



COUNTY OF KENOSHA COUNTY EXECUTIVE

Allan K. Kehl, County Executive

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TO: Rep. Lloyd Barber

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From: Mike Serpe

Message: Lloyd:
If you need more information, please
contact Mr. Michael Serpe at 608-266-7038.
Thank you,
Mike

Allan K. Kehl
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Agenda Item XXII

Natural Resources: Stewardship Grant

Kenosha County Grant

\$303,500 for a grant to Kenosha County (\$224,100 from the urban rivers program and \$79,400 from the stream bank protection program) for the acquisition of 233 acres of land for Wheatland-Randall-Twin Lakes County Park.

The proposed grant to Kenosha County would be used to purchase a 233 acre abandoned gravel quarry owned by Meyer Material Company in the Towns of Randall and Wheatland. This would be the first acquisition of a proposed 488 acre Wheatland-Randall-Twin Lakes County Park under the County's park and open space plan. The topography of the parcel is varied, including hills, rolling agricultural land, the wetland and pond headwater areas of Palmer Creek (a Class III trout stream), a 38 acre lake and species habitat area for the endangered Forster's Tern and the threatened Great Egret. The property borders the New Munster State Wildlife Area and a Town of Randall park. Currently, the mined portion of the parcel has been graded and left vacant, while the agricultural areas are farmed. A single family home, built in 1978, is located on a 2.5 acre portion of the parcel near the northeastern section of the lake.

The 141 acres of land including the gravel pit and the man-made lake are currently zoned M-3 Mineral Extraction District. The appraisal indicates that this area could be marketed as large exclusive residential single-family lots, but would be limited due to access, location of the lake and topography. The 32 acre pond and wetland area is zoned C-1 Lowland Resource Conservancy District, which is restricted to wildlife, recreational or limited agricultural uses. The remaining 60 acres are zoned A-2 General Agricultural District and are considered to have good residential subdivision potential. The assessed value of the property in 1998 was \$664,200 (\$459,800 for the land and \$204,400 for the improvements).

The appraisal approved by the Department for determining the grant amount estimated the value of the Meyer Material property at \$807,000. The valuation, completed in March of 1999, indicated a highest and best use for three separate sections of the property: (a) a 2.5 acre improved single-family residential site for the existing house; (b) 38 acres of subdividable agricultural land; and (c) 192.5 acres for large lots surrounding the lake. Through the use of

comparable sales, the value of the existing house and surrounding land is estimated at \$157,000, the value of the subdividable agricultural land is estimated at \$227,000, and the value of the acreage for large lots is estimated at \$465,000. The appraiser then applied a 5% discount to the sum (given that the relatively large parcel is being sold as a whole rather than in smaller tracts, reducing transaction costs) to place a total value on the property of \$807,000. Because this final value assumed the mining equipment on-site would be removed and the site would be restored with top soil and various planting, the appraised value was reduced by \$200,000 for grant purposes to reflect the estimated costs for reclamation of the quarry site.

A second appraisal of the property that was completed in December of 1998, and accepted by the Department, set the value of the property at one million. The highest and best use identified in this appraisal was for two or three residential sites. Using the cost method to determine the value of the land separate from any improvements, the value of the land was placed at \$900,000, while the improvements were estimated to be worth \$100,000.

The proposed use of the property includes protection and restoration of the wetland and water resource areas of tributary systems to the Illinois Fox River. Proposed winter uses of the property include ice-skating, ice-fishing, sledding and cross-country skiing. Proposed summer activities allowed on the property include swimming, fishing, non-motorized boating, hiking and picnicking. Four baseball diamonds are anticipated to be placed on the parcel on an interim basis.

The county anticipates relocating the diamonds and adding additional diamonds and soccer fields to the remaining land in the park's project boundary once it becomes available. The existing residence is anticipated to be converted to a park headquarters building. DNR staff indicate that Kenosha County has not yet reached agreement on a purchase price for this property. However, if the purchase price were less than the \$607,000 appraisal, the DNR grant would not exceed one-half of the purchase costs. If the purchase price exceeds \$607,000, the County would have to provide the difference.

The purchases of improvements on parcels of land is not uncommon in stewardship land acquisition. In addition, by statute, the urban rivers component emphasizes other factors in addition to natural resources-related land acquisition.

ALTERNATIVES

1. Approve the DNR request to expend \$303,500 for a grant to Kenosha County (\$224,100 from the urban rivers program and \$79,400 from the stream bank protection program) for the acquisition of 233 acres of land for Wheatland-Randall-Twin Lakes County Park.
2. Approve a grant expenditure of \$225,000 (half of the appraised value of only the land).
3. Deny the request.