

SUBJECT: LAND ACQUISITION – STATEWIDE PUBLIC ACCESS – SAUK COUNTY

FOR: JANUARY 2008 BOARD MEETING

TO BE PRESENTED BY: Richard Steffes

SUMMARY: The Department has obtained an option to purchase 1.1-acre of land from Shar Pen, Inc., for \$500,000 for the Statewide Public Access in Sauk County. The item is being submitted because the purchase price exceeds \$150,000.

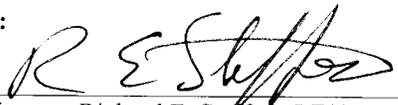
The parcel is located in the Village of Lake Delton on the Wisconsin River at the confluence with Dell Creek. The Department and the Village of Lake Delton are working together to provide a boat launch on the Wisconsin River in the Lower Dells area. This area is popular for fishing in part due to an early spring season for walleyes that migrate upstream to the nearby Killborn Dam. Existing development and topography along the river makes siting a boat access extremely difficult. The village was able to secure an option to purchase a 5.6-acre site on the Wisconsin River. Under the proposal, the Department would be acquiring about 1.1 acres and the village would acquire 4.5 acres for a local park with the assistance of a grant from the Stewardship program. Plans are to jointly develop parking for as many as 50 vehicle/trailer units. Purchase of this site will also help preserve the scenic nature of the Lower Dells and prevent incompatible development of the site. Each year thousands of tourists take commercial boat tours of the Lower Dells to enjoy the scenic beauty of the river and its sandstone bluff shorelines. Purchase of the site will help protect the shoreline and will allow public access to the shoreline for fishing and other outdoor related activities.

RECOMMENDATION: That the Board approve the purchase of 1.1 acres of land for \$500,000 for the Statewide Public Access.

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 |

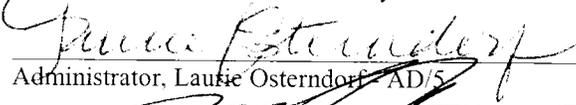
APPROVED:



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

12-28-07

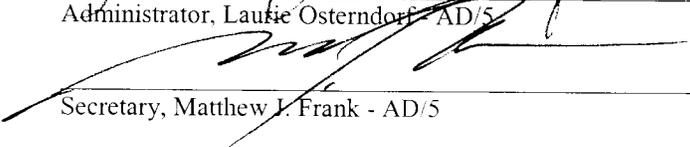
Date



Administrator, Laurie Osterndorf - AD/5

12/38/07

Date



Secretary, Matthew J. Frank - AD/5

1/3/08

Date

- cc: S. Miller – LF/6
 R. Steffes – LF/6
 L. Ross – AD/5
 M. Staggs – FH/4
 L. Eagan – SCR/Fitchburg

DATE: December 28, 2007
 TO: Governor Doyle
 FROM: Matthew J. Frank
 SUBJECT: Proposed Land Acquisition. Shar Pen, Inc. Tract, File # FI-2888,
 Approval is Requested By February 21, 2008

FILE REF: FI-2888

1. PARCEL DESCRIPTION:

Statewide Public Access
 Sauk County

Grantor:

Shar Pen, Inc.
 ATTN: Todd Nelson, Jr.
 P.O. Box 590
 Wisconsin Dells, WI 53965

Acres: 1.1
Price: \$500,000
Appraised Value: \$550,000; \$382,000
Interest: Purchase in fee.
Improvements: None

Location: The tract is located on the Wisconsin River in the Village of Lake Delton in the northeastern part of Sauk County.

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

Water Resources: The site includes about 85 feet of frontage along the southwest bank of the Wisconsin River just downstream of the confluence with Dell Creek.

<u>Covertypes Breakdown:</u>	<u>Type</u>	<u>Acreage</u>
	Grass	1.1

Zoning: Commercial

Present Use: Investment Property

Proposed Use: Public Access to the Wisconsin River

Tenure: 2 years. The current owner purchased 5.6 acres at this location on September 6, 2005 at a cost of \$1,700,000. He subsequently spent between \$200,000 and \$250,000 to remove the buildings of the former Newport Resort. The village has approved the owner's plan for development of 40 condominiums. However, the owner will forego development plans if he can complete a sale to the Department and the village.

Property Taxes: \$13,041

Option Date: December 7, 2007

2. JUSTIFICATION:

The Department proposes to purchase a 1.1-acre parcel from Shar Pen, Inc., in the Village of Lake Delton to develop a public access site on the Wisconsin River. The Department and the Village of Lake Delton

are working together to provide a boat launch on the Wisconsin River in the Lower Dells area. This area is very popular for fishing. The village was able to secure an option to purchase a 5.6-acre site with a total of 784 feet on the Wisconsin River. Under the proposal, the Department would be acquiring about 1.1 acres and the village would acquire 4.5 acres for a local park with the assistance of a grant from the Department. Plans are to develop parking for as many as 50 vehicle/trailer units. It is anticipated the parking area will straddle both village and department ownerships to service public users of either parcel. Purchase of this site will help preserve the scenic nature of the Lower Dells and prevent incompatible development of the site. Each year thousands of tourists take commercial boat tours of the Lower Dells to enjoy the scenic beauty of the river and its sandstone bluff shorelines. Purchase of the site will help protect the shoreline and will allow public access to the shoreline for fishing and other outdoor related activities.

The Statewide Public Access program provides public access to the state's surface water resources. Sites are acquired for boat and canoe landings and related uses such as parking lots, bank fishing, and access to lakes, rivers and streams. This property is immediately adjacent to the Dells of the Wisconsin River State Natural Area that lies just upstream and across the river from the site.

The river below the Wisconsin Dells dam is a popular fishing area in winter and spring when most lakes are frozen over. The river here stays open and fish congregate in the section of the river below the dam. Most fishing occurs when tourist visitation to the Dells resort area is at a seasonal low, although fishing and boating occur year round. There is only one small landing in this section of the river, which is located next to this property and is part of a resort. The resort has limited parking and future loss of the landing is a real possibility. A similar resort-based landing less than a ¼-mile downstream was lost when that resort was converted to condominium use. The next boat landings are 4 miles downstream, but they are difficult to use because of the need to navigate upstream through shifting sandbars and shallow depths, which makes the trip difficult in winter and early spring when water levels can be low. These landings are also far from the general access routes to the area. These landings are small town road-end landings with no facilities.

The village and the Department would work cooperatively to develop and manage the site based on a Memorandum of Understanding. The landing ramp and access drive and some of the parking are planned for the Department part of the site, but most of the parking will be on the village part. Restrooms and a fish cleaning station would likely be on the village site. The village will manage the landing in association with their existing village parks. The village owns and manages a boat landing on Lake Delton and owns a village park just across the road and north of Dell Creek from this site. That site is too steep for use as a boat landing.

The Department recommends the acquisition of this purchase to provide much-needed public access to the Wisconsin River in the Lower Dells area for boating and fishing and to protect the scenic qualities of the river.

3. FINANCING:

State Stewardship bond funds are anticipated:

Funds allotted to program:	Balance after proposed transaction:
\$2,100,000	\$85,561

4. ACQUISITION STATUS OF THE STATEWIDE PUBLIC ACCESS:

Established: 1969
Acres Purchased to Date: 1,138.19
Acquisition Goal: 838.65 Acres
Percent Complete: 135.7%
Cost to Date: \$7,905,432

5a. APPRAISALS:

Appraiser: James Koch and Karen Scott (Private Appraisers)

Valuation Date: November 30, 2007

Appraised Value: \$382,000

Highest and Best Use: building site

Valuation:

5.6-acre parcel before acquisition: \$2,600,000

4.5-acre remainder after acquisition: \$2,050,000

1.1-acre difference: \$ 550,000

Appraisal Review: Greg Delwiche - November 29, 2007

5b. Appraiser: Michael Stone (Private Appraiser)

Valuation Date: November 23, 2007

Appraised Value: \$382,000

Highest and Best Use:

Valuation:

5.6-acre parcel before acquisition: \$2,016,000

4.5-acre remainder after acquisition: \$1,634,000

1.1-acre difference: \$ 382,000

Appraisal Review: Greg Delwiche – December 12, 2007

Comments: The review appraiser considers the Koch/Scott appraisal as the most reliable estimate of value and is approved for grant and acquisition purposes. The Department negotiated a price of \$500,000 for the 1.1 acres.

The Stewardship grant part of the purchase of the parcel by the village is still pending approval. However, the village has requested that the Department seek approval of its 1.1-acre purchase at this time in order to proceed with the transaction for the 4.5-acre parcel.

RECOMMENDED:


Richard E. Steffes

12-28-07
Date


Bureau of Legal Services

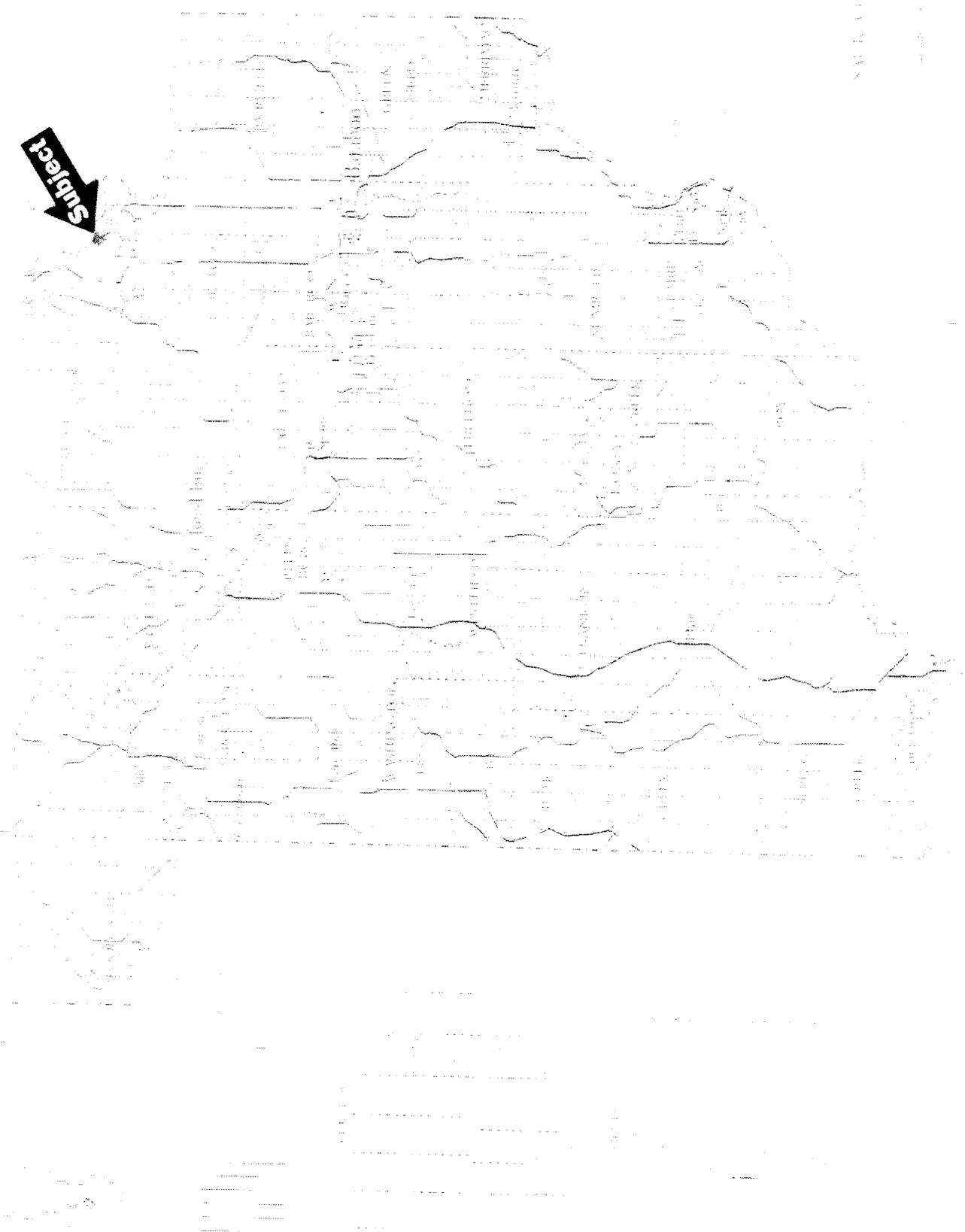
12/28/07
Date


Laurie Osterndorf

12/28/07
Date

RES:dv

Subject →



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Shar Pen Inc. Acquisition

Public Access - Wisconsin River

-  Subject Property
-  WDNR Owned
-  WDNR Eased
-  WDNR Leased

Ice Age Trail

Project Boundary

Open Water



The DNR Managed Lands represent the boundaries of lands owned by the State of Wisconsin Department of Natural Resources. The boundaries shown on this map were derived from the Wisconsin Department of Natural Resources' 2005-2006 Annual Report and are not intended to represent any other boundaries. The DNR does not warrant the accuracy of the information shown on this map. The DNR is not responsible for any errors or omissions on this map. The DNR is not responsible for any damages or liabilities arising from the use of this map. The DNR is not responsible for any damages or liabilities arising from the use of this map.

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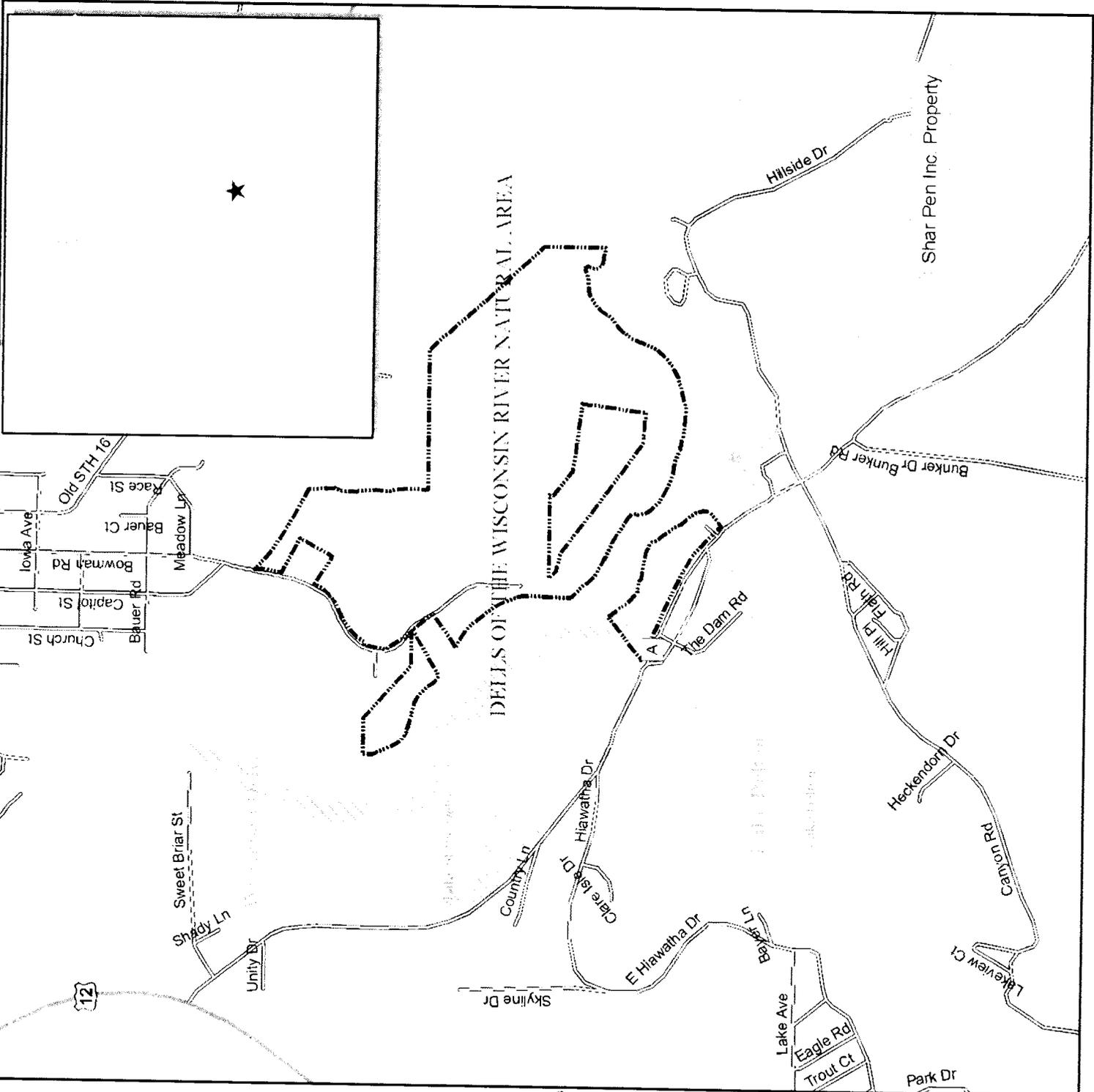
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STATE OF WISCONSIN DEPT. OF NATURAL RESOURCES



Bureau of Facilities and Lands

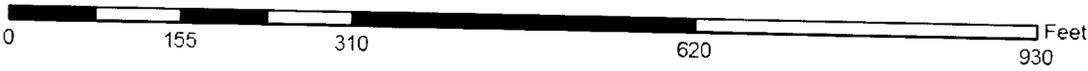
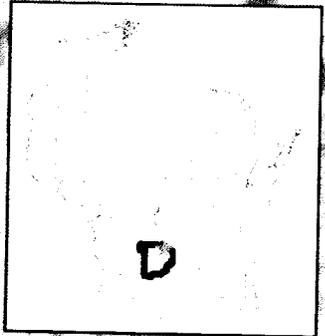
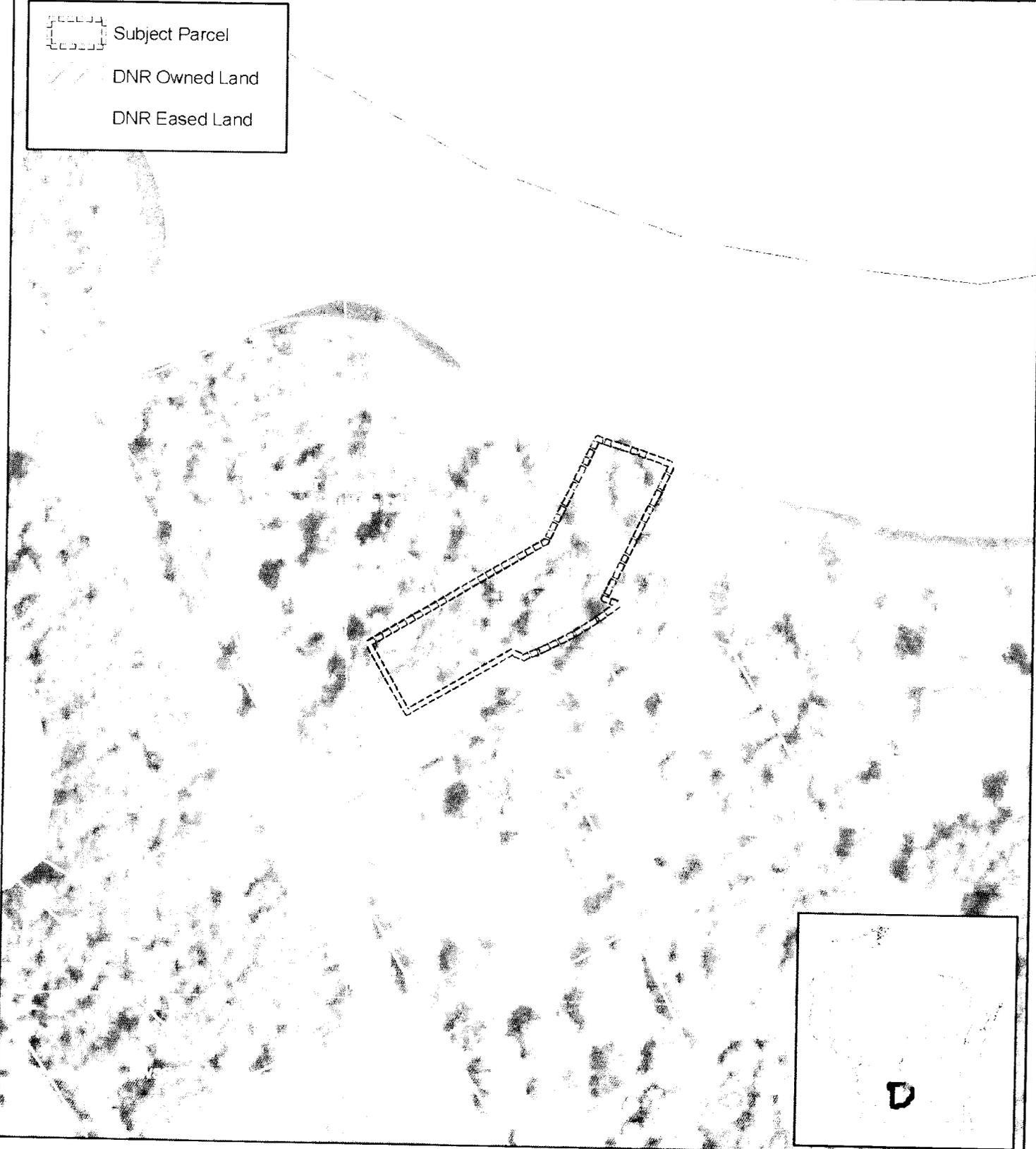
September 18, 2010



Shar Pen Inc. Property

T 13N R 6E Section 15, Village of Lake Delton, Sauk County

 Subject Parcel
 DNR Owned Land
DNR Eased Land



Created by Bureau of Facilities and Lands
Real Estate Section
December 18, 2007

