agreement. The Department and the county will work together to restore a large 400-acre wetland on lands the county will be retaining and to manage the entire 7A Farms acquisition. The remaining county land adjoins Walking Iron County Park. County plans call for hiking and horse trail connections from Walking Iron Park to the Blackhawk Ridge Unit of the Riverway, which is three miles northeast of this parcel. Parts of those trails may be on department land.

The Lower Wisconsin State Riverway was formed by combining nine existing wildlife areas along the Wisconsin River between Prairie du Chien and Sauk City as well as some additional lands to close separations between the wildlife area boundaries. The goals of the LWSR are to protect scenic lands along the river, enhance wildlife habitat and to meet the recreational needs of the public. A cooperative effort between citizens, environmental groups, elected officials and the Department ended successfully with the passage of the law establishing the Lower Wisconsin State Riverway and the Lower Wisconsin State Riverway Board.

The Department recommends acquisition of the 160.5 parcel to provide opportunities for public recreation, to allow natural resource management, to consolidate state ownership, to prevent development incompatible with the goals of the project, and to preserve the natural condition of the Lower Wisconsin Riverway.

3. FINANCING:

State Stewardship bond funds are anticipated:

Funds allotted to program:	Balance after proposed transaction:
\$2,400,000	\$43,202

4. ACQUISITION STATUS OF THE LOWER WISCONSIN STATE RIVERWAY:

Established: 1989  
Acres Purchased to Date: 51,946.76  
Acquisition Goal: 78,855.00  
Percent Complete: 65.88  
Cost to Date: \$23,440,536.58

5. APPRAISALS:

5a. Appraiser: Michael Stone -- (Private Appraiser)  
Valuation Date: June 30, 2008 with amendment on October 27, 2008  
Appraised Value: \$590,000  
Highest and Best Use: Agriculture

Allocation of Values:

- a. land: 160.5 acres @ \$3,676 per acre: \$590,000
- b. market data approach used. five comparable sales cited
- c. adjusted value range: \$3,624 to \$4,213

Reviewed by: Greg Delwiche

- 5b. Appraiser: Michael Augustyn - (Private Appraiser)
- Valuation Date: June 27, 2008 with amendment on October 15, 2008
- Appraised Value: \$560,000
- Highest and Best Use: Agriculture ancillary uses of recreation and rural development

Allocation of Values:

- a. land: 160.50 acres @ \$3,500 per acre: \$560,000 (Rounded)
- b. market data approach used. four comparable sales cited
- c. adjusted value range: \$3,898 to \$5,046

Reviewed by: Greg Delwiche

Comment: Stone appraised the entire 1,071-acre ownership at \$4,391,000 (\$4,100 per acre). Augustyn appraised the 1,071 acres for \$4,200,000 (\$3,922 per acre). The Department asked the appraisers to allocate value for the portion to be acquired by the state and this came in slightly lower due to lower wet soils on the land along the river.

It is the Department's understanding that the county will seek Stewardship grant funds for 50% of its costs based on the approved appraisal by Augustyn at \$3,922 per acre in FY10.

RECOMMENDED:

Richard E. Steffes

Date

Joseph W. Remick  
Bureau of Legal Services

Date

11/21/08

Laurie Osterndorf

Date

11/21/08

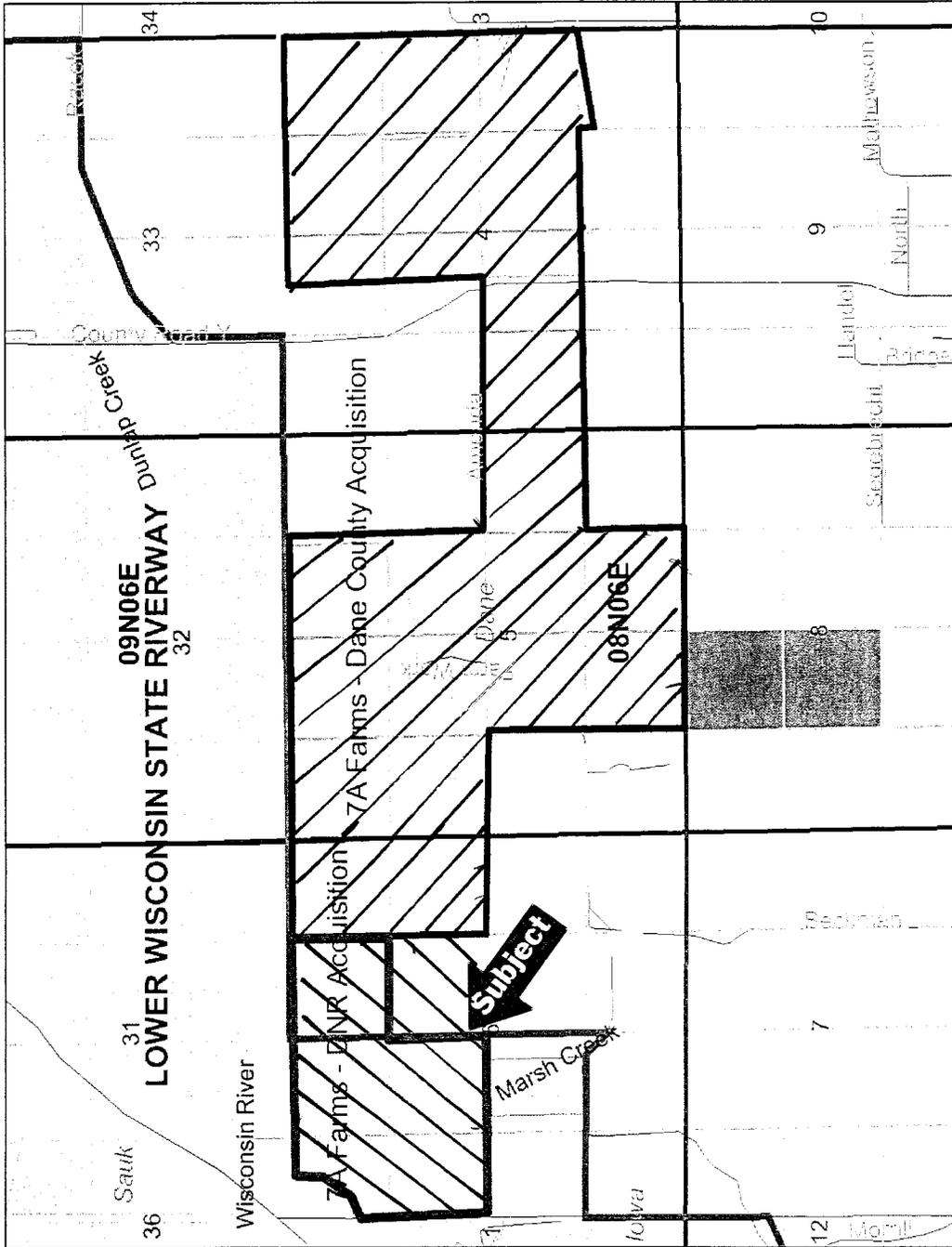
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# 7A Farms Acquisition



### Legend

- County Boundary
- Project Boundary
- PLSS Townships
- PLSS Sections
- PLSS Q-Q Sections
- 24K Open Water
- Stewardship Grants
- DNR Managed Lands
- Fee
- Easement
- Lease



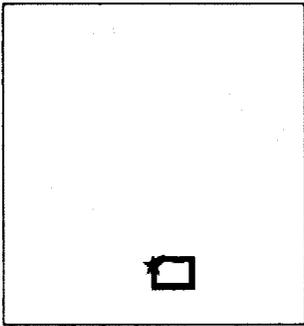
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# 7A Farms, LLC Property or Dane County Parks

SHR 6 - Section 6 Town of Mazomanie, Dane County



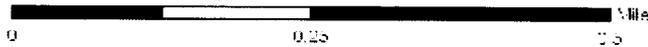
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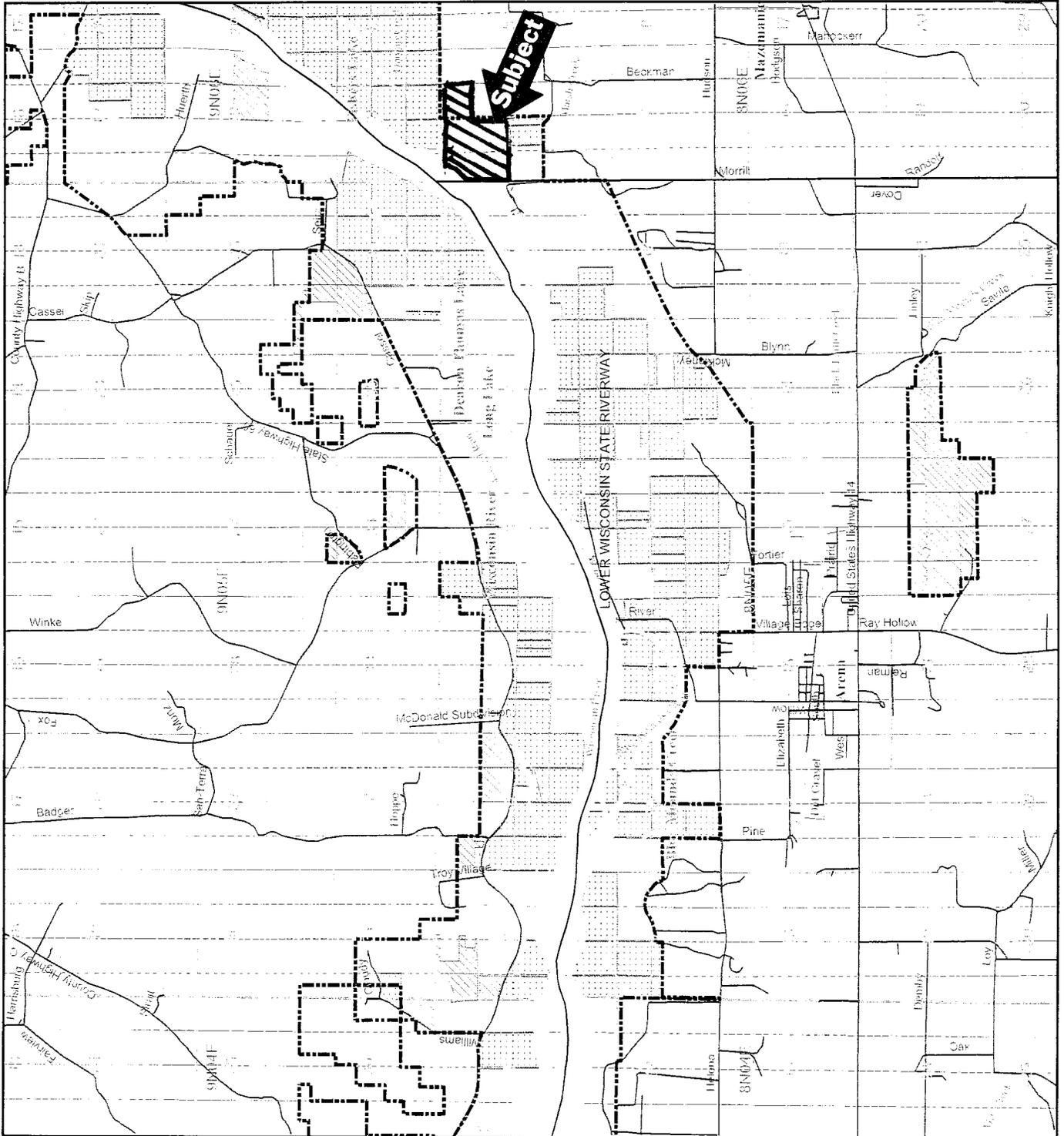
 Subject Property  
DNR Owned

AMENDA RD



Created by Bureau of Facilities and Lands  
The Estate Section  
November 5, 2000





# LOWER WISCONSIN STATE RIVERWAY

Iowa and Sauk County  
Arena Area

STATE OF WISCONSIN  
DEPARTMENT OF  
NATURAL RESOURCES

Bureau of  
Facilities and Lands  
February 9, 2004

-  Project Boundary
-  WDNR Owned
-  WDNR Easement
-  WDNR Lease



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This data set does not differentiate between lands that are open or closed to the public for hunting and/or general public access. Some lands represented in this data set may not be open to the general public, or may have restrictions on public use. This data set is not intended to be used for legal purposes. It is not intended to be used for legal purposes. It is not intended to be used for legal purposes.

For information about this data set, contact the Bureau of Facilities and Lands at the address of the Bureau, contact the Bureau of Facilities and Lands at the following internet site:

<http://www.dnr.state.wi.us/org/casels/size/infocall.htm>

Updates to this data set are ongoing, and will be incorporated into future versions when available.