

North Fork Crow River Watershed District
1030 Front Street, PO Box 40
Brooten, MN 56316

RE: Determination of Benefits
Pirz Lake Aquatic
Management Project

August 5, 2019

Benefits and Damages Statement

This report addresses the property value benefits attributable to the proposed Pirz Lake Aquatic Management Project located in sections 5, 6, 7, and 8 of Eden Lake Township in Stearns County Minnesota. The report values are based upon a comparison of the conditions that would exist within Pirz Lake with no public aquatic plant management with those that are anticipated with the implementation of and operation of the proposed management plan.

To determine the conditions that would exist without aquatic plant management, we viewed the lake in July 2019. Information was also received from the North Fork Crow River Watershed District and Houston Engineering Inc., the project engineer. Based upon the information provided, we have determined that the project will improve access to the lake, improve water quality, and management of the invasive curly leaf pondweed, now being the major aquatic problem plant. It is felt that the impact of the treatment will provide an improved value to all properties having lake shore frontage. Surrounding properties may also benefit but have not been included as the value increase will be minimal and difficult to support.

To determine the benefit value to the properties affected by the lake's accessibility, recreational use, and water quality, an investigation of lake shore land sales was conducted on various lakes within Stearns County, Kandiyohi County, and other counties having lakes with and without measurable aquatic weed issues. The comparison looked at sales value and value trends over a period of time. We considered that some lakes have undertaken management of the vegetation and evaluated that impact to estimated value. We also considered the difference in the per year cost of individual plant management when compared with the cost savings of the public scale project.

With consideration of the indicated range of values, we have determined that a percentage of the assessor's estimated market value best reflects the benefit values. It is our opinion that the market value of the properties with direct lake access reflects a benefit of 3% of land value and at least 1% of the value of the improvements. For the properties that, in our opinion, had excess acres or limited access we adjusted the percentage to reflect that consideration. Undeveloped shoreland was valued under our highest and best use determination. Individual consideration was given to lands with a set back from the lake. Benefit value for changes in improvements and future development should be reflected through adjustment of the related county Assessor's estimated market value.

Respectfully submitted

Ron Ringquist, Jeff Johnson, Allen Kerber