Form 1100-1
Rev. 5-91

NATURAL RESOURCES BOARD AGENDA ITEM

Item No. 3.B.12

SUBJECT: LAND EXCHANGE - PENINSULA STATE PARK – DOOR COUNTY

FOR: AUGUST 2007 BOARD MEETING

TO BE PRESENTED BY: Richard Steffes

SUMMARY: The Department has entered into an agreement with the Town of Gibraltar to exchange a 7-acre easement on state land valued at $142,500 for 51-acres (8.25 miles) of town road right-of-way within the park boundary valued at $162,000. The Department and the town mutually agreed that this transaction would be considered an even value exchange. The 7-acre easement the Department proposed for conveyance will allow the expansion of a town cemetery located within Peninsula State Park. Approval for this transaction is needed because the value of the trade lands exceeds $50,000.

The Department needs the Town of Gibraltar road right-of-way in order for the park staff to better maintain the conditions of the roads within the park as well as control the traffic. The land exchange will solve a long standing issue of road maintenance and operations in the park boundary. The 7-acre easement area would be immediately north of the town's Blossomberg Cemetery and permit limited as-needed development as well as limit tree removal, headstone heights, and prohibit invasive species. The town residents present at the Town of Gibraltar's April 10, 2007 meeting voted unanimously in favor of this arrangement. Department and park staff both agree that by permitting the cemetery's expansion, the open space of the park is protected in addition to protecting the local culture and history of the cemetery, which precedes the establishment of Peninsula State Park in 1910.

RECOMMENDATION: That the Board approve the exchange of the 7-acre easement on state land for 51.0 acres of town road right of way needed for Peninsula State Park.

LIST OF ATTACHED MATERIALS:

No ☒	Fiscal Estimate Required	Yes ☐	Attached
No ☒	Environmental Assessment of Impact Statement Required	Yes ☐	Attached
No ☐	Background Memo	Yes ☒	Attached

APPROVED:

R E Steffes — Date 7-13-07
Real Estate Director, Richard E. Steffes - LF/6

Laurie Osterndorf (SSH) — Date 7/16/07
Administrator, Laurie J. Osterndorf - AD/5

Scott Hassett — Date 7/16/07
Secretary, Scott Hassett - AD/5

cc: S. Miller – LF/6
R. Steffes - LF/6
L. Ross - AD/5
D. Borsenik – PR/6
R. Kazmierczak – NER/Green Bay

CORRESPONDENCE/MEMORANDUM

State of Wisconsin

DATE: July 12, 2007 FILE REF: P-1911 AND P-1911E

TO: Governor Doyle

FROM: Scott Hassett

SUBJECT: Proposed Land Exchange, Town of Gibraltar Tract,
File # P-1911 AND P-1911E, Option Expires October 15, 2007

1. PARCEL DESCRIPTION:

Peninsula State Park
Door County

Grantors:

	Town of Gibraltar c/o Merrell Runquist 4097 Main Street Fish Creek, WI 54212	State Department of Natural Resources 101 S. Webster Street Madison, WI 53707
Acres:	51.0	7.0
Price: Even Exchange		
Appraised Value:	$162,000	$142,500
Improvements:	None	None
Interest:	Exchange of 7-acre easement for 51-acre road right-of-way.	

Location: Both parcels are located within the Peninsula State Park boundary just north of the Village of Fish Creek, in northwestern Door County.

Land Description: The 7-acre easement lands to trade are gently rolling wooded uplands. The 51 acres or 8.25 miles of road right-of-ways, are level to rolling asphalt paved roads throughout the park boundary.

Covertype Breakdown:

Type	Acreage	Type	Acreage
Road right-of-way	51.0	Wooded Upland	7.0

Zoning:	Conservancy	Agriculture
Present Use:	Town Road	Park lands
Proposed Use:	Road for park management	Cemetery Expansion
Tenure:	More than 50 yrs.	98 years
Property Taxes:	Exempt	Exempt

Comments: The Department acquired the 7.0 acre parcel being exchanged as part of a larger purchase from John Anderson in 1909 ($27 per acre).

Option Date: June 18, 2007

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2. JUSTIFICATION:

The 51 acres of right-of-way being acquired from the Town of Gibraltar are needed for Peninsula State Park in Door County. The property will consolidate state ownership, provide management of the roads for public recreation, allow the Department to perform timely maintenance, and prevent incompatible land uses within Peninsula State Park. In exchange, the Department will convey a 7-acre easement to the Town of Gibraltar for expansion of the town's cemetery within the park boundary.

Peninsula State Park was established in 1910 to protect the scenic resources of the Door County peninsula and provide recreational opportunities. The park is situated on a peninsula in Green Bay and has seven miles of shoreline that range from sand to cobblestone. The peninsula is part of the Niagara escarpment, which forms the outcroppings within the park and the cliffs along the shoreline. Old beach terraces and ridges add to the diversity of the plants and animals found there as well as the beautiful scenery. Many diverse communities are found here including northern mesic forest with beech and maple and northern wet forest with white cedar and spruce. The park also harbors many large populations of dwarf lake iris, a federal and state threatened plant species. The park is the second most popular state park and provides a variety of recreational opportunities including hiking, biking, nature observation, camping, swimming, fishing, boating, cross-country skiing, sightseeing, and golf.

Peninsula State Park staff has been working with the Town of Gibraltar for over 20 years trying to obtain rights to the 51 acres or 8.25 miles of town road that run within the park boundary. The Department's staff has facilitated all maintenance and repairs of the road for several decades. By gaining ownership, the Department will better be able to control traffic within the park as well as respond more quickly to needed repairs or maintenance without burdening the Town of Gibraltar with budgetary concerns. The right-of-way proposed for purchase is a paved 66 foot wide corridor, which arches through the park to from north to south as well as traverses from east to west. The road provides access to some major destinations within the park such as the western coastline along Green Bay of Lake Michigan and the park's campground. Vehicular, bike and pedestrian travel this road frequently for scenic and recreational purposes.

In exchange, the Department has agreed to give an easement to the Town of Gibraltar on seven acres of property to expand an existing town-owned cemetery within the park boundary. The easement area would be immediately north of the town's Blossomberg Cemetery and permit limited as-needed development as well as limit tree removal, headstone heights, and prohibit invasive species. The town residents present at the Town of Gibraltar's April 10, 2007 meeting voted unanimously in favor of this arrangement. Department and park staff both agree that by permitting the cemetery's expansion, the open space of the park is protected in addition to protecting the local culture and history of the cemetery, which precedes the existence of Peninsula State Park.

The Department recommends approval of this exchange as the results will be mutually beneficial to both the Department and the town. The town will gain cemetery space, which will accommodate its residents for decades, while the park will gain total control and management of roads within the park's boundary.

3. FINANCING:

No funds are necessary for this trade.

4. ACQUISITION STATUS OF PENINSULA STATE PARK:

Established: 1910
Acres Purchased to Date: 3,776.52
Acquisition Goal: 3,785.34 Acres
Percent Complete: 99.7%
Cost to Date: $484,733.10

5a. APPRAISAL – TOWN OF GIBRALTAR RIGHT OF WAY:

Appraiser: Dan Heath (Staff Appraiser)
Valuation Date: January 23, 2006
Appraised Value: $162,000
Highest and Best Use: Road

Valuation by Income Approach: The annual income the Town of Gibraltar receives for maintenance (road aids) from the Dept. of Transportation was the major consideration to attribute value to the right of way. Currently, the annual aid provided is $1,862/mile. Thus, the annual gross income on the 8.25 mile segment in the form of road aids to the Town is $15,417.36 or (1,862 x 8.25). Maintenance and repair expenses to the roads were determined to be at least 50% of this gross income, thus the annual net income to the town was $7,700. Based on an average rate of return for municipal bond investment, established at 4.75 %, a lump sum payment of $162,000 would replace the annual income of $7,700 to the Town. This was calculated as follows:

Net annual income/interest rate = total payment: $7,700/0.0475 = $162,105.26 or ($162,000, rounded)

Appraisal Review: Paul Scott – March 10, 2006

5b. OPINION OF VALUE - CEMETERY RIGHTS:

Appraiser: Dan Heath (Staff Appraiser)
Valuation Date: January 23, 2006
Opinion of Value: $142,500
Highest and Best Use: Cemetery

Allocation of Values:

The before value considered a market analysis of smaller buildable lots on a $/ft. basis. The after value applied discounts based on the cemetery use restricting the buildable use of the 7-acre lot.

Before:	$167,700
After:	$ 25,200
Easement Value:	$142,500

Comments: The Department and the Town mutually agreed that this transaction would be considered an even value exchange.

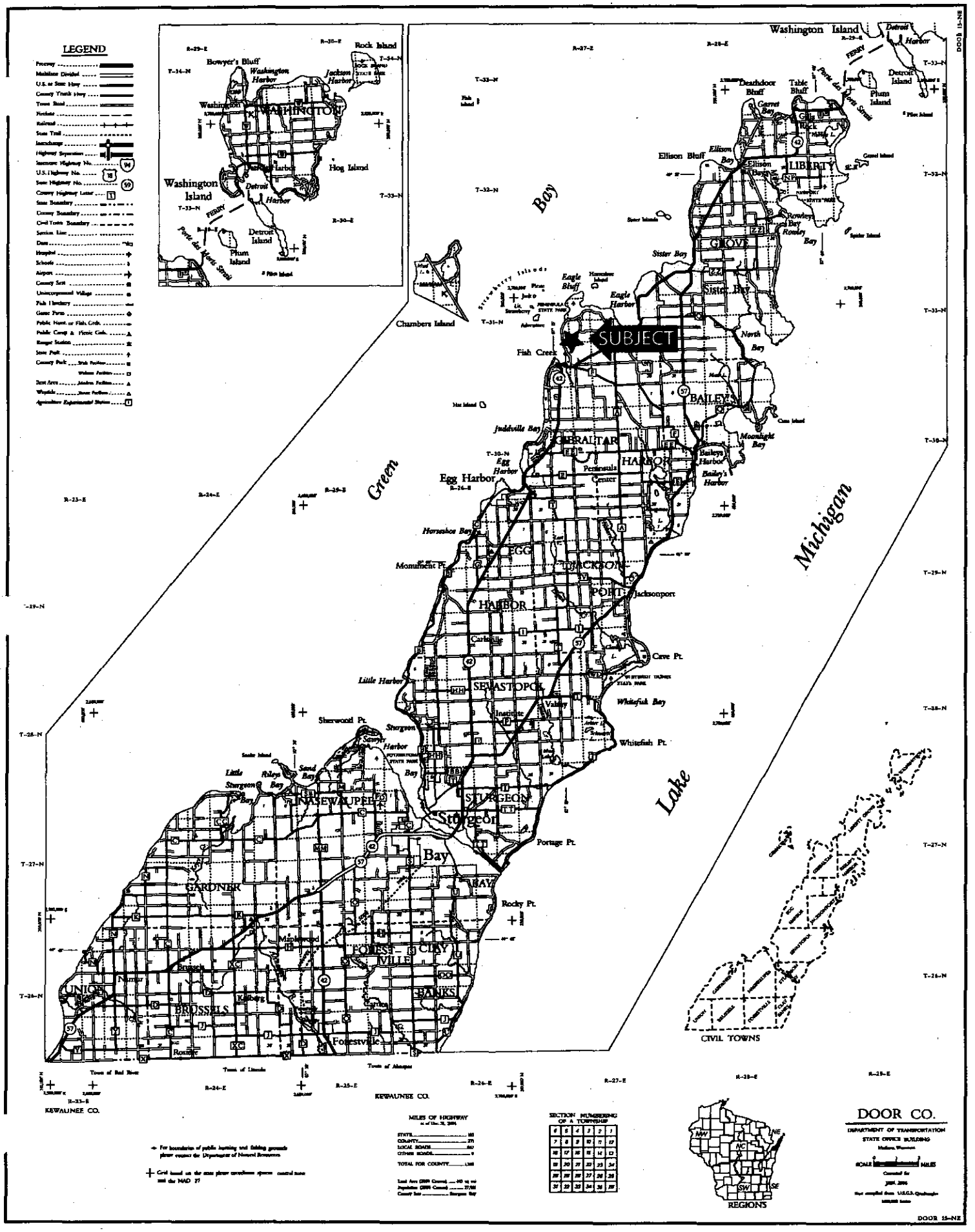
RECOMMENDED:

Richard E. Steffes — Date 7-13-07

Bureau of Legal Services — Date 7/13/07

~~Steven W. Miller~~ (SSH) — Date 7/16/07

RES:ch


LEGEND
Washington Island
Detroit Harbor
Detroit Island
Plum Island
Rock Island
Bowyer's Bluff
Washington Harbor
Jackson Harbor
WASHINGTON
Hog Island
Washington Island
Detroit Harbor
Detroit Island
Plum Island
Porte des Morts Strait
Bay
Green
Michigan
Lake
Chambers Island
Ellison Bluff
Ellison Bay
LIBERTY
GROVE
Sister Bay
Eagle Bluff
Eagle Harbor
SUBJECT
Fish Creek
North Bay
BAILEYS
Moonlight Bay
Juddville Bay
GIBRALTAR
HARBOR
Egg Harbor
Egg Harbor
Peninsula Center
Horseshoe Bay
EGG
Monument Pt.
JACKSON
PORT
Jacksonport
HARBOR
Carlsville
Cave Pt.
Little Harbor
SEVASTOPOL
Whitefish Bay
Sherwood Pt.
Sturgeon Bay
Whitefish Pt.
Little Sturgeon Bay
Riley's Bay
Sand Bay
NASEWAUPEE
STURGEON
Sturgeon Bay
Portage Pt.
GARDNER
BAY
Rocky Pt.
Maplewood
FOREST-VILLE
CLAY
BANKS
UNION
Namur
Brussels
BRUSSELS
Kellberg
Carrier
Forestville
Rosiere
Town of Red River
Town of Lincoln
Town of Akaspee
KEWAUNEE CO.
CIVIL TOWNS
MILES OF HIGHWAY
SECTION NUMBERING OF A TOWNSHIP
REGIONS
DOOR CO.
DEPARTMENT OF TRANSPORTATION
STATE OFFICE BUILDING
DOOR 15-NE

Town of Gibraltar

Peninsula State Park

- Subject Property
- WDNR Owned
- WNDR Eased
- WDNR Leased
- Ice Age Trail
- Project Boundary
- Open Water

N
W E
S

0 0.3 0.6 Miles

The DNR Managed Lands represent the boundaries of lands managed by the Wisconsin Department of Natural Resources The Wisconsin DNR manages these lands through ownership, easement or lease rights. This data set is a spatial representation of the Oracle Land Records System maintained by the DNR, Bureau of Facilities and Lands (LF), and may include errors and/or omissions. The data should not be interpreted as a legal representation of legal ownership boundaries.

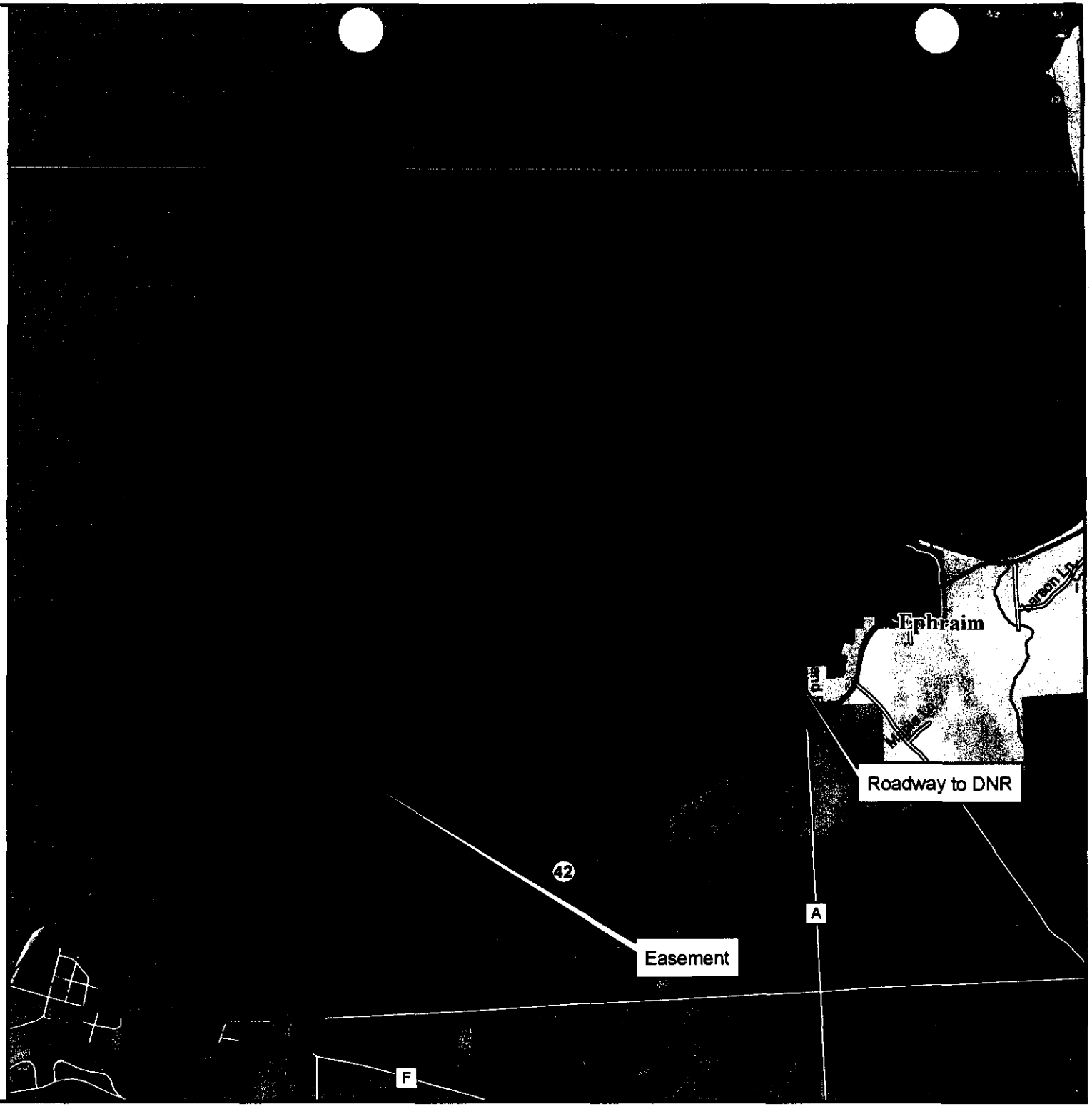
This data set does not differentiate between lands that are open or closed to the public for hunting and/or general public access. Some lands represented in this data set may not be open to the general public, or may have specific limitations or restrictions on public use. This data set is not intended for use as a land management tool; it is a listing of all DNR real estate transactions that have occurred on these lands over time.

For information about the actual management, including public use and public access of the lands, contact the nearest DNR Regional office. Contact information for DNR Regional Offices and Service Centers is provided on the following internet site:

http://www.dnr.state.wi.us/org/caer/ca/servicecenter/locations.htm

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

STATE OF WISCONSIN
DEPT. OF NATURAL RESOURCES

Bureau of Facilities and Lands

July 9, 2007