

SUBJECT: EASEMENT ACQUISITION AND PROJECT BOUNDARY MODIFICATION – STREAM BANK PROTECTION PROGRAM – RACINE COUNTY

FOR: DECEMBER 2010 BOARD MEETING

TO BE PRESENTED BY: Richard Steffes

SUMMARY: The Department proposes to purchase a 92.6-acre conservation easement from The Conservation Fund (former Himebauch property) at a cost of \$283,633 for the Honey Creek Stream Bank Protection project at the west edge of Racine County. The item is being submitted because the land is outside the project boundary and exceeds \$150,000 in value. This parcel is of particular interest because of the large drained wetland and floodplain complex associated with Honey Creek in this area. Furthermore, the Natural Resources Conservation Service (NRCS) is purchasing a 30-year Wetland Restoration Program Easement on this parcel reducing state costs and supporting wetland restoration activities. The conservation easement that the Department is proposing to acquire is Phase One of a two-part transaction, which will permit the public to hunt and fish on the premises, allow time for NRCS to conduct restoration of the wetland and grassland areas, and then as Phase Two, the Department would purchase the remaining fee title value of the property by reimbursing TCF for its holding costs.

The NRCS funded and ranked this parcel as a high priority in order to restore more upland habitat in relation to the adjacent wetland and stream corridor. An ideal goal is to have four acres of upland for every one acre of wetland for wildlife habitat. Addition of the upland acres will provide nesting habitat for waterfowl, grassland birds, and reptiles, including the state threatened Blanding's turtle. In addition, restoration of the area will improve the water quality and moderate daily water flows to Honey Creek.

The easement parcel is proposed for purchase as an addition to the Stream Bank Protection Program area for Honey Creek. The Department currently owns or holds easements on approximately 345 acres along Honey Creek and the proposed easement area will provide approximately 1,320 feet of frontage along a drainage ditch that feeds Honey Creek. In addition, the Department of Transportation purchased 265 acres adjacent to DNR's existing ownership for a wetland mitigation site and this will be transferred to the Department of Natural Resources in the near future, making this area more than 600 acres of public hunting and fishing grounds. The proposed easement will provide public access for hunting, fishing, trapping, and other recreation on this tract.

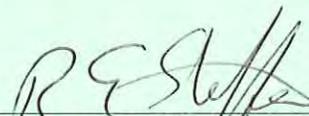
The Stream Bank Protection Program was established in 1991 to protect and improve water resources and fisheries throughout Wisconsin. This project was designed to protect stream bank corridors and secure public fishing access while protecting and improving water quality. This proposed easement on Honey Creek will further the goals of the Stream Bank Protection Program by restoring wetlands and grasslands on a large ditched tributary and floodplain area. This will also provide a buffer to reduce runoff from adjacent crop fields and prohibit land use practices within the easement area that could negatively impact the creek. To date, a considerable amount of habitat work has been completed in the area.

RECOMMENDATION: That the Board approve the purchase of a conservation easement on 92.6 acres of land for the Stream Bank Protection Program for \$283,633 and approve modification of the project boundary to include the parcel.

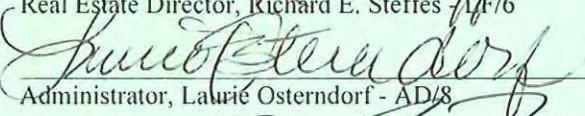
LIST OF ATTACHED MATERIALS:

- | | | | |
|--|---|---|----------|
| 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 |

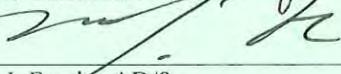
APPROVED:



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



 Administrator, Laurie Osterndorf - AD/8



 Secretary, Matthew J. Frank - AD/8

_____ Date 11-3-10

_____ Date 11/11/10

_____ Date 11-12-10

- cc: S. Miller – LF/6
 R. Steffes – LF/6
 L. Ross – AD/8
 M. Staggs – FH/4
 G. McCutcheon – SER/Milwaukee

CORRESPONDENCE/MEMORANDUM

DATE: October 27, 2010 FILE REF: FM 10101
 TO: Natural Resources Board
 FROM: Matthew J. Fink 
 SUBJECT: Proposed Easement on The Conservation Fund (Himebauch) Tract, File # FM 10101

1. PARCEL DESCRIPTION:

Stream Bank Protection Program
 Racine County

Grantor:

The Conservation Fund
 c/o Jennifer Pflug Murphy, Esq.
 Gonzalez, Saggio, and Harlan LLP
 225 East Michigan Street, 4th Floor
 Milwaukee, WI 53202

Acres: 92.6Price: \$283,633.00Appraised Value: \$283,633.00Interest: Conservation Easement PurchaseImprovements: NoneLocation: The tract is located in Racine County four miles northwest of the Village of Waterford.Land Description: The subject land is level to rolling.

<u>Covertypes Breakdown:</u>	<u>Type:</u>	<u>Acreage:</u>
	Floodplain	37.1
	Cropland	<u>55.5</u>
	TOTAL:	92.6

Zoning: AgriculturePresent Use: AgricultureProposed Use: Stream Protection, Wetland Restoration and Public Outdoor RecreationTenure: 35 years (Himebauch)Contract to Purchase Easement Date: September 29, 2010Stewardship 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.2. JUSTIFICATION:

The Department proposes to purchase a 92.6-acre conservation easement from The Conservation Fund (former Himebauch property) for the Honey Creek Stream Bank Protection Program in Racine County. This parcel is of particular interest because of the large drained wetland and floodplain complex associated with Honey Creek in this area. Furthermore, the Natural Resources Conservation Service (NRCS) is purchasing a 30-year Wetland Restoration Program easement on this parcel reducing state cost and supporting wetland restoration activities. The conservation easement that the Department is proposing to acquire is Phase One of a two-part transaction, which will permit the public to hunt and fish on the premises, allow time

for NRCS to conduct restoration of the wetland and grassland areas, and then as Phase Two, the Department would purchase the remaining fee title value of the property by reimbursing TCF for its holding costs.

The NRCS funded and ranked this (Himebauch) parcel as a high priority in order to restore more upland habitat in relation to the adjacent wetland and stream corridor. An ideal goal is to have four acres of upland for every one acre of wetland for wildlife habitat. The addition of the upland acres will provide nesting habitat for waterfowl, grassland birds, and reptiles, including the state threatened Blanding's turtle. In addition, the area will significantly improve the water quality and improved and moderate daily water flows to Honey Creek.

The Conservation Fund has partnered with the Department to purchase a conservation easement on approximately 92.6 acres of land in the watershed and floodplain of Honey Creek, located in Racine County in the Town of Waterford about four miles northwest of the Village of Waterford. The easement parcel is proposed for purchase as an addition to the Stream Bank Protection Area for Honey Creek. The Department currently owns or holds easements on approximately 345 acres along Honey Creek and the proposed easement area will provide approximately 1,320 feet of frontage along a drainage ditch that feeds Honey Creek. In addition, the Department of Transportation purchased 265 acres adjacent to DNR's existing ownership for a wetland mitigation site and this will be transferred to the Department of Natural Resources in the near future, making this area more than 600 acres of public hunting and fishing grounds. The proposed easement will provide public access for hunting, fishing, and other recreation on this tract.

The statewide Stream Bank Protection Program was established in 1991 to protect and improve water resources and fisheries throughout Wisconsin. This project was designed to protect stream bank corridors and secure public fishing access while protecting and improving water quality. This proposed easement on Honey Creek will further the goals of the Stream Bank Protection Program by restoring wetlands and grasslands on a large ditched tributary and floodplain area. This will also provide a buffer to reduce runoff from adjacent crop fields and prohibit land use practices within the easement area that could negatively impact the creek. To date, a considerable amount of habitat work has been completed in the area.

Approval of this conservation easement is recommended to provide public access, to add additional lands to the already existing stream bank corridor, to provide additional land for restoration, which yields benefits for water quality downstream. In addition, the parcel will provide significant wildlife benefits and increased outdoor recreational opportunities in Racine County, a county with only three percent public open space and part of the heavily populated southeastern Wisconsin.

3. FINANCING:

State Stewardship bond funds are anticipated:

Funds allotted to program:	Balance after proposed transaction:
\$50,685,000	\$11,717,498

4. ACQUISITION STATUS OF THE STREAM BANK PROTECTION FEE PROGRAM:

Established: 1994
Acres Purchased to Date: 5,860.61
Acquisition Goal: 30,340.4 Acres
Percent Complete: 19.32%
Cost to Date: \$9,591,208.80

5. APPRAISAL:

Appraiser: Philip Vander Male
Valuation Date: February 18, 2010
Appraised Value: \$570,000.00
Highest and Best Use: Larger estate residential parcels

Allocation of Values:

- a. land: 92.6 acres @ \$6,064 per acre: \$570,000
- b. market data approach, four sales cited
- c. adjusted value range: \$5,775 to \$6,244 per acre

Appraisal Review: Paul Scott – March 10, 2010

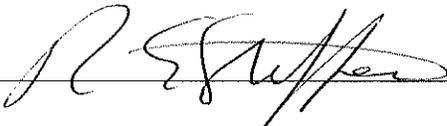
Department Value Analysis:

Before Value: \$570,000.00
 After Value: \$286,367.00
 Easement: \$283,633.00*

*Comments: The public recreation easement is roughly 50% of the value of the fee title to the entire property. The easement will permit the public to hunt, fish, hike, and access the property for recreational purposes. The Department will be able to manage the property for fish and wildlife habitat as will as enforce the conservation laws regarding the permitted public use of the property.

The Himebauch's are first conveying a 30-year wetland reserve easement to the NRCS for \$3,000 per acre. Then, The Conservation Fund (TCF) is acquiring the encumbered parcel at the reduced price of \$283,633. The third step is the Department purchase of a conservation easement from TCF (subject to this proposal). In subsequent years, the public will have access for hunting and other uses while TCF works with NRCS for wetland restoration. The final step will occur after wetland restoration is completed. Then, the Department will acquire fee title from TCF for the sum of its holding cost.

RECOMMENDED:

Richard E. Steffes 

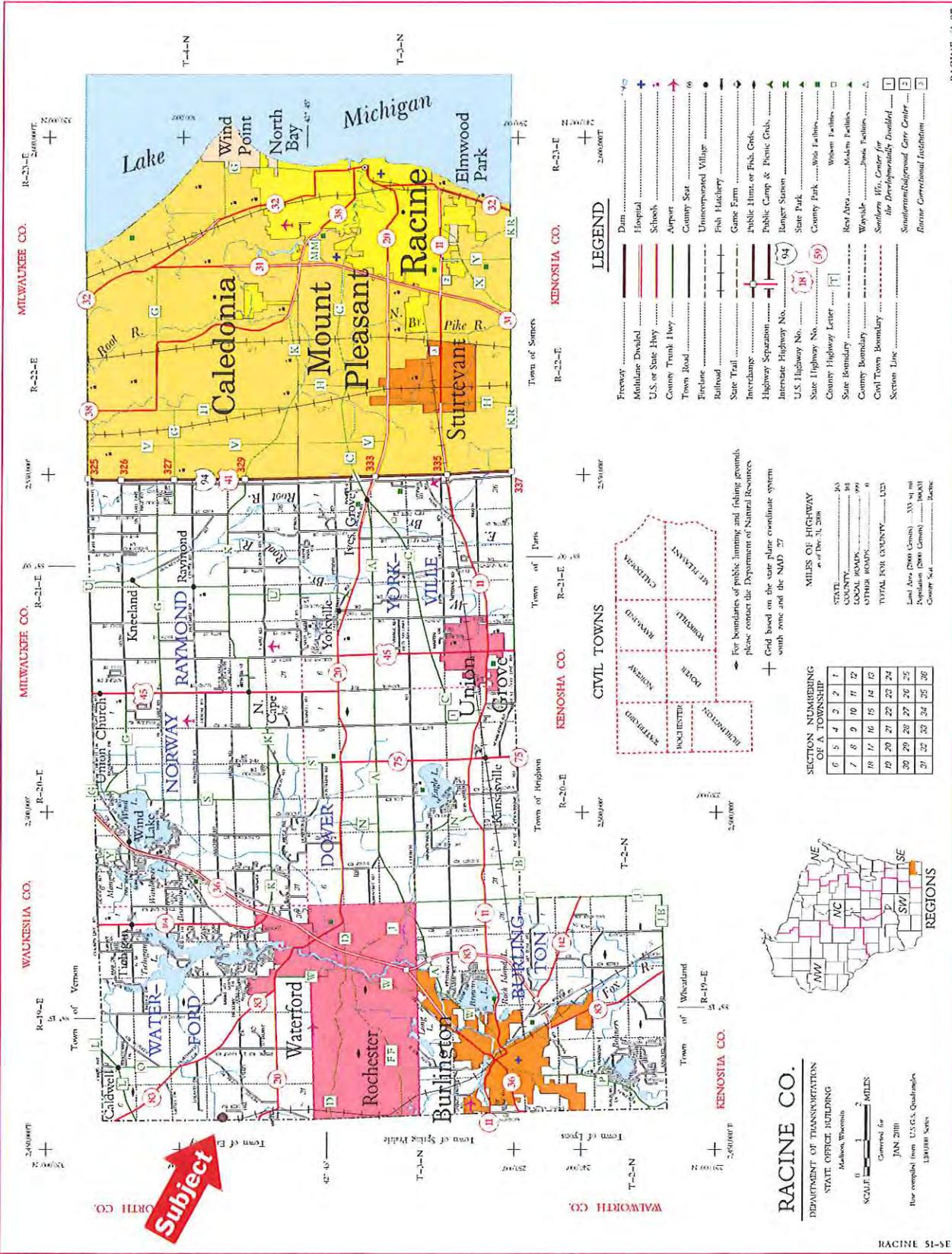
10-27-10
Date

Joseph Wm. Remalle
Legal Services

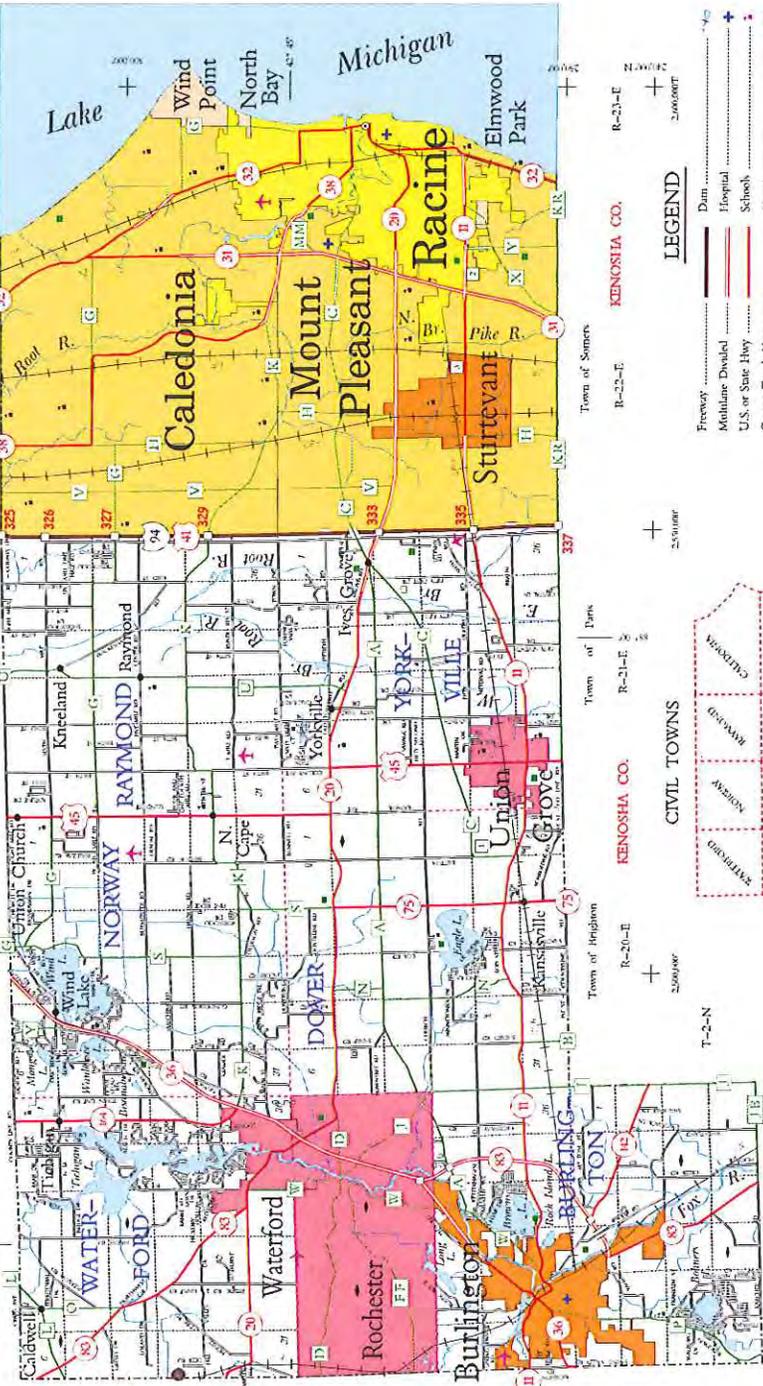
10-4-10
Date

Laurie Osterndorf 

4/14/10
Date



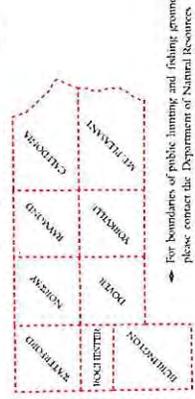
MILWAUKEE CO. R-22-E R-23-E
 MILWAUKEE CO. R-21-E R-20-E
 WAUKESHA CO. R-19-E
 WATWORTH CO. R-18-E
 T-1-N T-2-N T-3-N



LEGEND

- Dam
- Freeway
- Interchange
- Interstate Highway No.
- State Highway No.
- County Highway Letter
- State Boundary
- County Boundary
- Civil Town Boundary
- Section Line
- Multiline Divided
- U.S. or State Hwy
- County Trunk Hwy
- Town Road
- Fireline
- Railroad
- State Trail
- Interchange
- Highway Separation
- U.S. Highway No.
- State Highway No.
- County Highway Letter
- State Boundary
- County Boundary
- Civil Town Boundary
- Section Line
- Dam
- Hospital
- Schools
- Airport
- County Seat
- Unincorporated Village
- Fish Hatchery
- Game Farm
- Public Hunt. or Fish Ck.
- Public Camp & Picnic Gr.
- Ranger Station
- State Park
- County Park
- Rest Area
- Waypoint
- Southern W. Center for the Developmentally Disabled
- Southern Correctional Institution

CIVIL TOWNS



For boundaries of public hunting and fishing grounds, please consult the Department of Natural Resources.
 Grid based on the state plane coordinate system with zone and the NAD 27

SECTION NUMBERS OF A TOWNSHIP

6	5	4	3	2	1
7	8	9	10	11	12
18	17	16	15	14	13
24	23	22	21	20	19
30	29	28	27	26	25
36	35	34	33	32	31



RACINE CO.
 DEPARTMENT OF TRANSPORTATION
 STATE OFFICE BUILDING
 Madison, Wisconsin
 SCALING BAR 0 1 2 MILES
 Current for JAN 2010
 Not compiled from U.S.G.S. Quadmaps
 Edition Series

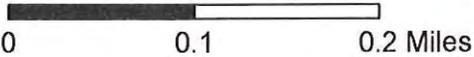
The Conservation Fund (Himebauch) Parcel

T4N R19E Section 19, Town of Waterford, Racine County, WI (92.60 Acres)



Legend

- - - PLSS Section Line
- PLSS Quarter-Quarter
- DNR Project Boundary
- County Boundary
- DNR Eased
- DNR Owned



Subject Property

FM 10101

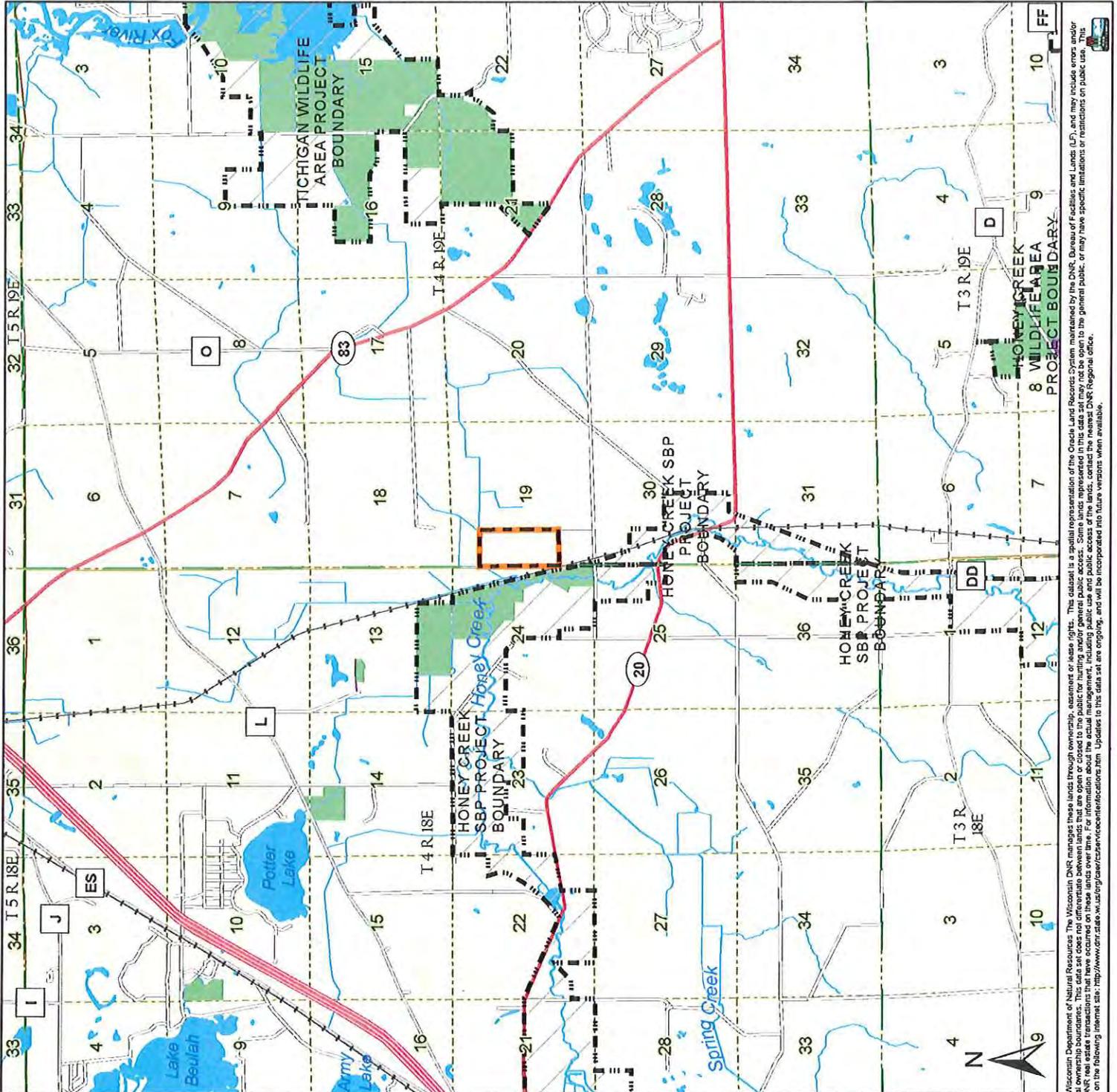
Stream Bank Protection Fee Program

- Fee Simple
- Easement
- Ingress/Egress

State of Wisconsin

October 12, 2010
Real Estate Section
Bureau of Facilities and Lands

User Advisory: Neither the Wisconsin Department of Natural Resources (WDNR) nor any of its employees shall be held liable for any inaccuracy or incorrect use of the information and/or contained herein and assumes no responsibility for use of the information. Furthermore, no warranty, expressed or implied, is made regarding accuracy, adequacy, completeness, legality, or reliability of any information. The WDNR provides mapped information on an "as is" basis. The WDNR has made reasonable efforts to provide accurate information, but cannot exclude the possibility of errors or omissions in source information. There is no guarantee the parcel boundaries are defined by a survey. The map user is expected to exercise reasonable use of the map information.



**The Conservation Fund
(Himebauch) Parcel**
FM 10101

Stream Bank Protection
Fee Program

T4N R19E Section 19
Town of Waterford
Racine County, WI
(92.60 Acres)

- Subject Property**
- Fee Simple
 - Easement
 - Ingress/Egress

Legend

- DNR Project Boundary
- State Natural Area
- PLSS Section Line
- County Boundary
- DNR Owned
- DNR Easement

0 0.2 0.4 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 dataset is a spatial representation of the Wisconsin DNR's Managed Lands. The Wisconsin DNR 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 dataset is not intended for use as a land management tool; it is a listing of all DNR real estate transactions that have occurred on those 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/casr/casrinfo/contacts.htm>. Updates to this data set are ongoing, and will be incorporated into future versions when available.