Form 1100-1
Rev. 5-91

# NATURAL RESOURCES BOARD AGENDA ITEM

Item No. 3.B.2

**SUBJECT: LAND ACQUISITION AND PROJECT BOUNDARY MODIFICATION - YELLOWSTONE RIVER AND CANON CREEK STREAM BANK PROTECTION AREA - LAFAYETTE COUNTY**

**FOR: SEPTEMBER 2007 BOARD MEETING**

**TO BE PRESENTED BY:** Richard Steffes

**SUMMARY:** The Department has obtained an option to purchase 237.75 acres of land from the Edward Smith Trust for $808,000 for the Yellowstone River and Canon Creek Stream Bank Protection Area in Lafayette County. The item is being submitted because the purchase price is over $150,000 and since 77.75 acres are out of the project boundary.

The Smith Trust parcel is located in northeastern Lafayette County in the Town of Fayette. The parcel adjoins Yellowstone Lake State Park to the south and has 77.75 acres out of the boundary along the north end of the parcel. There are 800 feet of frontage along both banks of a small, unnamed stream that flows into Yellowstone Lake. The property includes a house, garage and farmstead buildings, which have access onto County Highway F. The Department proposes to retain the house for use by seasonal employees for the park. Worker recruitment has been handicapped by a lack of local affordable housing in this area.

This parcel is important for the Stream Bank Protection Program to control runoff into the lake. Over the last eight years the Yellowstone River Watershed Basin Team and many volunteer organizations have worked tirelessly to improve the water quality and the fishery of Yellowstone Lake. Much of this work is possible by working with landowners within the watershed area. Acquisition of this parcel would allow for management of the stream bank, and surrounding land for water quality benefits and wildlife habitat. It will allow for the expansion of the group camp into the southern part of this parcel.

Adding the land currently outside of the project boundary will improve access to state land from a public highway. This large parcel provides an excellent opportunity to provide land for public use, including hunting.

**RECOMMENDATION:** That the Board approve the purchase of 237.75 acres of land for the Stream Bank Protection Program and approve a project boundary modification to include the 77.75 acres that currently fall outside of the project boundary.

**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 — 8-23-07
Real Estate Director, Richard E. Steffes - LF/6 — Date

Laurie Osterndorf — 8/24/07
Administrator, Laurie Osterndorf - AD/5 — Date

Scott Hassett — 8/27/07
Secretary, Scott Hassett - AD/5 — Date

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

# CORRESPONDENCE/MEMORANDUM

**State of Wisconsin**

DATE: August 23, 2007 FILE REF: FI-2882

TO: Governor Doyle

FROM: Scott Hassett

SUBJECT: Proposed Land Acquisition, Edward Smith Trust Tract, File # FI-2882, Option Expires December 7, 2007

1. PARCEL DESCRIPTION:

Yellowstone River & Canon Creek Stream Bank Protection Area
Lafayette County

Grantor:

Edward L. Smith Trust
c/o Elaine Carlson
9270 Rust Road
Hilman, MI 49746

Acres: 237.75
Price: $808,000
Appraised Value: $808,000; $625,000*
Interest: Purchase in fee.
Improvements: House, garage and farmstead outbuildings.

Location: The tract is located in northeastern Lafayette County in the Town of Fayette approximately eight miles northwest of Argyle and 35 miles southwest of Madison.

Land Description: The subject area is rolling to hilly with a series of ridges and valleys.

Water: There are 800 feet of frontage on each bank of an unnamed stream that flows into Yellowstone Lake.

| Covertype Breakdown: | Type | Acreage |
|---|---|---|
| | Wooded Upland | 220.33 |
| | Cropland | 10.42 |
| | Building site | 7.00 |
| | TOTAL | 237.75 |

Zoning: Agriculture
Present Use: Agriculture
Proposed Use: Resource protection and public recreation
Tenure: 17 years
Property Taxes: $1,937
Option Date: August 9, 2007

*Comments: The appraisal reports are more than two years old due to the timing of the family's decision-making.

2. JUSTIFICATION:

The Department proposes to purchase the 237.75-acre Edward L. Smith Trust property for the Yellowstone River and Canon Creek Stream Bank Protection Area in northeastern Lafayette County in the Town of

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Fayette. The parcel adjoins Yellowstone Lake State Park to the south and has 77.75 acres out of the boundary along the north end of the parcel. There are 800 feet of frontage along both banks of a small, unnamed stream that flows into Yellowstone Lake. The property includes a house, garage and farmstead buildings, which have access onto County Highway F. The Department is considering the use of the house for state park staff due to the lack of housing available in the area. This parcel is important for the Stream Bank Protection Program to control runoff into the lake. Over the last eight years, the Yellowstone River Watershed Basin Team and many volunteer organizations have worked tirelessly to improve the water quality and the fishery of Yellowstone Lake. Much of this work is possible by working with landowners within the watershed area. Acquisition of this parcel would allow for management of the stream bank, allow for the expansion of the group camp into the southern part of this parcel, consolidate state ownership and improved road access.

Yellowstone Lake State Park, located in the Driftless Area of Wisconsin, was established to provide opportunities for recreation such as hunting, fishing, boating, picnicking, camping, and swimming, while protecting the natural features of the area. The park centers around Yellowstone Lake, an impoundment on the Yellowstone River that was constructed in 1954. Because it is adjacent to a wildlife area, additional land is available to park users for hunting, wildlife watching, hiking, and nature study.

The Department recommends purchase of the Edward L. Smith Trust to consolidate state ownership and provide opportunities for public recreation. Acquisition of this property will allow the Department to better protect the natural and scenic resources of this site by preventing development incompatible with the goals of the project and by promoting natural resource management. The Department will modify the project boundary to include the 77.75 acres that fall outside of the boundary if so approved by the Natural Resources Board at its September 2007 meeting.

3. FINANCING:

State Stewardship bond funds are anticipated:

| Funds allotted to program: | Balance after proposed transaction: |
|---|---|
| $2,000,000 | $532,000 |

4. ACQUISITION STATUS OF THE STREAM BANK PROTECTION AREAS STATEWIDE:

Established: 1994
Acres Purchased to Date: 15,488.84
Acquisition Goal: 30,334
Percent Complete: 51.1%
Cost to Date: $8,869,154.00

5. APPRAISALS:

Appraiser: Paul Stone – (Private Appraiser)
Valuation Date: March 28, 2005
Appraised Value: $808,000
Highest and Best Use: Hobby Farm

Allocation of Values:

| | | |
|---|---|---|
| a. | land: 237.75 acres @ $3,104 per acre: | $738,000 |
| | improvements: | $ 70,000 |
| | total: | $808,000 |
| b. | market data approach used, four comparable sales cited | |

Appraisal Review: Ron Olson – May 9, 2005

Appraiser: Linn Duesterbeck – (Private Appraiser)
Valuation Date: March 4, 2005
Appraised Value: $625,000
Highest and Best Use: vacant/available for development
Allocation of Values:

| | | |
|---|---|---|
| a. | land: 237.75 acres @ $ per acre: $2,502.63 | $595,000 |
| | improvements: | $ 30,000 |
| | total: | $625,000 |

b. market data approach used, three comparable sales cited

Appraisal Review: Ron Olson – May 9, 2005

Comments: The reports were done more than two years ago. The state's offer was rejected at that time. The family of the owner recently contacted the Department with renewed interest in a transaction and the agreement was negotiated.

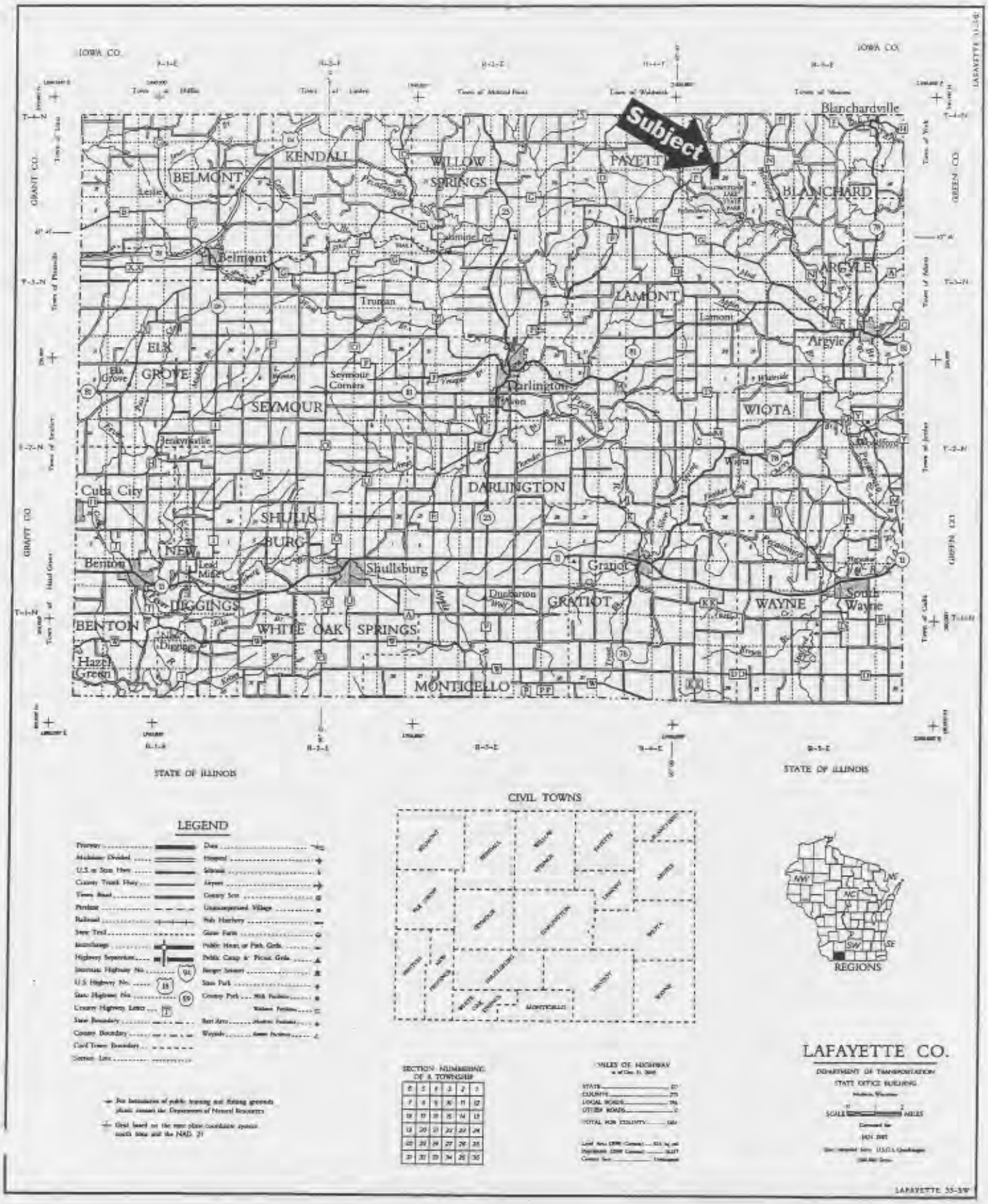
RECOMMENDED:

Richard E. Steffes — Date: 8-23-07

Bureau of Legal Services — Date: 8/23/07

Laurie Osterndorf — Date: 8/24/07

RES:dv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MILES OF HIGHWAY
LAFAYETTE CO.
DEPARTMENT OF TRANSPORTATION
STATE OFFICE BUILDING
LAFAYETTE 55-SW

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# Smith Purchase

*Yellowstone River and Canon Creek SBP*

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

N W E S

0 0.5 1 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.

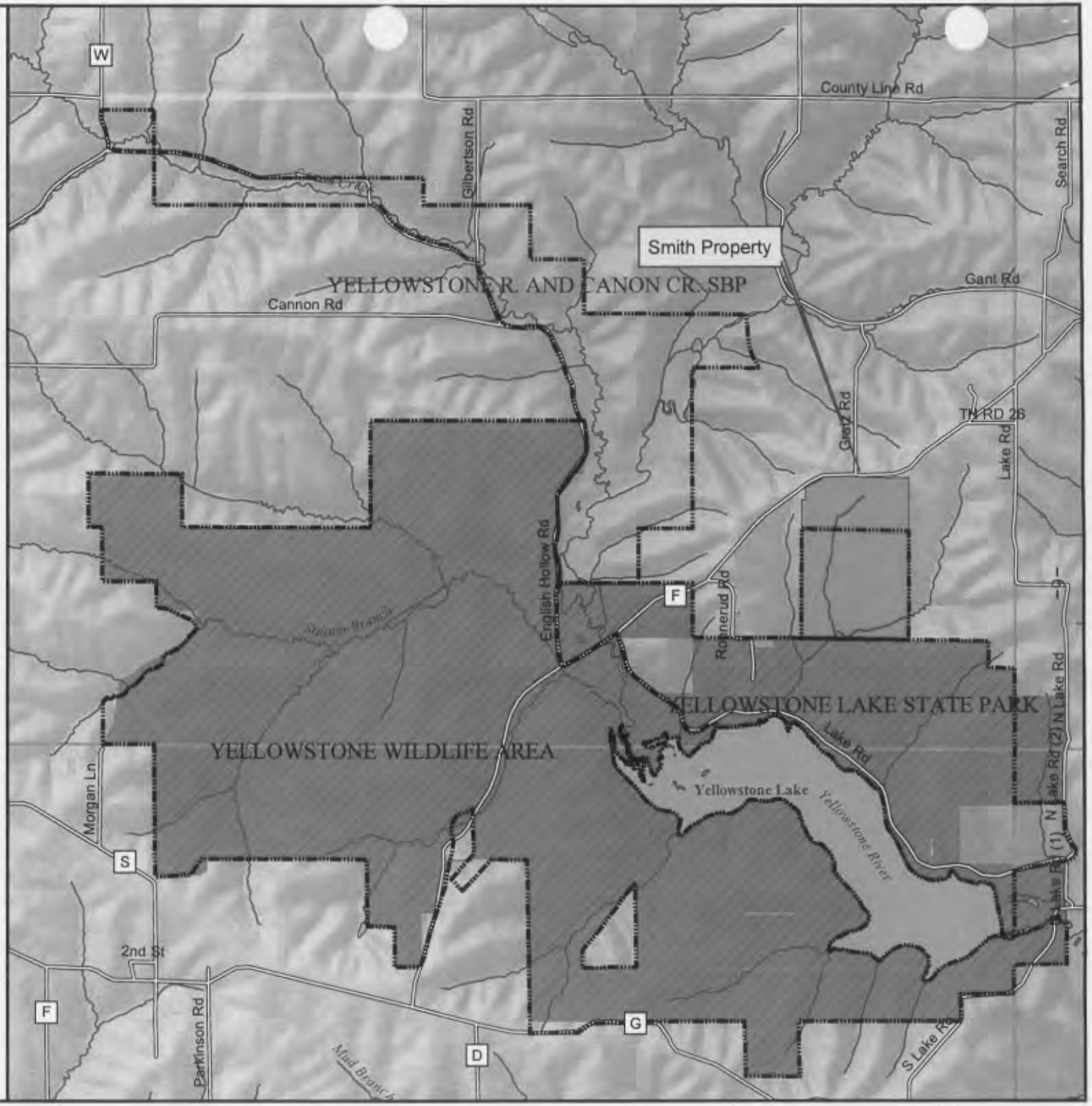
This data set does not differentiate between lands that are open or closed to the public for hunting and/or general public access. Some lands represented in this data set may not be open to the general public, or may have specific limitations or restrictions on public use. This data set is not intended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

August 16, 2007