

SUBJECT: LAND ACQUISITION – PRAIRIE RIVER FISHERY AREA – LINCOLN COUNTY

FOR: MARCH 2009 BOARD MEETING

TO BE PRESENTED BY: Richard Steffes

SUMMARY: The Department has obtained an option to purchase 48.28 acres of land from Associated Bank for \$159,000 for the Prairie River Fishery Area in Lincoln County. The item is being submitted because the purchase price exceeds \$150,000. The 48.28-acre subject, formerly part of a nursery stock farm, is located within the project boundary of the Prairie River Fishery Area and adjoins state land to the north, east and southwest.

The Prairie River Fishery Area was established in the 1950's. It is located in north-central Wisconsin and originates from several small lakes in the eastern part of Lincoln County and the northwestern part of Langlade County covering approximately 36 miles of stream. The river is fed by several springs and spring ponds throughout much of its length. It is a Class I and II brook and brown trout stream with a fishery sustained by natural reproduction and improved by several stream habitat projects. It attracts fishermen statewide and is accessible by many public roads, including STH 17, which parallels the stream for most of its length. A majority of the river area is largely undeveloped and very scenic. The upper Prairie River watershed supports a good deer and ruffed grouse population and annually produces many mallard, wood duck and blue wing teal broods. Other small game and furbearers are abundant. Multiple uses on the project include fishing, hunting, trapping, cross-country skiing, hiking and other outdoor recreation.

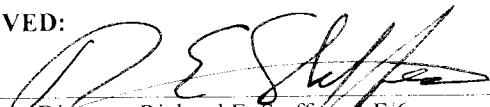
This proposed land purchase would add land for multiple habitat management purposes and provides an opportunity to improve the fishery and water quality for the Prairie River.

RECOMMENDATION: That the Board approve the purchase of 48.28 acres of land for \$159,000 for the Prairie River Fishery Area in Lincoln County.

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 |

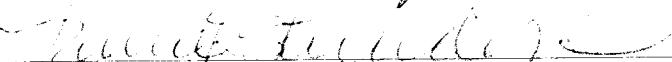
APPROVED:



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

2-23-09

Date



Administrator, Laurie Osterdorf - AD/8

3/2/09

Date

Secretary, Matthew J. Frank - AD/8

3/2/09

Date

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

CORRESPONDENCE/MEMORANDUM

DATE: February 23, 2009
 TO: Governor Doyle
 FROM: Matthew J. Frank
 SUBJECT: Proposed Land Acquisition Associated Bank Tract, File # FM 10030,
 Option Expires June 3, 2009

FILE REF: FM 10030

I. PARCEL DESCRIPTION:

Prairie River Fishery Area
 Lincoln County

Grantor:

Associated Bank
 Gerald Geishart
 1040 8th Street South, Suite 110
 Wisconsin Rapids, WI 54494

Acres: 48.28Price: \$159,000Appraised Value: \$159,000Interest: FeeImprovements: High capacity well, barn and sheds.Location: The property is located in Lincoln County about 12 miles northeast of Merrill.Land Description: The subject land is sloping with terrace areas along the 2,800 feet of Prairie River.

<u>Covertime Breakdown:</u>	<u>Type:</u>	<u>Acreage:</u>
	Tree Nursery Area	38.00
	Building Site	3.54
	Brush	6.74
	TOTAL:	48.28

Zoning: ResidentialPresent Use: VacantProposed Use: Resource protection and public recreation

Tenure: The subject property was acquired by Associated Bank via a quit claim deed in April 2008 in lieu of foreclosure from the former owner Great Lakes Nursery Company (Timothy Gutsch). Prior to giving Associated Bank the quit claim deed in lieu of foreclosure, the Gutsch's carved out a 20-acre parcel for their homestead, which they retained and is not part of this transaction. The bank appears to be taking a \$30,000 loss on the sale compared to its mortgage and note.

Property Taxes: \$577Option Date: February 3, 2009

Stewardship 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 has obtained an option to purchase a 48.28-acre parcel of land from Associated Bank. The 48.28-acre subject, formerly part of a nursery stock farm, is located within the project boundary of the Prairie River Fishery Area and adjoins state land to the north, east and southwest. It is located off County Highway J about 12 miles northeast of Merrill. The property is divided by the Prairie River with approximately eight acres situated south of the river and the balance of the property located north of the river. The property has approximately 2,900 feet of total frontage along the Prairie River that includes approximately 1,070 feet of riverbank on the north side of the Prairie River and 1,830 feet of frontage on the south side of the riverbank. The property was acquired by Associated Bank via a quit claim deed in lieu of foreclosure from the former owner Great Lakes Nursery Company (Timothy Gutsch). Prior to giving Associated Bank the quit claim deed in lieu of foreclosure the Gutsch's carved out a 20-acre parcel for their homestead, which they retained and is not part of this transaction.

The Prairie River Fishery Area was established in the 1950's and is located in north-central Wisconsin. It originates from several small lakes in the eastern part of Lincoln County and the northwestern part of Langlade County covering approximately 36 miles of stream. The Prairie River is fed by several springs and spring ponds throughout much of its length. The river is a Class I and II brook and brown trout stream with a fishery sustained by natural reproduction and improved by several stream habitat projects. Being located in central Wisconsin, it attracts fishermen statewide being easily accessible by many public roads, including STH 17, which parallels the stream for most of its length. A majority of the river area is largely undeveloped and very scenic. The upper Prairie River watershed supports a good deer and ruffed grouse population and annually produces many mallard, wood duck and blue wing teal broods. Other small game and furbearers are abundant. Multiple uses on the project include fishing, hunting, trapping, cross-country skiing, hiking and other outdoor recreation.

The improvements located on the northern portion of the subject property include a department-permitted high capacity well with 3" irrigation pipes, a pump house and shelter containing a diesel engine with oil tank, a small pole shed building, high quality deer fence with wood posts and woven wire. Acquisition of the property will also allow the Department to discontinue the use of the high capacity well located on the property. Improvements on the property south of Prairie River include a mound system, well and older dairy barn with remodeled two-room office, break room, two toilets/showers and a utility room with an attached milk house and lean-to.

The Department recommends acquisition of this parcel to consolidate state ownership, to provide additional opportunities for public recreation, eliminate the use of an existing high capacity well and to better-protect the natural and scenic resources of this site by preventing development incompatible with the goals of the project.

3. FINANCING:

State Stewardship bond funds are anticipated:

Funds allotted to program:	Balance after proposed transaction:
\$2,500,000	\$651,028

4. ACQUISITION STATUS OF THE PRAIRIE RIVER FISHERY AREA:

Established: 1959
Acres Purchased to Date: 2,442.95
Acquisition Goal: 1,838.51
Percent Complete: 132.88
Cost to Date: \$817,867.34

5. APPRAISAL:

Appraiser: Michael P. Augustyn
Valuation Date: December 8, 2008
Appraised Value: \$159,000

Highest and Best Use: Rural residential


Allocation of Values:

- a. land: 48.28 acres @ \$3,300 per acre: \$159,000 (Rounded)
- b. market data approach used. four comparable sales cited
- c. adjusted value range: \$3154 to \$3427 per acre

Appraisal Review: Peter Wolter – January 12, 2008

Comment: The appraiser allocated a value of \$14,500 to the improvements as part of his \$159,000 total value.

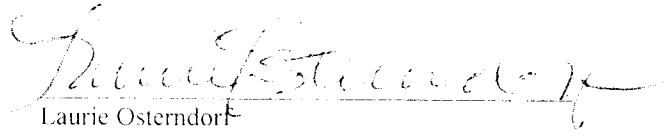
RECOMMENDED:


Richard E. Steffes

2 - 23 - 09
Date


Bureau of Legal Services

2/24/09
Date


Laurie Osterdorf

3/5/09
Date

RES:ch

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PRAIRIE RIVER FISHERY AREA

- Owned Land Project Boundary
- Eased Land
- Ice Age Trail
- Leased Land

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