

SUBJECT: LAND ACQUISITION – PERSHING WILDLIFE AREA – TAYLOR COUNTY

FOR: MAY 2009 BOARD MEETING

TO BE PRESENTED BY: Richard Steffes

SUMMARY: The Department has obtained an option to purchase 537.54 acres of land from Charles and Dorothy Birkenholz for \$950,000.00 for the Pershing Wildlife Area in Taylor County. The item is being submitted because the purchase price exceeds \$150,000.

The Pershing Wildlife Area was established as a public hunting ground in the 1950's. In October of 2008, the Natural Resources Board approved a 7,000-acre boundary expansion to maximize the wildlife habitat and open space between the northern and southern units and to increase access to the existing property in seven locations. The Department currently owns approximately 8,900 acres in these two separate geographical units, i.e., the northern unit and the southern unit, connected by a narrow corridor of land on the eastern side of the project boundary. The approved boundary expansion created a common boundary by adding the 6,080 acres between the northern and southern units, and added an additional 920 acres to the northwest corner of the northern unit. The subject property is located within the newly 7,000-acre boundary expansion area.

The 537.54-acre parcel is located in western Taylor County about 20 miles west of Medford. Department-owned lands abut the parcel along both the north and east boundaries. Purchasing the property will eliminate a pheasant game farm and allow the Department to protect, manage and enhance the existing wildlife habitat. In addition to these benefits, the proposed purchase of Big Rock Game Farm will allow department possession of an existing heated facility (clubhouse) and utilities on site, which can be economically remodeled to meet the need for a heated workspace, shop and warm storage space. This action will also allow a proposed storage facility planned for Pershing Wildlife Area to be scaled back by constructing only an unheated equipment/storage pole type building, which will result in thousands of dollars in Capital Development fund savings. The location of the building site on the subject property is more centrally located within the Pershing Wildlife Area, providing a secure location and better access for both wildlife management staff and the general public.

The project is intensively managed for wildlife habitat and waterfowl production. Habitat types include brush, forest and marsh and the principal wildlife species managed on the property include sharp-tailed grouse, woodcock, sandhill cranes, eagles, osprey, ducks, and geese. The project is used by the public for hunting, trapping, cross-country skiing, hiking, and other outdoor, nature-oriented recreation. The project is one of few public recreational properties established in Taylor County.

The property has a mix of field or croplands, wooded upland forest and lowland, marsh and road right-of-way. Access to the property is provided via several town roads. The fields are planted to corn and sorghum in most years for the benefit of hunting. Some lands suitable for tillage are left in grass for use as a dog training area. The various agricultural fields are separated by areas of woods and swamp/marsh. The forest cover is a mix of hardwoods and some conifers. Timber management of wooded upland forest acreage is an important component to the overall management of the wildlife habitat as the "edge" portion can serve as important brood habitat for sharp-tailed grouse plus, provides cover during hunting seasons. Because the Department owns land along a portion of the northern and eastern sides of the subject property, this acquisition will help to block well in those areas.

Acquisition of this parcel will consolidate state ownership, provide public recreation, downscale a capital development project and protect the natural and scenic resources of this site.

RECOMMENDATION: That the Board approve the purchase of 537.54 acres of land for \$950,000.00 for the Pershing Wildlife Area in Taylor 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

4-23-09
Date

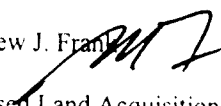

Administrator, Laurie Osterndorf - AD 8

4/29/09
Date


Secretary, Matthew J. Frank - AD 8

5-14-09
Date

cc: S. Miller - LF 6 L. Ross - AD 8 J. Gozdialski - NOR Spooner
R. Steffes - LF 6 T. Hauge - WM 6

DATE: April 21, 2009
 TO: Governor Doyle
 FROM: Matthew J. Franke 
 SUBJECT: Proposed Land Acquisition, Birkenholz Tract, File # WM 60031,
 Option Expires July 22, 2009

FILE REF: WM 60031

1. PARCEL DESCRIPTION:

Pershing Wildlife Area
 Taylor County

Grantor:

Charles and Dorothy Birkenholz
 W15664 Chucks Road
 Gilman, WI 54433

Acres: 537.54Price: \$950,000.00Appraised Value: \$950,000; \$1,021,000Interest: Fee title purchaseImprovements: House, cabins, barns, sheds, clubhouseLocation: The property is located in Taylor County six miles south of the Village of Gilman.Land Description: The land varies from level to rolling.

<u>Covertyp</u>	<u>Breakdown:</u>	Type:	Acreage:
		Cropland	268.00
		Upland Woods	113.00
		Lowland/Woods & Marsh	<u>156.54</u>
		TOTAL	537.54

Zoning: NonePresent Use: Hunting PreserveProposed Use: Wildlife Management and Public RecreationTenure: 31 yearsProperty Taxes: \$10,266Option Date: January 23, 2009Stewardship 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 537.54-acre parcel known as Big Rock Game Farm from Chuck and Dorothy Birkenholz for the Pershing Wildlife Area located in western Taylor County. Department-owned lands abut the parcel along both the north and east boundaries. Purchasing the property will eliminate a pheasant game farm, provide protection and opportunity to manage and enhance the habitat as well as consolidate state ownership in this block of the Pershing Wildlife Area. Game farms are considered detrimental to sharp-tailed grouse management. In addition to these benefits, the proposed purchase of Big Rock Game Farm will allow the Department to have a more central building location

utilizing the existing heated facility (clubhouse) and utilities on site and therefore amend and downscale the current capital development request for a heated/cold storage facility at Pershing Wildlife Area that was originally requested on the southern unit of the wildlife area. About \$200,000 is the anticipated savings to be realized in using the existing building.

The Pershing Wildlife Area was established as a public hunting ground in the 1950's. In October of 2008, the Natural Resources Board approved a 7,000-acre boundary expansion to maximize the open space between the northern and southern units and to increase access to the existing property in seven locations. The Department currently owns approximately 8,900 acres in these two separate geographical units, i.e., the northern unit and the southern unit, connected by a corridor of land on the eastern side of the project boundary. The approved boundary expansion created a common boundary by adding the 6,080 acres between the northern and southern units, and added an additional 920 acres to the northwest corner of the northern unit. The subject property is located within the newly 7,000-acre boundary expansion area.

The project boundary area is intensively managed primarily for wildlife habitat and waterfowl production. Habitat types include brush, forest and marsh and the principal wildlife species managed on the property include sharp-tailed grouse, woodcock, sandhill cranes, eagles, osprey, ducks, and geese. The project provides and is used by the public for hunting, trapping, cross-country skiing, hiking, and other outdoor compatible, nature-oriented recreation. The project is one of few public recreational properties established in Taylor County.

The Birkenholz operated the subject property as a dairy farm from 1968 until 1988. In 1989, Chuck and Dorothy decided to quit dairy farming and converted their property to a pheasant game farm known as "Big Rock Hunting Preserve". In 2001, the Birkenholz built a 2,400-square-foot clubhouse, with two ADA accessible bathrooms, a heated workspace, a storage room, a kitchen, a walk-in cooler and bar area as well as a large open space for gatherings and meetings. Other improvements located on the 537.34 acre subject site include a 1,300-square-foot, single family residential home with attached garage, a 2,400-square-foot metal pole building used as a machine shed, two small rental cabins, a rental farm house, one metal barn, two wooden barns, three drilled wells, two conventional septic systems and a holding tank. The Birkenholz will retain 80 acres of vacant land, but will provide and sign a right-of-first-refusal for the Department at closing for this 80-acre parcel. The Department will use the clubhouse by connecting it to heated shop space. The other buildings will be sold for removal or salvage.

The property has approximately 268 acres of field or croplands, 113 acres of wooded upland forest and approximately 156.54 acres of lowland, marsh and road right of way. Access to the property is provided via several town roads. The croplands are spread out over the entire subject and are situated in nine separate fields. These fields are planted to corn and sorghum in most years for the benefit of hunting. Some lands suitable for tillage are also left in grass for use as a dog training area. The various agricultural fields are separated by areas of woods and swamp/marsh. The forest cover is a mix of modest quality hardwoods, but also includes some conifers in the stands. Timber management of wooded upland forest acreage is an important component to the overall management of the wildlife habitat as the "edge" portion can serve as important brood habitat for sharp-tailed grouse plus, provides cover during hunting seasons. Wooded upland forest also serves the seasonal needs of ruffed grouse and woodcock, in addition to whitetail deer and bear. The property is flat to gently rolling terrain situated in an area of glacial activity known as ground moraine and outwash, which consists of low swales/ridges interrupted by wet drainage ways and depressional areas. A feeder stream to the Fisher River originates on the subject property just south of Ellis Road and meanders through the subject to its south property line. Because the department owns land along a portion of the northern and eastern sides of the subject property, this acquisition will help block well in those areas.

The Department recommends the acquisition of this parcel to eliminate the pheasant game farm, consolidate state ownership, to provide additional opportunities for public recreation, to downscale the capital development project by utilizing the existing clubhouse facility for heated/cold storage and to better protect the natural and scenic resources of this site by preventing development incompatible with the goals of the project and boundary expansion and by promoting natural resource management.

3. FINANCING:

FY 10 State Stewardship bond funds are anticipated:

Funds allotted to program:	Balance after proposed transaction:
\$23,700,000	\$22,750,000

4. ACQUISITION STATUS OF THE PERSHING WILDLIFE AREA:

Established: 1956
Acres Purchased to Date: 8,895.39
Acquisition Goal: 14,960
Percent Complete: 59.8%
Cost to Date: \$591,825.32

5a. APPRAISAL:

Appraiser: Edward Steigerwaldt
Valuation Date: October 1, 2008
Appraised Value: \$950,000
Highest and Best Use: Recreation

Allocation of Values:

- a. land: 537.54 acres @ \$1,250.00 per acre: \$671,925
- b. improvements: \$277,600
- c. total: \$950,000 (Rounded)
- d. market data approach used, five comparable sales cited
- e. adjusted vacant land value range: \$1,124.00 to \$1,344.00 per acre

Appraisal Review: Peter Wolter – November 25, 2008

5b. APPRAISAL:

Appraiser: Michael Augustyn
Valuation Date: September 2, 2008
Appraised Value: \$1,021,000
Highest and Best Use: Recreation and Hunting Preserve

Allocation of Values:

- a. land with improvements: 537.54 acres @ \$1,900 per acre: \$1,021,000
- b. market data approach used, four comparable sales cited
- c. adjusted value range: \$1,124.00 - \$1,344.00 per acre

Appraisal Review: Peter Wolter - November 25, 2008

Comment: Augustyn included the building value in his per-acre value. His allocation for improvements was \$268,700. The Department considered the Steigerwaldt report as the superior one for negotiation purposes.

RECOMMENDED:

Richard E. Steffes
Richard E. Steffes

4-23-09
Date

Joseph Wm. Bernillo
Bureau of Legal Services

4/27/09
Date

Laurie Osterndorf
Laurie Osterndorf

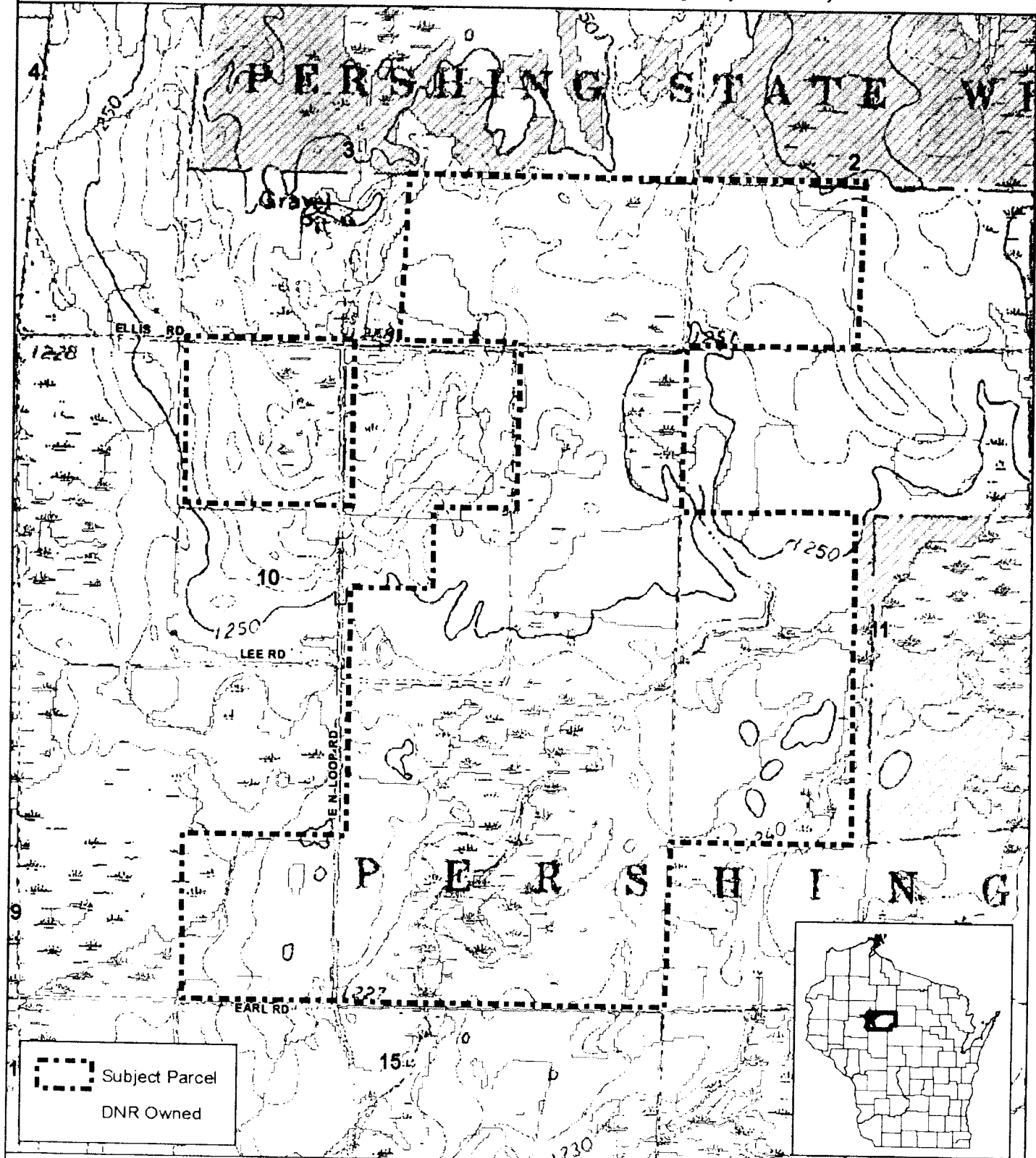
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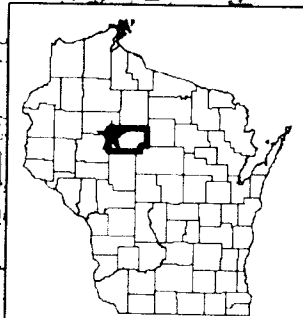
Charles A. and Dorothy Birkenholz Property

Big Rock Hunting Preserve

T32N R04W Sec 2, 3, 10 & 11, Town of Pershing, Taylor County



Subject Parcel
DNR Owned



Created by Bureau of Facilities and Lands
Real Estate Section
February 10, 2009



