

SUBJECT: LAND ACQUISITION AND PROJECT BOUNDARY MODIFICATION – ST. LOUIS RIVER STREAM BANK AREA – DOUGLAS COUNTY

FOR: JUNE 2010 BOARD MEETING

TO BE PRESENTED BY: Richard Steffes

SUMMARY: The Department has obtained an option to purchase 61.61 acres of land from Bradley Burling for \$107,800.00 for the St. Louis River Stream Bank Area in Douglas County. The item is being submitted because more than 40 acres are outside project boundary.

The St. Louis and Red River Stream Bank Protection Area is approximately eight miles from the City of Superior. The parcel is very important for access to several thousand acres of state land, but falls just south of the project boundary. This acquisition would allow the state to build an access road with a parking area and trail for the public to access the state-owned 7,000 acres that make up the St Louis and Red River Stream Bank Protection Area.

The St. Louis River, the largest river system that flows into Lake Superior, was nominated by Governor Doyle as a National Estuarine Research Reserve (NERR) under the National Oceanic and Atmospheric Administration. The final designation by NOAA is subject to the Environmental Impact Statement process that will be completed by October 2010. The St. Louis River Stream Bank Area project, located within a few miles of both Duluth and Superior, is bordered on the west by the State of Minnesota, on the north by the St. Louis River, on the east by the Village of Oliver, and on the south by Wrenshall Grade Recreation Trail. This is an active recreational area and receives visitor use from a very large area.

The project was established to protect the water quality of the St. Louis River watershed. This river is the largest tributary stream entering Lake Superior from the United States. The river flows eastward after descending the Duluth escarpment in Minnesota. From there to Lake Superior, the river is a meandering estuary with little current creating many diverse habitats for plants and animals. The topography within the project is mildly rolling to very steep. The soils are primarily red clay that, due to their poor water infiltration capabilities, have high potential for erosion. Poor forestry and residential development land use practices can easily create severe erosion problems, which are a threat to water quality and natural resources in the region.

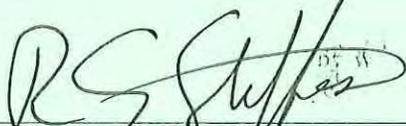
Acquisition of this property will consolidate state ownership, provide access to state-owned lands, preserve the water resources of the site and Lake Superior and complement the adjoining state parkland in Minnesota.

RECOMMENDATION: That the Board approve the purchase of 61.61 acres of land for \$107,800 for the St. Louis River Stream Bank Area and approve modification of the project boundary to include the parcel.

LIST OF ATTACHED MATERIALS:

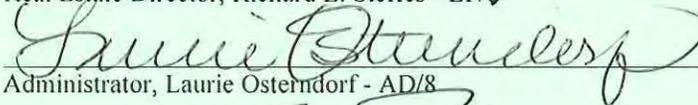
- | | | | |
|--|---|---|----------|
| No <input checked="" type="checkbox"/> | Fiscal Estimate Required | Yes <input type="checkbox"/> | Attached |
| No <input checked="" type="checkbox"/> | Environmental Assessment of Impact Statement Required | Yes <input type="checkbox"/> | Attached |
| No <input type="checkbox"/> | Background Memo | Yes <input checked="" type="checkbox"/> | Attached |

APPROVED:



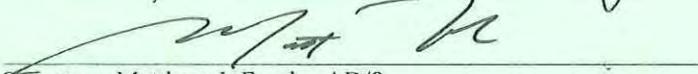
Real Estate Director, Richard E. Steffes - LF/6

5-6-10
Date



Administrator, Laurie Osterndorf - AD/8

5/11/10
Date



Secretary, Matthew J. Frank - AD/8

6-7-10
Date

- cc: S. Miller – LF/6
 R. Steffes – LF/6
 L. Ross – AD/8
 M. Staggs – FH/4
 J. Gozdialski – NOR/Spooner

CORRESPONDENCE/MEMORANDUM

DATE: May 6, 2010 FILE REF: FM 10083
 TO: Governor Doyle
 FROM: Matthew J. Frank *MJF*
 SUBJECT: Proposed Land Acquisition, Burling Tract, File FM 10083,
 Approval Requested by August 2, 2010

1. PARCEL DESCRIPTION:

St. Louis River Stream Bank Area
 Douglas County

Grantor:

Bradley Burling
 25895 5-51/2 Street
 Cumberland, WI 54829

Acres: 61.61Price: \$107,800.00Appraised Value: \$107,800.00Interest: Fee Title PurchaseImprovements: NoneLocation: The property is located in Douglas County about 12 miles south of Superior in the Town of Superior.Land Description: The subject land is level.

| <u>Covertypes Breakdown:</u> | <u>Type:</u> | <u>Acreage:</u> |
|------------------------------|-----------------|-----------------|
| | Upland Woodland | 61.61 |

Zoning: ForestryPresent Use: Recreational propertyProposed Use: Resource Protection and Public RecreationTenure: 3 yearsProperty Taxes: \$96.75 (MFL)Option Date: April 2, 2010Stewardship Land Access: This property will be open to the public for all nature-based outdoor recreational activities to include fishing, hunting, hiking, trapping, and cross-country skiing.2. JUSTIFICATION:

The Department has obtained an option for acquisition of the 61.61-acre Bradley Burling parcel for the St. Louis and Red River Stream Bank Protection Area, which is approximately eight miles from downtown Superior in Douglas County in the Town of Superior. The parcel, which is critical for access, falls just south of the project boundary. This acquisition would allow the state to build an access road with a parking area and trail for the public to access the state-owned 7,000 acres that make up the St Louis and Red River Stream Bank Protection Area, which at this time, is difficult to access.

The St. Louis River, the largest river system that flows into Lake Superior, was nominated by Governor Doyle as a potential National Estuarine Research Reserve (NERR) under the National Oceanic and Atmospheric Administration. The final designation by NOAA is subject to the Environmental Impact

Statement process that will be completed by October 2010. The St. Louis River Stream Bank Area project, located within a few miles of both Duluth and Superior, is bordered on the west by the State of Minnesota, on the north by the St. Louis River, on the east by the Village of Oliver, and on the south by Wrenshall Grade Recreation Trail. This is an active recreational area and receives visitor use from a very large area.

The project was established to protect the water quality of the St. Louis River watershed. This river is the largest tributary stream entering Lake Superior from the United States. The river flows eastward after descending the Duluth escarpment in Minnesota. From there to Lake Superior, the river is a meandering estuary with little current creating many diverse habitats for plants and animals. The topography within the project is mildly rolling to very steep. The soils are primarily red clay that, due to their poor water infiltration capabilities, have high potential for erosion. Poor forestry and residential development land use practices can easily create severe erosion problems, which are a threat to water quality and natural resources in the region.

The Department recommends acquisition of this property to consolidate state ownership, provide access to state-owned lands, preserve the water resources of the site and Lake Superior and complement the adjoining state parkland in Minnesota.

3. FINANCING:

State Stewardship Fisheries FY11 bond funds and Wisconsin Coastal Management Program funds are anticipated:

| | |
|------------------------------------|-------------------------------------|
| Funds allotted to program: | Balance after proposed transaction: |
| \$50,000,000 | \$26,845,046 |
| Funds allotted to Coastal program: | Balance after proposed transaction: |
| \$40,000 | \$0 |

4. ACQUISITION STATUS OF THE ST. LOUIS RIVER STREAM BANK AREA:

Established: 1994
Acres Purchased to Date: 6,444.18
Acquisition Goal: 6,823.0 Acres
Percent Complete: 94.45%
Cost to Date: \$1,010,850.00

5. APPRAISAL:

Appraiser: Jeffrey Olson
Valuation Date: January 21, 2010
Appraised Value: \$107,800.00
Highest and Best Use: Recreational property.

Allocation of Values:

- a. land: 61.61 acres @ \$1,749.72 per acre: \$107,800.00
- b. market data approach used, five comparable sales cited
- c. adjusted value range: \$1,366.67 to \$2,200.00 per acre

Appraisal Review: Peter Wolter - February 22, 2010

RECOMMENDED:

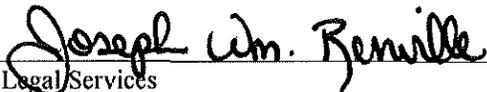
Richard E. Steffes



Date

5-6-10

Bureau of Legal Services



Date

5-7-10

Laurie Osterdorf



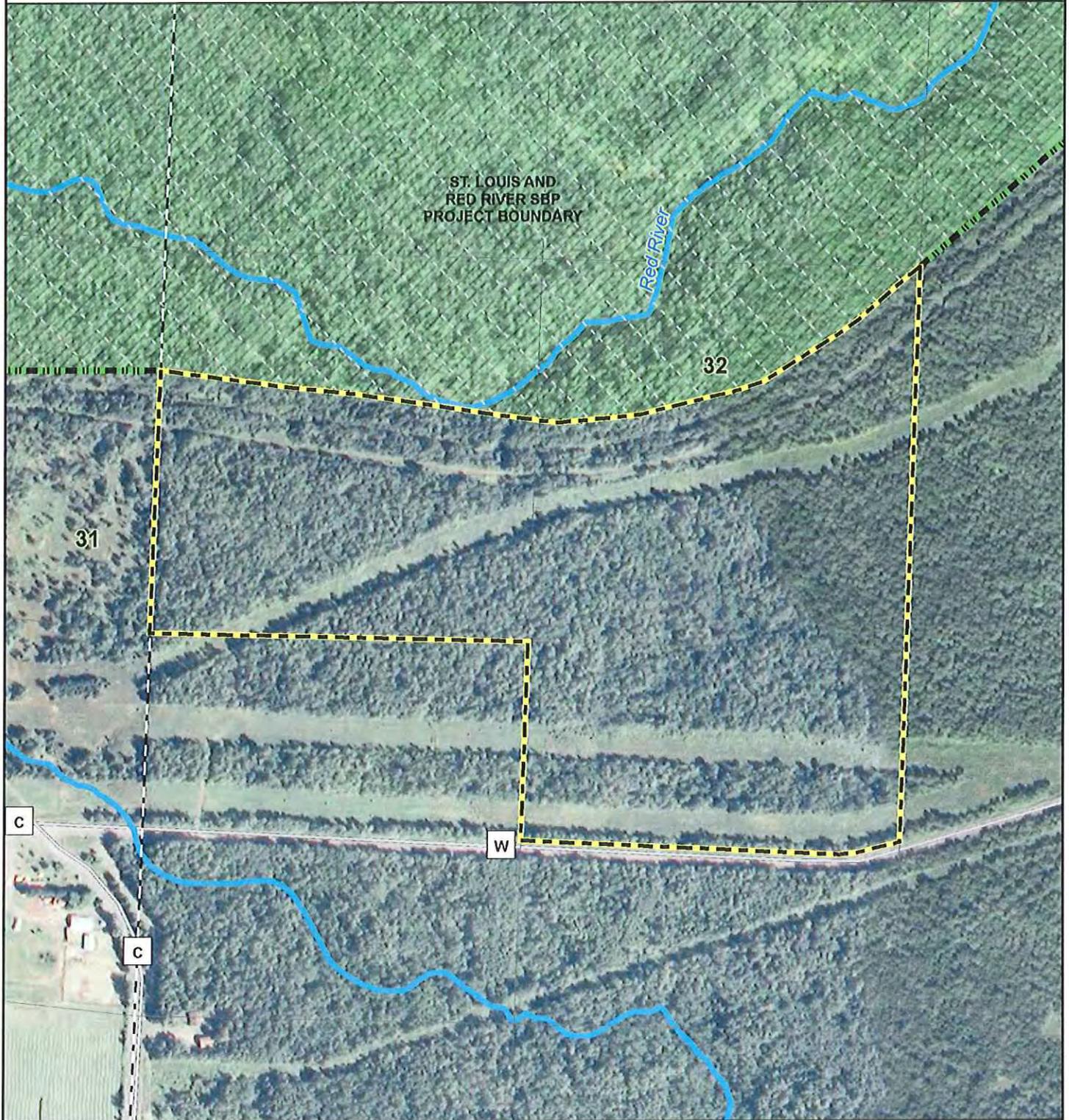
Date

5/11/10

RES:dv

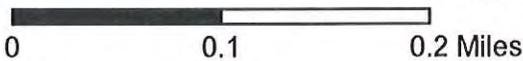
Bradley Burling Parcel

T48N R15W Section 32, Town of Oliver Village, Douglas County, WI (61.61 Acres)



Legend

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



Subject Property

FM 10083

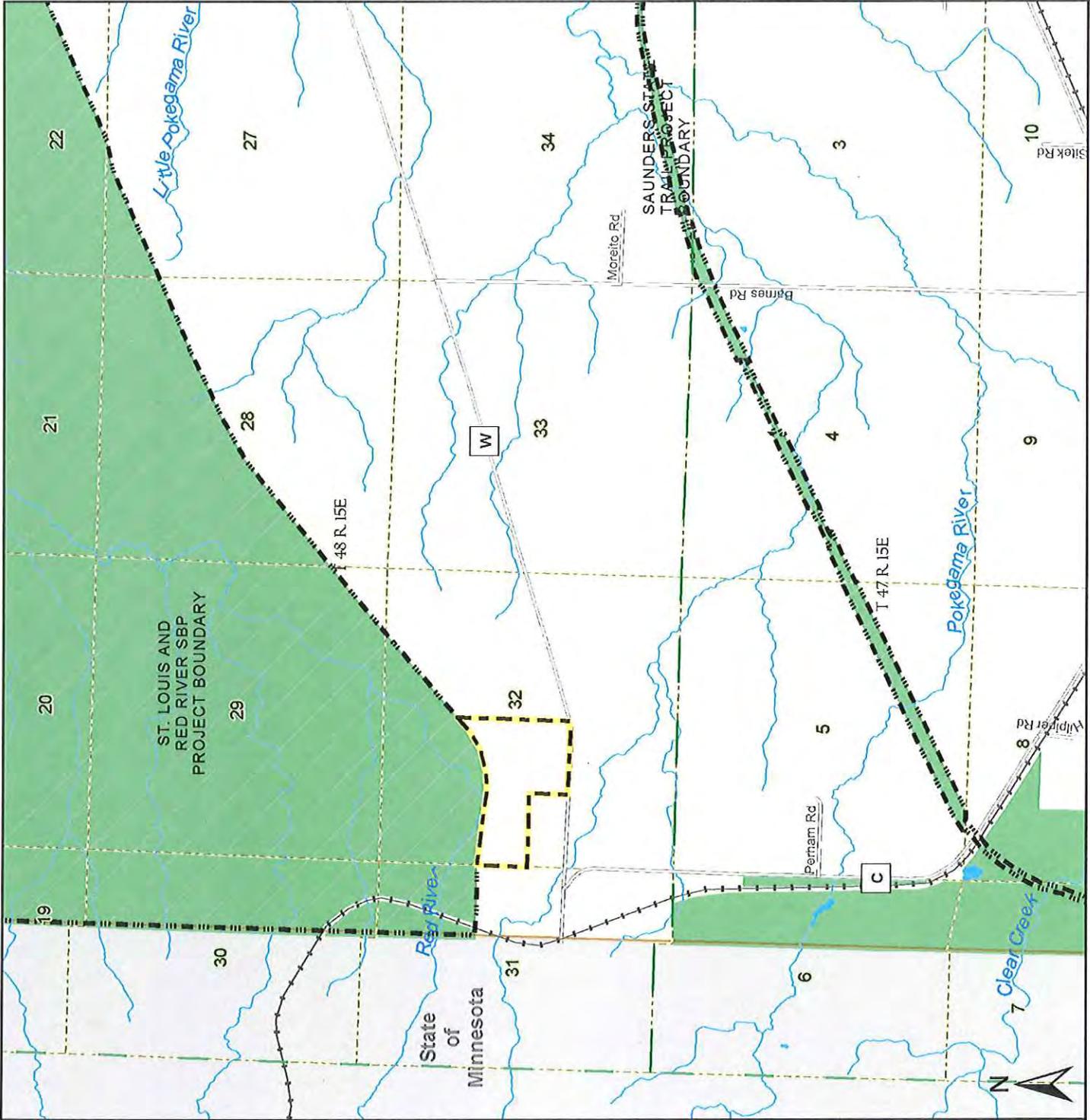
St. Louis River Stream Bank Area

- ▨ Fee Simple
- ▨ Easement
- ▭ Ingress/Egress

State of Wisconsin

April 13, 2010
Real Estate Section
Bureau of Facilities and Lands

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Bradley Burling Parcel

FM 10083

St. Louis River
Stream Bank Area

T48N R15W Section 32
Town of Oliver Village
Douglas County, WI
(61.61 Acres)

Subject Property

- Fee Simple
- Easement
- Ingress/Egress

Legend

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



The DNR Managed Lands represent the boundaries of lands managed by the Wisconsin Department of Natural Resources. 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. 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. Contact information for DNR Regional Offices and Service Centers is provided on the following internet site: <http://www.dnr.wisconsin.gov/central/servicecenters/locations.htm>. Updates to this data set are ongoing, and will be incorporated into future versions when available.