

Wisconsin Department of Natural Resources
Natural Resources Board Agenda Item

SUBJECT: Land Sale – Scattered Forest Lands – Vilas County

FOR: SEPTEMBER 2015 BOARD MEETING

TO BE PRESENTED BY: Douglas J Haag

SUMMARY: The Department has entered into an agreement to sell 1.75 acres of land located in Vilas County to Rest Lake Apartments, LLC for \$275,000.00. The item is being submitted because the value of the land exceeds \$50,000.

The land is located in Vilas County and consists of a narrow strip of frontage on Rest Lake, 100 feet wide by 765 feet long. The parcel adjoins land owned by Rest Lake Apartments, LLC along the entire 765 foot boundary.

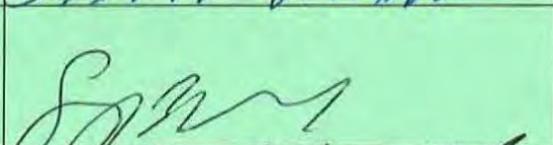
The Department conveyed the 15.8 acre parcel currently owned by Rest Lake Apartments, LLC to the Town of Manitowish Waters in 1994. The town planned to use the land for a housing development. The Department retained the 100 foot strip of land at that time. The housing development did not work out and the Town of Manitowish Waters sold the land to a private party. The parcel recently changed hands again and the current owners, Rest Lake Apartments, LLC, have requested sale of the 100 foot strip of waterfront to gain access to the lake.

The 100 foot strip of land is located outside of the Northern Highland American Legion State Forest project boundary and was identified for possible sale through past master planning efforts. The parcel meets the land sale criteria established in s 23.145, Stats., and proceeds from the sale will be used to pay down debt related to Knowles Nelson Stewardship program.

RECOMMENDATION: That the Board approve the sale of 1.75 acres of land to Rest Lake Apartments, LLC for \$275,000.00 from Scattered Forest Lands the in Vilas County.

LIST OF ATTACHED MATERIALS (Check all that are applicable):

- Background Memo Type name of attachment if applicable
- Maps and Documents Type name of attachment if applicable

Approved By	Signature	Date
S. Miller Bureau Director		9-10-15
Sanjay Olson Division Administrator		9-10-15
Cathy Stepp, Secretary		9-10-15

CORRESPONDENCE/MEMORANDUM

DATE: September 10, 2015 FILE REF: WM 60294
 TO: Natural Resources Board
 FROM: Cathy Stepp
 SUBJECT: Proposed Land Sale, DNR to Rest Lake Apartments, LLC, File # WM 60294,
 Approval Requested by October 16, 2015

1. PARCEL DESCRIPTION:

Scattered Forest Lands
 Vilas County

Grantor:

State Department of Natural Resources
 101 S. Webster Street
 Madison, WI 53707

Grantee:

Rest Lake Apartments, LLC
 Richard Zordani
 12575 Uline Drive
 Pleasant Prairie, WI 53158

Acres: 1.75
Price: \$275,000.00
Appraised Value: \$238,000, \$384,000.00
Interest: Fee Title
Improvements: None

Location: The property is located in Vilas County, approximately ¼ of a mile north of the Town of Manitowish Waters.

Land Description: The subject land is level to gently rolling upland with a 10-15 foot, nearly vertical drop-off down to the surface of Rest Lake.

Covertypes Breakdown:

Type	Acreage
Upland Lake Frontage	1.75
Total:	1.75

Zoning: None
Present Use: Outdoor Public Recreation/Conservation
Proposed Use: Private Use
Tenure: 104 Years
Property Taxes: Tax Exempt

2. JUSTIFICATION:

The Department has entered into an agreement to sell 1.75 acres of land to Rest Lake Apartments, LLC at the price of \$275,000. The land is located in Vilas County and consists of a narrow strip of frontage on Rest Lake 100 feet wide by 765 feet long. The parcel adjoins land owned by Rest Lake Apartments, LLC along the entire 765 foot boundary.

The Department conveyed the 15.8 acre parcel currently owned by Rest Lake Apartments, LLC to the Town of Manitowish Waters in 1994. The town planned to use the land for a housing development. The Department retained the 100ft. strip of land at that time. The housing development did not work out and the Town of Manitowish Waters sold the land to a private party. The parcel recently changed hands again and the current owners, Rest Lake Apartments, LLC, have requested sale of the 100 foot strip of waterfront to gain access to the lake. The 100 foot strip of land is located outside of the Northern Highland American Legion State Forest project boundary and was identified for possible sale through past master planning efforts. The parcel meets the land sale criteria established in s 23.145, Stats., and proceeds from the sale will be used to pay down debt related to Knowles Nelson Stewardship program.

5. ACQUISITION STATUS OF THE SCATTERED FOREST LANDS:

Established: 1956
Acres Purchased to Date: 8,242.43
Acquisition Goal: 5,352.61
Percent Complete: 153.99 %
Cost to Date: \$3,145,666.95

6. APPRAISAL 1:

Appraiser: William Steigerwaldt
Valuation Date: February 9, 2015
Appraised Value: \$384,000.00
Highest and Best Use: Assemblage

Allocation of Values:

- a. land: 765 front feet @ \$501 per front foot: \$384,000.00
- b. "Before and After" market data approach used, 3 comparable sales cited for "before" value and 3 comparable sales cited for "after" value.

Appraisal Review: Doug Haag

APPRAISAL 2:

Appraiser: Robert Karl
Valuation Date: June 10, 2015
Appraised Value: \$238,000
Highest and Best Use: Assemblage to adjoining condominium property

Allocation of Values:

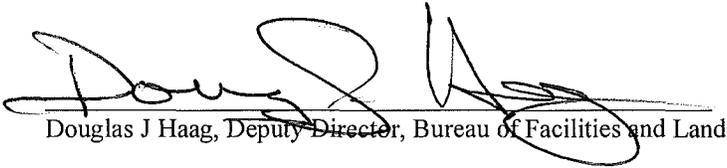
- a. land: 765 front feet @ \$311 per foot: \$238,000
- b. "Before and After" market data approach used, 4 comparable sales cited for "before" value and 5 comparable sales cited for "after" value.

Appraisal Review: Doug Haag

Comments: Both appraisers used a before and after approach to value the subject property. The before value was based on the Rest Lake Apartments, LLC parcel without lake frontage and the after value was based on the Rest Lake Apartments, LLC parcel with lake frontage. The original appraisal assignment included additional non-lake front property owned by the Department. Through negotiations that land was removed from the transaction and the appraisals were adjusted accordingly by the Department. The final value of \$275,000 or \$359 per front foot was a negotiated value.

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RECOMMENDED:



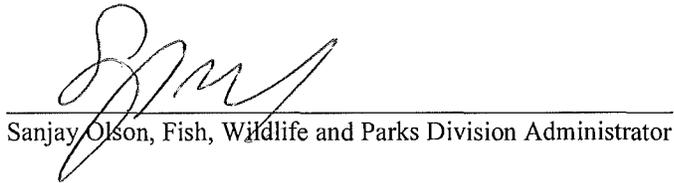
Douglas J Haag, Deputy Director, Bureau of Facilities and Land

9-10-15
Date



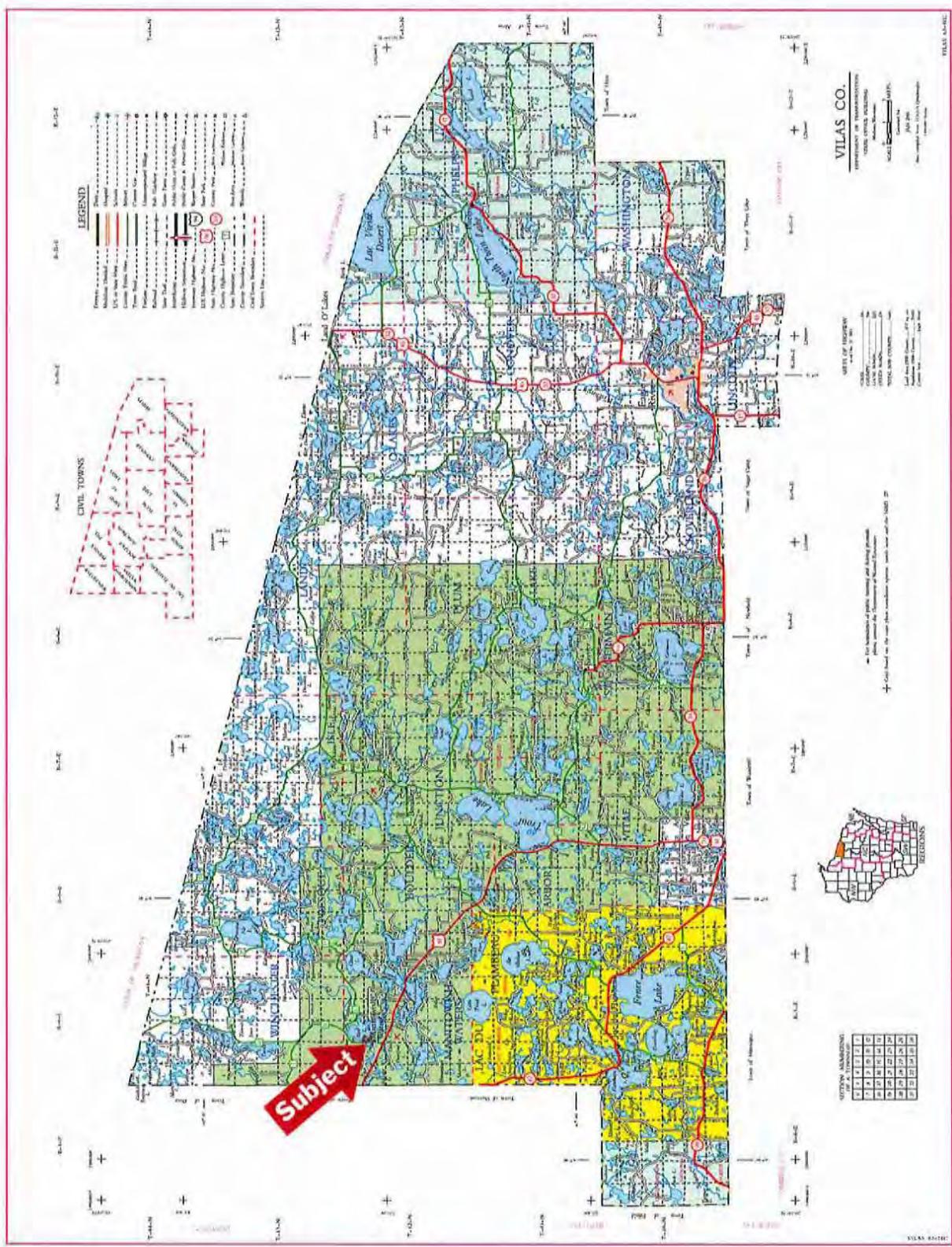
Kristin A. Hess, Bureau of Legal Services

9/10/15
Date



Sanjay Olson, Fish, Wildlife and Parks Division Administrator

9/10/15
Date



Subject

VILAS CO.
 COUNTY OF WISCONSIN
 OFFICE OF THE REGISTER
 1000 W. WASHINGTON ST.
 WISCONSIN STATE CAPITOL
 MADISON, WISCONSIN 53706
 608.261.3800
 www.vilascountywi.gov

UNITED STATES
 DEPARTMENT OF THE INTERIOR
 BUREAU OF LAND MANAGEMENT
 1616 WEST PLAZA
 DENVER, CO 80202
 303.460.1413
 www.blm.gov

COUNTY ADMINISTRATION

1	2	3	4	5	6	7	8	9	10
11	12	13	14	15	16	17	18	19	20
21	22	23	24	25	26	27	28	29	30
31	32	33	34	35	36	37	38	39	40
41	42	43	44	45	46	47	48	49	50

**Rest lake Apartments,
LLC. - Fee/Sales**

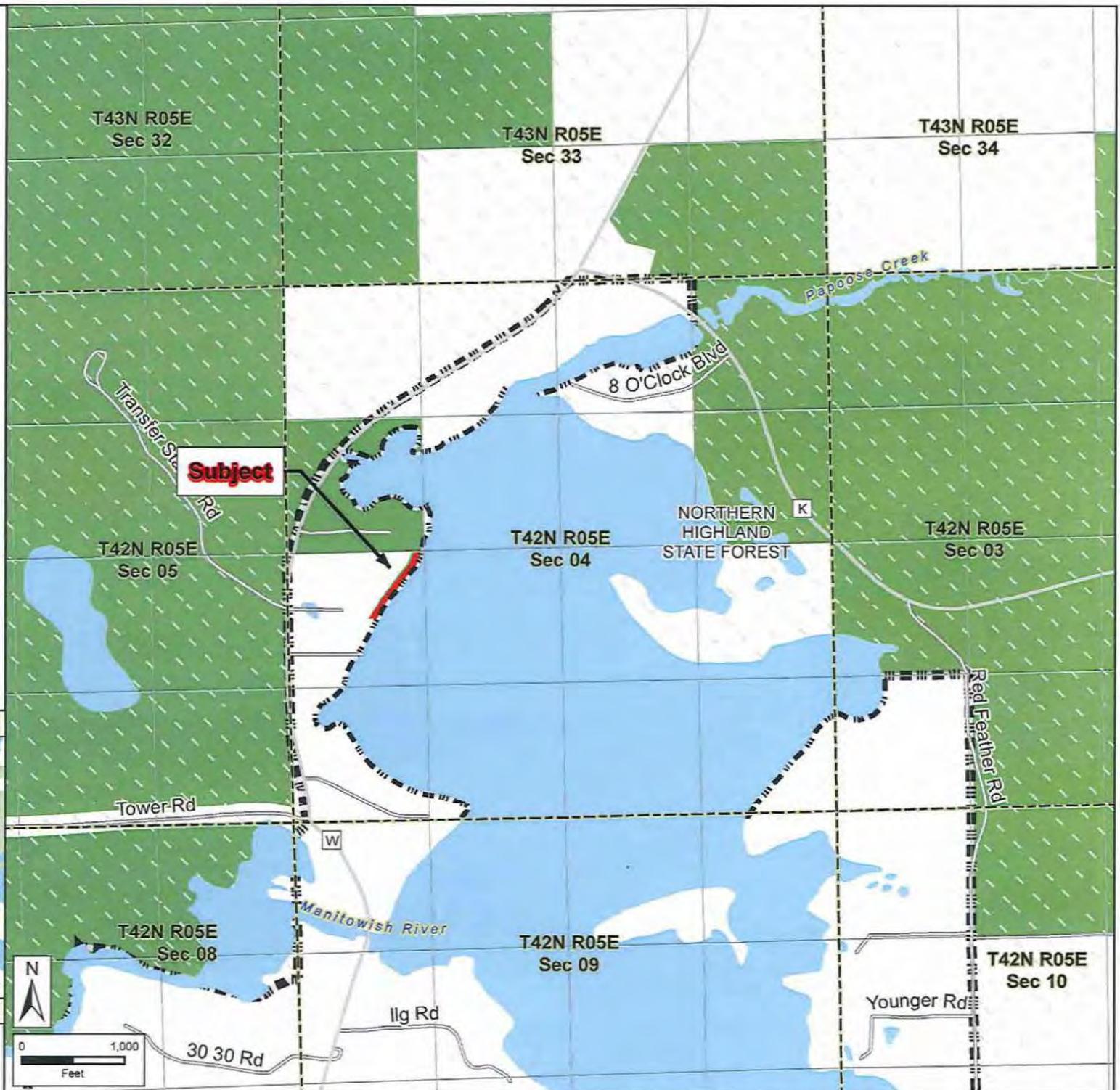
Scattered Forest
Lands

WM 60294

T42N R5E Sec 4
Town of Manitowish Waters
Vilas County

 Subject

-  DNR Fee Title
-  WDNR Easement
(Closed to Public Access)
-  Project Boundary
Subject to Act 20
-  Project Boundary Not
Subject to Act 20

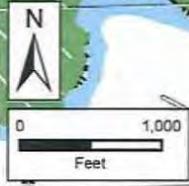


Regional View



 Location of Property

 WISCONSIN DEPARTMENT
OF NATURAL RESOURCES
Bureau of Facilities of Lands
Map Created: Sep 09, 2015 kmh

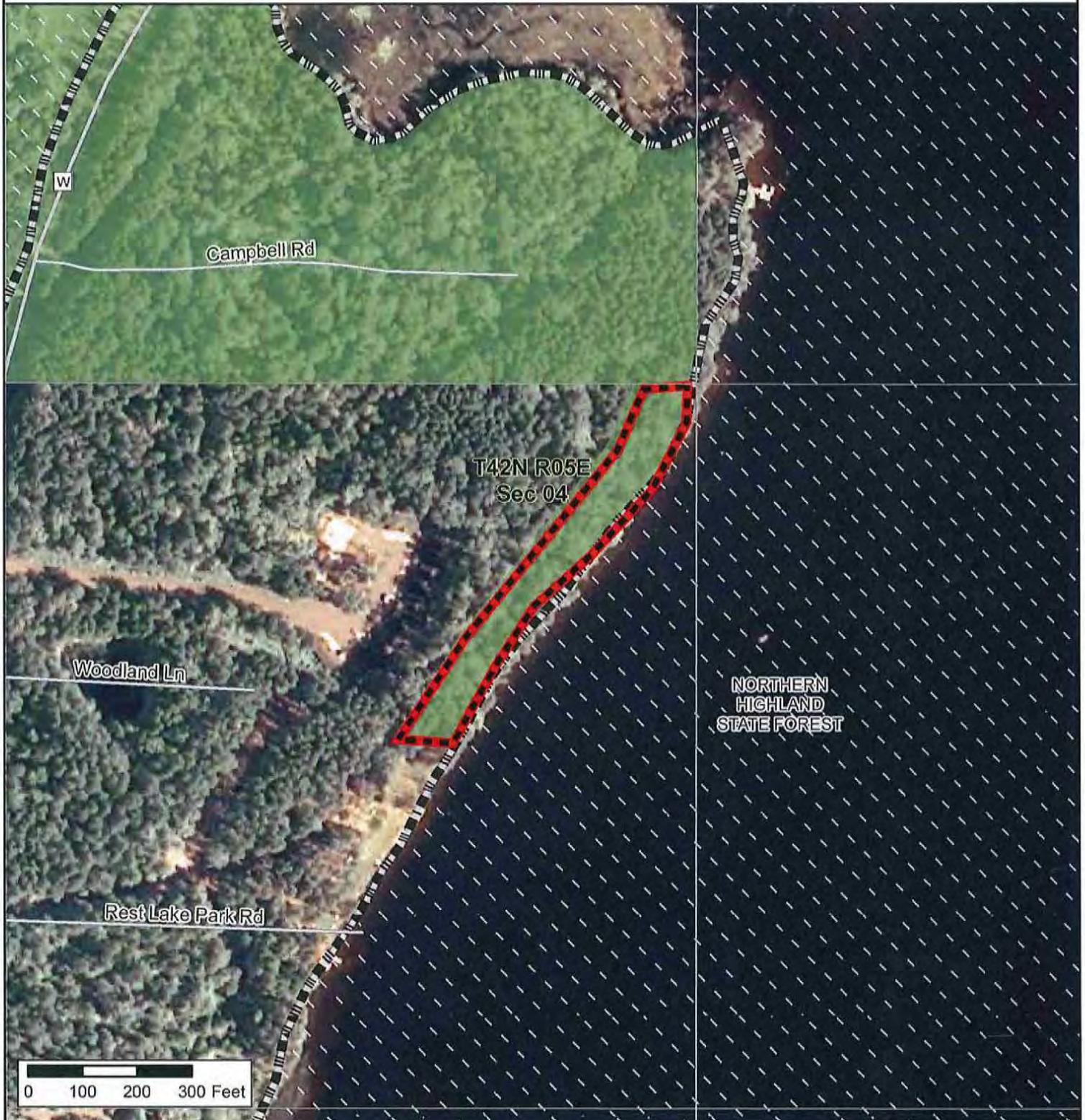


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Rest Lake Apartments, LLC. - Fee/Sales

T42N R5E Sec 4, Town of Manitowish Waters, Vilas County



Scattered Forest Lands



Subject

DNR Fee Title

Project Boundary Not

Subject to Act 20

QQ Section Lines



Sep 09, 2015 kmh

Real Estate Section
Bureau of Facilities and Lands

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