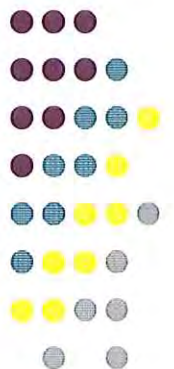


Warren Knowles-Gaylord Nelson Stewardship Program

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Warren Knowles-Gaylord Nelson Stewardship Program

Introduction

Wisconsin's first stewardship program was created in 1989 Act 31 for the purpose of acquiring land to expand recreational opportunities and protect environmentally sensitive areas. The Department of Natural Resources (DNR) administers the stewardship program. Under the program, DNR acquires land and provides grants to local units of government and non-profit organizations for land acquisition and property development activities. The state generally issues 20-year tax-exempt general obligation bonds to support the stewardship program. General obligation bonds are backed by the full faith and credit of the issuing government (in this case the state), and the government is required to use its taxing power if necessary to repay the debt. Annual debt service payments for principal and interest on stewardship bonds are primarily funded from general purpose revenues (GPR), with a portion paid from the segregated (SEG) conservation fund.

In 1989 Act 31, the Legislature authorized \$250 million of general obligation bonding (reduced to \$231 million in 1995 Act 27 to recognize \$19 million in anticipated federal funding) for the original stewardship program over a 10-year period, ending in fiscal year 1999-2000. Through Act 31, the Legislature allocated funding among twelve categories of land acquisition and development programs. Some were extensions of land acquisition

activities that existed prior to the stewardship initiative and others were newly-created programs. 1993 Act 343 renamed the stewardship program the Warren Knowles-Gaylord Nelson Stewardship Program.

The stewardship program was reauthorized in 1999 Act 9 (the 1999-01 biennial budget) as the Warren Knowles-Gaylord Nelson Stewardship 2000 Program. Under that act, the state could contract public debt in an amount not to exceed \$460 million. The annual bonding allotment was set at \$46 million from fiscal years 2000-01 to 2009-10. Under 2001 Act 16, the bonding authorization was increased from \$46 million to \$60 million annually, beginning in fiscal year 2002-03 and continuing through 2009-10. This increased the total general obligation bonding authority of the reauthorized program to \$572 million (\$803 million in total bonding was authorized for the 20-year program).

The 2007-09 biennial budget act, 2007 Act 20, extended the stewardship program for an additional 10 years to fiscal year 2019-20 and increased the annual bonding authority from \$60 million to \$86 million beginning in 2010-11. This increased the total general obligation bonding authority of the stewardship program by \$860 million, to \$1,663,000,000. While DNR has some discretion over the use of funds, the general allocations under the stewardship program are shown in Table 1.

Table 1: Stewardship Program Allocations

	Original	Stewardship 2000	Stewardship 2010	Total	% of Total
DNR Land Acquisition	\$140,800,000	\$341,750,000	\$500,000,000	\$982,550,000	59.1%
State Property Development	45,000,000	65,000,000	100,000,000	210,000,000	12.6
Local Assistance (including NCO) Grants	45,200,000	158,750,000	235,000,000	438,950,000	26.4
Recreational Boating	<u>0</u>	<u>6,500,000</u>	<u>25,000,000</u>	<u>31,500,000</u>	<u>1.9</u>
Total Allocations	\$231,000,000	\$572,000,000	\$860,000,000	\$1,663,000,000	100.0%

As of June 30, 2010, the Department of Natural Resources (DNR) owned approximately 1.46 million acres of land, which represents approximately 4.2% of the state's land area (34.76 million acres). The DNR ownership represents approximately 25% of the publicly-owned conservation land in Wisconsin.

The Board of Commissioners of Public Lands (BCPL) owns approximately 76,300 acres bringing total state-owned conservation land to approximately 1.54 million acres. Public conservation land throughout the state of Wisconsin is estimated to include approximately 5.9 million acres (or 17% of the state's land area). The federal government holds approximately 1.8 million (or 31%) of the 5.9 million acres (the majority of which constitutes national forests), and county ownership (in the form of county parks and forests) is estimated at approximately 2.5 million acres (or 43%) of the total. In addition to the 1.4 million acres owned by DNR, the Department held easements on an additional 201,800 acres on June 30, 2010. Table 2 summarizes public land ownership by governmental source. It should be noted that the acres listed as federal land exclude land used for such purposes as office buildings or prisons. In addition, approximately 645,000 acres of tribal lands in the state are not included in the table. Although these lands are held in trust, they are not "owned" by the federal government and public access may be restricted on these lands.

Table 2: Estimated Public Conservation Land Ownership in Wisconsin

Land Owner	Acres	Percent of State Land
County	2,540,000	7.3%
Federal	1,832,900	5.3
DNR	1,460,500	4.2
BCPL	<u>76,300</u>	<u>0.2</u>
Total	5,909,700	17.0%
State Land Area	34,758,500	

The Department utilizes both fee title and con-

servation easement purchases in its land acquisition activities. Fee title acquisition involves outright purchases of land by the Department, allowing for complete DNR management of the parcel. The Department pays aids in lieu of property taxes, primarily from state general purpose revenue (\$7,675,400 GPR in 2009-10) and also from the segregated forestry account of the conservation fund (\$3,690,000 SEG in 2009-10), on the land it owns.

Easements. An easement is a permanent, perpetual agreement entered into by the landowner and DNR in which the state purchases certain specifically identified rights from the landowner. A conservation easement may provide for public access and recreational use, specify certain management criteria (such as maintaining streambank habitat or sustainable forestry practices) or contain certain development restrictions. The uniform conservation easement act under s. 700.40 of the state statutes governs these transactions. The seller of the easement retains ownership of the property, as well as the right to use the property subject to the restrictions set forth in the easement. In such instances, s. 70.32(1g) of the statutes directs assessors to consider the value of such easements in setting taxable values. The owner of the property would continue to pay taxes on the property, but the taxable value would reflect the diminished value to the owner due to the conservation easement. The land can be sold, or passed on to the owner's heirs, but the conditions of the easement are part of the deed and are binding on future owners.

DNR properties are located in 71 of the state's 72 counties and range in size from less than one-tenth of an acre (the Jaegers Island Wildlife Area in Wood County) to approximately 227,600 acres (the Northern Highland/American Legion State Forest in Iron, Oneida, and Vilas counties). The Department has established a total acquisition goal of approximately 2,266,200 acres throughout the state. However, DNR periodically reviews and revises acreage goals or adds new acquisition projects with the approval of the Natural Resources Board. Of the current goal, over 1.6 million acres have either been purchased or protected by

easement, bringing the Department to within 73% of its current goal.

In 1994, DNR established the Stewardship Advisory Council and solicited membership from a wide range of organizations with an interest in the stewardship program. The Council consists of 12 to 20 members appointed by the DNR secretary. At least five of the members represent organizations that own and manage land for conservation purposes and have direct experience with the stewardship program and five members represent local governments. The Council periodically meets to advise DNR on policy and administrative issues relating to the program and to determine ways the Department, nonprofit groups, and local units of government can improve communication and work more effectively together.

In 1998, the Governor appointed a Blue Ribbon Task Force to evaluate the stewardship program and propose alternatives for its future. The task force released its findings and recommendations in early 1999, and its findings guided key changes in the reauthorized Stewardship 2000 program.

Program Funding and General Requirements

Under the original stewardship program, DNR allocated \$23.1 million of general obligation bonding authority and \$1.9 million of federal land acquisition funds to reach an annual expenditure authority of \$25 million. Currently, the Department utilizes several federal grant programs to fund land acquisition including: Federal Forest Legacy Grants; Habitat Conservation Planning Grants (Endangered Species); Land and Water Conservation Fund (LAWCON) grants; National Coastal Wetlands Conservation Grants; National Fish and Wildlife Foundation Grants; North American Wetlands Conservation Act Grants (NAWCA). In addition to utilizing federal grants for land acquisition, DNR may also receive a gift or donation of land

from a non-profit organization or private landowner. However, the amount of annual federal allocations and gifts is uncertain. Therefore, the bulk of land acquisition purchases are made using stewardship bonding authority.

The original stewardship program allocated funding among 12 categories of land acquisition and development programs. Table 3 provides a summary of the total general fund-supported bonding authorized for the original stewardship program ending June 30, 2000. During the 1990-91 and 1991-92 fiscal years, the general land acquisition program was funded at a level of \$8,600,000. In 1992-93, the urban rivers grant program was created at a level of \$1,900,000 annually and the general land acquisition program was reduced to \$6,700,000 annually.

Table 3: Stewardship Program Allotments From Initial Program Authorizations (1990-91 through 1999-2000)

General Obligation Bonding	Total Allotment (10 Years) (In Millions)
General Land Acquisition	\$70.8
General Property Development	35.0
Local Park Aids	22.5
Lower Wisconsin State Riverway	20.0
Habitat Areas	15.0
Natural Areas Acquisition	15.0
Urban Rivers	15.2
Stream Bank Protection	10.0
Trails	10.0
Urban Green Spaces	7.5
Natural Areas Heritage	5.0
Ice Age Trail	<u>5.0</u>
Bonding Subtotal	\$231.0
Federal Land Acquisition	<u>19.0</u>
Total	\$250.0

For comparison, Table 4 shows how the \$572 million of bonding authority for the Stewardship 2000 program was allocated over the 10-year program (1990-91 through 1999-2000). The main body of the stewardship program consists of two funding categories, (a) land acquisition and (b) property development and local assistance. Out of the first

Table 4: Stewardship 2000 Allocation by Subprogram (2000-01 through 2009-10)

Subprogram	Total Allotment (10 Years) (In Millions)
Land Acquisition	\$416.5
Property Development	65.0
Local Assistance	81.5
Recreational Boating Aids	6.5
Baraboo Hills	5.0
Bluff Protection	<u>1.0</u>
Total	\$572.0

year allotment only, programs for purchases related to the Baraboo Hills and bluff protection were added. In addition, 2007 Act 20 created a recreational boating aids subprogram and provided \$1.5 million in 2007-08 and \$2.5 million annually beginning in 2008-09 for this subprogram.

Table 5 illustrates how the additional \$860 million in general obligation bonding authorized through 2007 Act 20 is allocated over the next 10-year program.

Table 5: 2007 Act 20 Extended Stewardship Allocations by Subprogram (2010-11 through 2019-20)

Subprogram	Total Allotment (10 Years) (In Millions)
Land Acquisition	\$620
Property Development	100
Local Assistance	115
Recreational Boating Aids	<u>25</u>
Total	\$860

As of June 30, 2010, the stewardship program has allowed DNR to purchase or acquire easements on approximately 499,300 acres. These acres include those acquired through all sources, including acres donated to the DNR, or purchased or acquired using federal grant funding since 1990 (the Stewardship program began in July, 1990). Table 6 provides a summary of the acreage acquired by program area.

DNR reports it has 24.20 FTE in the agency funded from general operations appropriations

Table 6: Cumulative DNR Purchases, January 1, 1990 through June 30, 2010

Program	Acres
Fisheries and Streambank Protection	40,052
Northern Forests	147,217
Southern Forests	6,350
Parks, Trails, and Recreation Areas	32,972
Wild Rivers and Resource areas	102,481
Wildlife Management	100,127
Natural Areas	63,979
Other	<u>6,103</u>
Total	499,281

that are involved in various aspects of the stewardship program. The estimate represents numerous staff from a variety of funding sources throughout the agency that devote a portion of their workload to stewardship program-related duties. These staff are assigned to the following Bureaus: (a) 10.0 positions in Facilities and Lands; (b) 7.9 positions in Community Financial Assistance; (c) 1.8 positions in Wildlife Management; (d) 2.0 positions in Parks; (e) 1.0 position in Fisheries Management and (f) 1.5 position in Legal Services. Staff in the Bureau of Facilities and Lands process approximately 200 to 250 real estate transactions per year, ranging from less than one acre to hundreds or thousands of acres per parcel.

The Department expended a total of \$369.4 million for land acquisition between July 1, 2000, and June 30, 2010, including \$308 million in stewardship funds and \$61.3 million in federal grant funds (as described above). Acquisitions by component are summarized in Table 7. The table does not include land acquisition funds used for grants to non-profit conservation organizations (NCOs). As a means of encouraging private conservation groups to cooperate with the state in the acquisition of lands for conservation and nature-based outdoor recreational purposes, the stewardship program authorizes DNR to award grants to NCOs to acquire property (discussed later). From July 1, 2000, through June 30, 2010, DNR expended \$122.5 million under the property development and local assistance subprogram.

Table 7: DNR General Land Acquisition Expenditures July 1, 2000 through June 30, 2010

Category	Acres Purchased	Stewardship Cost	Federal Cost*	Total Cost
Fisheries Management	14,200	\$31,000,100	\$5,842,500	\$36,842,600
Parks & Southern Forests	23,800	74,361,200	8,592,500	82,953,700
Northern Forests	140,900	79,427,700	14,467,300	93,895,000
Wild Rivers & Resources	34,300	41,459,200	4,666,800	46,126,000
Wildlife Management	48,400	50,166,900	18,847,100	69,014,000
Natural Areas	32,300	26,048,600	8,746,600	34,795,200
Other	<u>3,000</u>	<u>5,552,900</u>	<u>168,600</u>	<u>5,721,500</u>
Total	294,400	\$308,016,600	\$61,331,400	\$369,348,000

*Including a small amount of gifts and land donations from private individuals and non-profit conservation organizations.

Unless otherwise noted, an annual funding level has been established for each subprogram within the stewardship program for fiscal years 2000-01 through 2019-20. Statutes provide the Department some flexibility with respect to the annual bonding authority amounts for the subprograms. If the amount of funding obligated by DNR under the land acquisition and property development and local assistance subprograms in a given fiscal year is less than the annual bonding authority for a subprogram, the Department can carry over the unobligated amount to the next fiscal year. If there is any remaining bonding authority under the land acquisition, property development and local assistance, or the recreational boating aids subprograms on June 30, 2020, DNR has the authority to expend that funding for the same purposes in subsequent fiscal years.

The Department may not acquire land using funding from the stewardship program without the prior approval of a majority of the members-elect of the county board of supervisors of a county in which the land is located if at least 66% of the land in the county is owned or under the jurisdiction of the state, the federal government or a local governmental unit. Before determining whether to approve the acquisition, the county in which the land is located must post notices that inform the residents of the community surrounding the land of the possible acquisition.

No county is currently subject to this provision.

As passed by the Legislature, the 2005-07 biennial budget act would have prohibited DNR from acquiring land in a township in which 35% or more of the land is under public ownership unless the Department received prior approval from a majority of the town board. However, the Governor item vetoed this provision.

Under 2001 Act 16, DNR is required to provide the appraisals of any property acquired using stewardship funds to the clerk and the assessor of the local unit of government where the property is located within 30 days of acquiring the property. In addition, assessors are directed to include the information in the appraisals (including comparable sales) when setting land values.

Also, DNR may not obligate funding from the stewardship program for: (a) the acquisition of land for golf courses or for the development of golf courses; or (b) the acquisition by a municipality of land that is outside the boundaries of the municipality unless the municipality acquiring the land and the municipality in which the land is located approve the acquisition; or (c) for the acquisition or development of land by a county or other local unit of government if the land involved would be acquired by condemnation.

For the purpose of awarding grants under stewardship, the acquisition costs equal the sum of the land's current fair market value and other acquisition costs, as defined in rule by DNR. For land that has been owned by the current owner for less than three years, the acquisition costs of the land for grant purposes equals the lesser of the owner's acquisition price plus an annual adjustment increase of 5% per full year of ownership, or current fair market value.

Prior to 2000-01, for any land for which stewardship funding was proposed to be obligated to provide a grant to a local governmental unit or an NCO, the locality or organization was required to submit two appraisals to DNR if the Department estimated that the fair market value of the land was greater than \$200,000. However, under 2001 Act 109, this requirement was modified to instead require grant applicants to pay for and submit one appraisal, and to require DNR to independently obtain a second appraisal. 2007 Act 20 specifies that a second appraisal is not required for DNR to provide a grant to a governmental unit or a nonprofit conservation organization if the fair market value of the land is estimated by the Department to be at, or below, \$350,000. DNR requires all stewardship grant applicants to submit one appraisal, which, if the property value is estimated at less than \$350,000 may be the only appraisal used in the grant process. As appraisals are considered an eligible expense under the program, DNR would pay for up to 50% of the appraisal. If, however, DNR decides to conduct a second appraisal, the Department would not pay for any portion of the initial appraisal submitted by the grant applicant (meaning the Department would pay for one appraisal and the grant applicant would pay for one appraisal). DNR is allowed to require a third appraisal from the applicant. If DNR determines that a third appraisal is necessary, DNR would pay for up to 50% of the additional appraisal.

Stewardship 2000 and 2007 Act 20 Extended Stewardship Program (Stewardship 2010)

In 1998, the Governor appointed a Blue Ribbon Task Force on the Stewardship Program to evaluate the program and make recommendations for its future. The task force was composed of legislators, current and former state and local government officials, and representatives from the University of Wisconsin, business, conservation, and environmental groups. The task force released its findings

and recommendations in early 1999. In addition, the Stewardship Advisory Council, which was established by DNR in 1994, made several recommendations for the reauthorization of the stewardship program.

Several key components of the task force and the advisory council's recommendations were incorporated into the Stewardship 2000 reauthorization in the 1999-01 biennial budget, including increasing the bonding authority, reducing the number of designated subprograms, facilitating increased small-group participation, and providing greater flexibility for DNR to transfer funding between fiscal years. This last provision was intended to facilitate the Department's efforts to take advantage of unique opportunities to acquire and preserve larger blocks of unfragmented habitat as it became available. In addition, the Stewardship 2000 program created two additional subprograms (the bluff protection subprogram and the Baraboo Hills subprogram), and allowed DNR (upon review by the Joint Committee on Finance and the Governor) to reallocate spending authority across fiscal years.

In 2007, the Stewardship Advisory Council again made several recommendations regarding the proposed second reauthorization of the stewardship program. Some of these recommendations, such as increasing the statutory cap on the percentage of state-provided matching funds from 50% to 75% of project funding in select cases and increasing the threshold where a second appraisal is required for certain land acquisition grants, were incorporated into the extended program.

2007 Act 20 extended the stewardship program for another 10 years to fiscal year 2019-20 and increased the annual bonding authority under the program from \$60 million to \$86 million. This increased the total general obligation bonding authority of the stewardship program by \$860 million, to \$1,663,000,000 (as shown in Table 1). The act also created a new subprogram, the recreational boating aids subprogram, and provided \$1.5 million in 2007-08 and \$2.5 million annually beginning

in 2008-09 for this subprogram. In addition, the act made several changes to the requirements related to grants to local governments and non-profit conservation organizations. The act also specified that no more than 20% of available stewardship bonding authority in any fiscal year may be used to purchase parcels less than 10 acres in size. Further, the act restored the authority of the Joint Committee on Finance to review stewardship projects through a passive review process (discussed later).

Land Acquisition Subprogram

DNR may obligate moneys under this subprogram to acquire land for any of the purposes specified under statute (such as forests, parks, wildlife areas, and natural areas). The Department must give priority to the following purposes: (a) acquisition of land that preserves or enhances the state's water resources, including land along the Lower Wisconsin State Riverway and land abutting wild rivers, wild lakes (defined in administrative rule as "a lake or flowage of at least five acres...identified in the Wisconsin register of waterbodies, where human influence, such as structural development of its shorelands, is not significant or can be removed at costs deemed warranted by the Department), and land along the shores of the Great Lakes; (b) acquisition of land for the stream bank protection program; (c) acquisition of land for habitat areas and fisheries; (d) acquisition of land for natural areas; and (e) acquisition of land in the middle Kettle Moraine.

The Department has set additional priorities for the acquisition of recreational land in administrative rule (NR 1.40) such as placing primary emphasis on acquiring lands in the heavily populated areas of the state and in places readily accessible to such areas (Wisconsin's 12 largest cities include Appleton, Eau Claire, Green Bay, Janesville, Kenosha, La Crosse, Madison, Milwaukee, Oshkosh, Racine, Waukesha, and West Allis). In addition, the Department, with the advice and consent of the Natural Resources Board, periodically updates its acquisition strategy to address evolving

ecological, social, and land use trends. The Department released the Wisconsin Land Legacy report in January, 2006, which provides a guideline for applying acquisition criteria and priorities to specific land areas statewide. A copy of this extensive report may be obtained from DNR. In August, 2010, Department staff updated the DNR land acquisition strategy for the stewardship program for fiscal years 2009-10 through 2019-20. A draft of this strategy was presented at the September, 2010, meeting of the Natural Resources Board, public hearings were then held, and a revised draft was presented to the Board and approved by the Board in December.

The Department undertakes projects based on various criteria. The top priority for acquisition is for the consolidation and completion of existing projects. DNR's 2010 to 2020 stewardship land acquisition strategy, approved by the Natural Resources Board in December, 2010, states that approximately 60% of available land acquisition funds will be devoted to completing existing projects. When a state park, forest, wildlife area or recreation area is planned, a map showing the desired borders for the entire project is drawn. Usually, not all of the land proposed for the project is for sale at that time. DNR purchases property that is available within the mapped boundaries and then purchases additional parcels as they come onto the market to fill out the project borders.

The remaining 40% will be dedicated to new acquisition projects to meet three goals: (a) provide the public with the land base needed for high-quality nature-based outdoor recreational experiences; (b) preserve Wisconsin's high conservation value lands and waters; and (c) maintain a portfolio of public lands that supports and enhances Wisconsin's nature-based economy.

As in the past, the Department would seek to acquire lands to protect rare and threatened natural resources, genetic and biological diversity and critical fish and wildlife habitat; and water-based resources, including land for protecting and im-

proving surface and ground water quality and land for recreation along streams, rivers, lakes and flowages. Another criterion the Department would consider when making land acquisition decisions is whether the land is under threat of conversion or impairment and whether the Department would be successful at acquiring a meaningful amount of land to meet recreation and conservation goals. In addition, the land's potential for return on investment, in the form of nature-based tourism, or generation of significant economic activity (e.g. wood products and biofuel industries) would also be considered. Administrative rule NR 1.41 specifies which Department land acquisitions require Natural Resources Board approval. In general, all land acquisition projects greater than \$150,000 are subject to Natural Resources Board approval.

Beginning in fiscal year 2010-11, \$62 million annually is allocated to the land acquisition subprogram. Of that amount, DNR is required to set aside \$3 million in each fiscal year for Department purchases and grants to NCOs for state trails and the Ice Age Trail. The Department is also required to set aside \$2,000,000 in each fiscal year to acquire land from the Board of Commissioners of Public Lands. Further, 2007 Act 20 requires that DNR set aside at least \$12,000,000 annually beginning in 2010-11 for matching grants that may be awarded only to nonprofit conservation organizations (NCOs). The \$12 million allocated for grants to NCOs also includes any grants made to NCOs for state trails and the Ice Age Trail. Table 8 illustrates how funding is allocated under the land acquisition subprogram.

2007 Act 20 also created a program under the land acquisition subprogram to provide grants to counties to acquire land to be included in a county forest and for projects for which DNR requests a county's assistance for nature-based outdoor recreation and conservation purposes. The Department has defined "nature-based outdoor recreation" in administrative rule to mean "activities where the primary focus or purpose is the appreciation or enjoyment of nature". These activities may include, but are not limited to, hiking, bicycling, wildlife or nature observation, camping, nature study, fishing, hunting, and multi-use trail activities. The act requires each county receiving a grant under these programs to provide matching funds of at least 50% of the land acquisition costs. Further, the act prohibits a county from converting the land or the rights in the land acquired using program grant money to a use that is inconsistent with the type of nature-based outdoor recreation for which the grant was awarded, without the approval of the Natural Resources Board. (Counties had always been eligible for stewardship local assistance grants; Act 20 extended eligibility to the land acquisition subprogram).

In October, 2010, the Natural Resources Board approved holding public hearings on a draft of changes to administrative rule NR 51 which address the administration of stewardship grants to counties for acquisition of land for inclusion in a county forest and stewardship grants to counties assisting DNR. The public hearing was held via video conference on December 1, 2010, at six locations throughout the state. The deadline for public

Table 8: Land Acquisition Subprogram (Annual Allotments)

	2006-07	2007-08	2008-09 and 2009-10	Beginning 2010-11
Department Acquisitions	\$34,750,000	\$33,500,000	\$32,500,000	\$48,000,000*
Grants to NCOs**	8,250,000	8,000,000	8,000,000	12,000,000
BCPL Natural Areas	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>	<u>2,000,000</u>
Total Annual Bonding Authority	\$45,000,000	\$43,500,000	\$42,500,000	\$62,000,000

*Includes grants for county forests (beginning in 2010-11) and acquisitions for state trails and the Ice Age Trail.

**Including grants to NCOs for state trails and the Ice Age Trail.

comments was December 8, 2010. The draft, including any changes incorporated from the public comments, is expected to be presented to the Natural Resources Board for approval in January, 2011.

In order to be eligible for a grant to acquire land for inclusion in a county forest, the rule would require a county to have entered into a memorandum of agreement with DNR. The rule also establishes criteria for evaluating and ranking applications for grants to counties to acquire land for inclusion in a county forest. These criteria include: (a) whether the project meets the criteria for county forests under s. 28.11 stats; (b) whether the project has regional or statewide significance; (c) the degree to which the site is threatened by development or conversion to other land use; (d) whether the project is within the county forest boundary identified in the county forest comprehensive land use plan [(s. 28.11(5) stats.) a 15-year county forest land use management plan approved by the county board and DNR]; (e) whether the project is identified as an important acquisition within an existing plan or database including the land legacy report, statewide forestry plan, forest legacy plan, county forest comprehensive land use plan etc. Annually, DNR will provide notice of the maximum funding allotment to counties for grants to acquire land for county forests through a process defined in the memorandum of agreement. Grant recipients would be required to acknowledge the state's assistance in acquiring fee title ownership of the property by posting a sign or in some other manner approved by DNR.

In addition, the draft changes to NR 51 specify that in order to receive a grant to assist DNR with land acquisition, a county must have been asked in writing by the Secretary or his designee to assist with the acquisition of title in fee simple or conservation easement acquisition. Counties would be required to provide matching funds of at least 50% of eligible costs.

Use of Future Bonding Authority For Certain Land Acquisitions. Beginning in fiscal year 1999-00, DNR

may obligate under the land acquisition subprogram any amount not in excess of the total bonding authority for that subprogram for the acquisition of land, subject to the approval of the Governor and the Joint Committee on Finance. (2007 Act 20 clarified that these transactions are subject to a 14-day passive review process by the Joint Committee on Finance). For such transactions, the Department must sell a portion of the acquired land. All proceeds from such sales, up to the amount obligated for the original purchase, are credited to a program revenue appropriation for the payment of principal and interest associated with such purchases. Any sale proceeds in excess of the amount originally obligated are deposited in the general fund.

For bonds that are retired from the proceeds of the sale of the acquired land within three years after the date on which the land was acquired by DNR, the Department must adjust the available bonding authority for the land acquisition subprogram by increasing the available bonding authority for the fiscal year in which the bonds are retired by an amount equal to the total amount of the bonds issued for the sale that have been retired in that fiscal year. For bonds that are not retired from the proceeds of the sale of the acquired land within three years after the date on which the land was acquired, DNR must adjust the available bonding authority for the land acquisition subprogram by decreasing the available bonding authority for the next fiscal year, beginning after the end of that three-year period, by an amount equal to the total amount of the bonds that have not been retired from such proceeds in that fiscal year. Further, if necessary, the Department shall decrease for each subsequent fiscal year the available bonding authority in an amount equal to that available bonding authority or equal to the amount still needed to equal the total amount of the bonds that have not been retired from such proceeds, whichever is less, until the available bonding authority has been decreased by an amount equal to the total of the bonds that have not been retired.

The Department requested authority to use this

provision in September of 1999 to finance the \$25 million "Great Addition" purchase of approximately 32,000 acres in Iron, Lincoln, Oneida, and Vilas Counties from Packaging Corporation of America. The agency allotted the \$25 million purchase price over three years beginning in fiscal year 2001-02. The purchase included 42 miles of river and stream frontage, all or part of 20 lakes with 6.3 miles of frontage, and 924 acres of scenic and trail easements.

Portions of the Great Addition purchase were sold or traded for other parcels. The state sold 190 acres of the Great Addition purchase to Vilas County for \$148,200 and 1,390 acres to the Lac du Flambeau tribe for \$1,080,400. In addition, DNR entered into a three-way agreement with the Board of Commissioners of Public Lands and the United States Forest Service in June, 2002, to exchange and sell parcels of land totaling 2,134 acres acquired under the Great Addition for \$997,000 and conservation easement rights.

The Department used this authority again in December, 2001, to purchase 9,239 acres of land and to acquire easements on an additional 383 acres from Wisconsin Public Service Corporation for the Peshtigo River State Forest in Marinette and Oconto Counties for \$25 million. The acquisition took place in four phases over three years, concluding in December, 2004. As a result of the purchase, DNR acquired land surrounding Caldron Falls, High Falls, Johnson Falls, Sandstone Rapids, and Potato Rapids.

Under another provision, DNR is permitted to, for a given fiscal year, in addition to obligating the amount of the annual bonding authority for a subprogram, obligate up to 100% of the annual bonding authority for that subprogram for that given fiscal year for a project or activity. Therefore, DNR could obligate bonding authority up to double the annual allotment for a subprogram in a given year. The Department must then adjust the annual bonding authority for that subprogram by lowering the annual bonding authority for the next fiscal year by the amount utilized beyond the

authorized amount for the subprogram. In order for the Department to use this provision, the Natural Resources Board must determine that: (a) funds are otherwise insufficient; (b) any land involved in the project or activity covers a large area or the land is uniquely valuable in conserving the natural resources of the state; and (c) delaying or deferring all or part of the cost to a subsequent fiscal year is not reasonably possible.

DNR utilized this authority in 2006-07 to borrow \$16.5 million from 2007-08 bonding authority to purchase 5,600 acres in fee title and acquirement an easement on 44,400 acres in Florence, Forest, and Marinette Counties referred to as the Wild Rivers and Forest Legacy purchase. The Department also used this authority in 2007-08 to borrow ahead from 2008-09 for three purchases: \$6.1 million for an approximately 5,900 acre addition to the Brule River State Forest in Douglas County; \$2.5 million for approximately 2,800 acres for the Mead Wildlife Area in Portage and Marathon Counties, and \$2 million for approximately 1,500 acres for the Willow Flowage Scenic Waters Area along the Tomahawk River in Oneida County. The procedure was also used in 2008-09 on a \$10.8 million purchase for 970 acres in Waukesha and Walworth Counties (Rainbow Springs property).

Under s. 23.0917(5m)(c) of the statutes, lands acquired using these provisions do not have to be for conservation or recreational purposes. The Department of Administration is required to monitor all transactions under these provisions to ensure compliance with federal law and to ensure that interest on the bonds is tax-exempt for the holders of the bonds.

Recent Major Acquisitions

Fiscal Year 2005-06

In September, 2005, the Department completed Phase II of the \$10.6 million Straight Lake Wilderness project, acquiring an additional 1,191 acres for \$3.8 million. (Phase I involved the acquisition of 1,588 acres for \$6.8 million, including \$2.8 million in federal LAWCON grant funding). The property

contains a combination of upland forest, marsh and bog, lake and river, and a glacial tunnel channel. The parcel also contains Straight Lake, a 107-acre undeveloped lake, which provides habitat for bald eagles and trumpeter swans. A segment of the property is managed for game and non-game species, and a 3.5 mile segment of the property is dedicated to the Ice Age Trail.

In October, 2005, DNR acquired a conservation easement on 18,513 acres in Langlade County for \$9.2 million (including \$3 million in federal funds). The Wolf River Forest Legacy tract allows for permanent public access and sustainable forestry practices in the previously privately owned forest area.

Fiscal Year 2006-07

In July, 2006, DNR acquired fee title on 5,629 acres and a conservation easement on 44,401 acres in Florence, Forest, and Marinette Counties for approximately \$33 million for the Wild Rivers Forest Legacy acquisition. The Nature Conservancy (TNC) also acquired an easement on approximately 14,600 acres as part of the project. In July 2008, the Department acquired an easement on approximately 7,300 acres from TNC at a cost of approximately \$3.2 million. Of the \$3.2 million, DNR received \$2.3 million in Federal Forest Legacy funds to reimburse a portion of the purchase cost. In August, 2009 (fiscal year 2009-10), the Department acquired an easement on the remaining 7,300 acres (from TNC) for \$3.5 million and received \$2.3 million in Federal Forest Legacy funds as reimbursement. The approximately 65,000 acre area includes more than 48 lakes and ponds, and more than 70 miles of rivers and streams. It is a working forest that also provides habitat for migratory waterfowl, trout, and other wildlife. The property offers a variety of recreational opportunities including hiking, hunting, fishing, kayaking, cross-country skiing, and snowmobiling.

Fiscal Year 2007-08

As mentioned previously, the Department borrowed ahead from fiscal year 2008-09 to make three

purchases in fiscal year 2007-08. The purchases included an approximately 5,900 acre addition to the Brule River State Forest in Douglas County, which DNR utilized approximately \$6.1 million in 2008-09 bonding authority to purchase. The four non-contiguous parcels which make up the acreage total are located in northeast Douglas County. About 350 acres were outside the previous Brule River State Forest project boundary. Under administrative rule, DNR may acquire lands for a state forest outside of established state forest boundaries only when the lands are needed for specific purposes. The Natural Resources Board approved a boundary expansion to cover this parcel, and acquisition of the parcel allowed DNR to consolidate state ownership in the area. DNR plans to utilize the property to provide a large-scale demonstration of boreal forestry management practices (northern forests consisting primarily of coniferous trees such as spruce, pine, and fir). In addition, the parcel includes numerous small and intermittent streams that flow into Lake Superior; acquisition of the parcel allows DNR to preserve these watersheds. Further, the Department's acquisition of the parcel allows public hunting use to continue (the property was previously enrolled in the managed forest law program which generally requires public hunting access).

Also in 2007-08, DNR utilized approximately \$2.5 million in 2008-09 bonding authority for the purchase of approximately 2,800 acres for the Mead Wildlife Area in Portage and Marathon Counties. The property, as part of the Mead Wildlife Area, will provide recreational opportunities such as hunting, fishing, trapping, cross-country-skiing, hiking and others. The property includes approximately 56,800 feet of frontage on the Little Eau Pleine Flowage, the Little Eau Pleine River, drainage ditches, and several oxbow lakes (u-shaped bodies of water formed when a wide meander from the main stem of a river is cut off to create a lake) and sloughs associated with the river. The river provides habitat for musky, northern pike, walleye, small mouth bass and pan fish. Acquisition of the property allows DNR to establish a

wildlife corridor between existing state ownership and the Little Eau Pleine Reservoir.

In addition, the Department used approximately \$2 million in 2008-09 bonding authority to purchase an approximately 1,500 acre parcel for the Willow Flowage Scenic Water Area along the Tomahawk River in Oneida County (an additional \$2 million in Federal Forest Legacy funds were used to acquire the property). About 700 of these acres were outside the previous boundary of the Willow Flowage Scenic Water Area. The parcel includes over 7.4 miles of frontage along the Tomahawk River. Acquisition of the parcel allows the state to protect a significant portion of the corridor from the Willow Flowage to Lake Nokomis, a mostly undeveloped lake. The parcel also provides increased recreational opportunities. For example, 27 acres of the project connect segments of the Bearskin State Trail.

Fiscal Year 2008-09

In September, 2008, DNR again utilized its authority to borrow ahead from future year bonding authority to purchase approximately 970 acres from the Rainbow Springs Golf Company, Inc and U.S. Residential Golf Properties, Inc. The Department used \$10.8 million in 2009-10 bonding authority for the purchase. The tract, known as the Rainbow Springs property, is located in southwestern Waukesha County and northwest Walworth County four miles west of the Village of Mukwonago and three miles north of the Village of East Troy. The property is located in the Mukwonago River watershed, an area which the Department indicates is a priority area for preservation. Acquisition of the parcel provides DNR with additional acreage adjacent to the 1,800-acre Lulu Lake State Natural Area, which DNR manages in coordination with The Nature Conservancy. The southern unit of the Kettle Moraine State Forest is a few miles northwest of the parcel. The Rainbow

Springs parcel includes the entire frontage around Rainbow Springs Lake, a 38-acre natural seepage lake, and a part of the Mukwonago River system. A three-quarter mile corridor of the Mukwonago River is also included in the parcel. The Mukwonago River is classified as an outstanding water resource and a Class II trout stream. The river system supports 39 species of fish, seven of which reportedly are listed as endangered, or species of special concern, in Wisconsin. The Department designated the property as the Mukwonago River Unit of the Kettle Moraine State Forest. Table 9 shows stewardship land acquisition subprogram allocations including funds utilized for borrow ahead purchases.

In August, 2008, DNR purchased 923 acres from Wisconsin River Power Company for \$3.6 million for an addition to Buckhorn State Park in Juneau County. The company also donated 265 acres of land between the Castle Rock Flowage and the area DNR purchased. Buckhorn State Park was established in 1971 to provide water and land-based public recreation, to protect and manage the biological resources in the area and to protect the scenic beauty of the Buckhorn Peninsula, along the Castle Rock Flowage. The park provides opportunities for boating, camping, fishing, hiking, hunting, picnicking and swimming. The acquired parcel was the largest remaining undeveloped parcel of

Table 9: Stewardship Land Acquisition Subprogram Allocations with Borrow Ahead Purchases (\$ in Millions)

	2007-08	2008-09	2009-10	2010-11
Department Acquisitions*	\$14.00	\$18.84	\$18.70	\$45.00
Grants to NCOs	8.00	8.00	8.00	12.00
BCPL Natural Areas	2.00	2.00	2.00	2.00
Ice Age and Other Trails	3.00	3.00	3.00	3.00
Wild Rivers and Forest Legacy	16.50	0.00	0.00	0.00
Brule River State Forest	0.00	6.11	0.00	0.00
Mead Wildlife Area	0.00	2.52	0.00	0.00
Willow Flowage Scenic Waters Area	0.00	2.03	0.00	0.00
Rainbow Springs Purchase	<u>0.00</u>	<u>0.00</u>	<u>10.80</u>	<u>0.00</u>
Borrow Ahead Subtotal	\$16.50	\$10.66	\$10.80	\$0.00
Total Allocation	\$43.50	\$42.50	\$42.50	\$62.00

*Includes county forest-related acquisitions beginning in 2010-11.

land near Buckhorn State Park.

Fiscal Year 2009-10

As mentioned previously, in August, 2009, the Department acquired an easement on the remaining 7,300 acres (from The Nature Conservancy) for \$3.5 million as part of the Wild Rivers Forest Legacy acquisition. Of the \$3.5 million, DNR received \$2.3 million in Federal Forest Legacy funds as reimbursement.

In November, 2009, DNR purchased 400 acres from Helania, Ltd. For \$1.72 million for the wild lakes program in Sawyer County. A "wild lake" is defined in state statute as "a lake or flowage of at least five acres...identified in the Wisconsin registrar of waterbodies, where human influence, such as structural development of its shorelands, is not significant or can be removed at reasonable cost". The 400-acre property encompasses Lake Helane, a 51-acre seepage lake located in northern Sawyer County, classified by DNR as a wild lake. The lake has approximately 11,350 feet of shoreline and provides habitat for bass and pan fish. The parcel will provide increased opportunities for public recreation, while protecting the wild lake.

In June, 2010, the Natural Resources Board approved the purchase of 2,174 acres from The Conservation Fund for \$3,971,600 for the Totogatic Wild River, in Washburn and Douglas Counties. (The Doris Duke Foundation donated \$400,000 for a total purchase price of \$4,371,600). 2009 Act 32 designated nearly 70 miles of the Totogatic River, from its outlet in Totogatic Lake in Bayfield, through Sawyer, Washburn, and Douglas Counties, to its mouth at the Namekogan River in Burnett County as a "wild river". The property involves seven blocks, spread over three townships and two counties and approximately six miles of two-bank frontage on the river. Previously owned by the Wausau Paper Company, the property is largely undeveloped. It will provide habitat for forest interior bird species and natural plant communities and will be open to the public for all non-motorized, nature-based outdoor recreational ac-

tivities including hunting, fishing, trapping, hiking, and cross-country skiing.

The Board also approved two easements covering 18,438 acres of hardwood forestland in Forest County from Wisconsin Timber Associates for \$8,297,200 as part of the state's forest legacy program (not to be confused with the Federal Forest Legacy Program, in which DNR also participates). The easements, known as the Connors easements, are primarily surrounded by the Chequamegon-Nicolet National Forest as well as county forestland. Major rivers that begin or flow through the tract form the upper reaches of the Green Bay watershed. This tract combined with the adjacent public properties will protect a several hundred thousand-acre block of forest that contains two wild lakes, Wabikon and Riley, which are ranked by DNR as among the most in need of protection in the state. The easement will allow for public access and prevent development of the property except for three, forty acre sites, each of which will be allowed to contain a five acre area that may be developed for residential use. Each of the three sites can be sold. The property will be open to the public for all nature-based outdoor recreational activities including hunting, fishing, trapping, hiking, and cross-country skiing.

Fiscal Year 2010-11

In November, 2010, the Joint Finance Committee approved three DNR stewardship transactions. DNR was authorized to acquire an 8,096 acre conservation easement in Sawyer County from Plum Creek Timberlands for \$3,663,300, of which DNR expects to receive \$1.5 million in federal Forest Legacy funds. The property will provide a protected land connection between the Chequamegon-Nicolet National Forest and the lands of the Lac Courte Oreille Band of Lake Superior Chippewa. The property is located just south of DNR's existing Chippewa Flowage Scenic Waters Area and will provide a wildlife corridor around the flowage. The property will be open for hunting, trapping, fishing, and cross-country skiing. Designated snowmobile trails may also be permitted. DNR

plans to acquire an additional 10,100 acre tract as Phase II of the project, once additional federal funding can be secured.

The Joint Finance Committee also authorized the Department to purchase 4.8 acres in Door County from Wagon Trail Inc. for \$1,071,400. The property includes 860 feet of frontage on Lake Michigan in Rowley's Bay and has a deep-water pier and marina. The Department plans to develop a public boat launch and parking facilities on the site. Initially, the Department plans to lease the property back to the current owner and allow them to run the facility for a five-year period. During that time, parking would be available to the public in exchange for allowing the owner to continue to rent out their cabins, a few boat slips, and a recreational sports operation. The public would immediately be able to fish off of the marina breakwater, and deep water fishing would be available once the Department negotiates an agreement with an existing commercial fishing owner.

The third parcel is a 2,714 acre parcel in Marinette County, to be acquired by DNR in fee title, from Wisconsin Electric Power Company for \$3,272,200. The property includes 10.85 miles of frontage on the Menominee River including Piers Gorge. The river supports northern pike, walleye, smallmouth bass and panfish. The Piers Gorge portion of the river, located just downstream of the town of Niagara, contains rock outcroppings, deep pools, waterfalls, and rapids frequented by recreational rafters. DNR plans to add the parcel to the existing Menominee River Natural Resources Area and rename the entire area the Menominee River State Park and Recreation Area.

Property Development and Local Assistance Subprogram

Of the \$15 million in annual bonding authority allocated for this subprogram through 2009-10, the Department was required to obligate at least \$7 million for property development and could obligate up to \$8 million for local assistance annually

Table 10: Property Development and Local Assistance Subprogram (Annual Allotments)

	Through 2009-10	Beginning in 2010-11
Property Development (minimum)	\$7,000,000	\$10,000,000
Local Assistance Grants (maximum)	<u>8,000,000</u>	<u>11,500,000</u>
Total Annual Bonding Authority	\$15,000,000	\$21,500,000

for nature-based outdoor recreation purposes. Beginning in 2010-11, 2007 Act 20 increased the annual bonding authority dedicated to the property development and local assistance subprogram to \$21.5 million, and increased the maximum amount that may be obligated for local assistance to \$11.5 million annually (leaving at least \$10 million annually for DNR property development grants). Table 10 illustrates how funding is allocated annually under the property development and local assistance subprogram.

Although property development and local assistance are components of the same subprogram, they serve different purposes. The property development component addresses property development on DNR-owned land, while the local assistance program uses funding to award grants to local governments (including tribes) and NCOs to acquire land for nature-based outdoor recreation and to local governments for nature-based recreational development on local conservation land. (Draft changes to NR 51 to be presented to the Natural Resources Board for approval in January, 2011, clarify that tribes are considered eligible local governments.) Table 11 lists allotments and expenditures from the property development and local assistance subprogram from fiscal year 2000 through fiscal year 2010.

Funding obligated for property development is used for: (a) property development on DNR land; (b) property development on conservation easements adjacent to DNR land; and (c) grants to friends groups and non-profit conservation organizations for property development activities on DNR land. Under statute, DNR (similar to other state agencies) is required to submit a six-year fa-

Table 11: Stewardship Property Development and Local Assistance Subprogram Expenditures: July 1, 2000 through June 30, 2010

Category	Allotment	Expenditures 06/30/10*	Unencumbered Balance
Local Assistance Grants	\$74,630,000	\$64,123,400	\$10,506,600
Mirror Lake Earmark**	500,000	500,000	0
DNR Property Development	61,000,000	49,067,300	11,932,700
State Fair Park Construction	2,000,000	2,000,000	0
Kickapoo Valley Reserve			
Visitor Center	2,370,000	2,370,000	0
Grants to Friends Groups	<u>2,500,000</u>	<u>2,008,900</u>	<u>491,100</u>
Total	\$143,000,000	\$120,069,600	\$22,930,400

*Includes funds encumbered to pay costs incurred or legally obligated.

**\$500,000 of the \$1,000,000 Mirror Lake earmark was allotted from the Local Assistance subprogram, and \$500,000 was allotted from DNR Land Acquisition.

cility plan to the Division of State Facilities in the Department of Administration listing the development needs of the agency's facilities and setting a preliminary timeline for their completion.

Funding obligated for local assistance may be used for: (a) grants for acquisition of urban green space; (b) grants for acquisition and development of local parks; (c) grants for acquisition of property development rights; and (d) grants for acquisition and development of urban rivers. Stewardship funds may generally be provided for up to 50% of eligible project costs (See Non-Profit Conservation Organization Grants). Administrative rule NR 51 further addresses the administration of these grant programs.

In August, 2010, the Joint Finance Committee approved a grant of \$1,887,800 from the land acquisition subprogram of the stewardship program to The Conservation Fund (who plans to transfer the property to Douglas County) for the acquisition of 3,995 acres in Douglas County from Wausau Timberland Company, LLC. The property includes up to six miles of undeveloped frontage of the Nemadji River in Douglas County and is approximately 12 miles upstream of the Nemadji River's outlet to Lake Superior, near the St. Louis River Estuary. The parcel also provides wildlife habitat for species including forest interior birds, wetland

dependent nesting and migratory birds, gray wolf, American marten, wood turtle and bald eagle, and protect several types of forest habitat. A 459-acre portion of the property will be designated as a state natural area, and the remainder managed by Douglas County as a state habitat area.

Under 1999 Act 9, moneys obligated under the property development and local assistance subprogram may only be used for nature-based outdoor recreation. The Department has defined "nature-based outdoor recreation" in administrative rule to mean: "activities where the primary focus or purpose is

the appreciation or enjoyment of nature". These activities may include, but are not limited to, hiking, bicycling, wildlife or nature observation, camping, nature study, fishing, hunting, picnicking, cross-country skiing, canoeing, and multi-use trail activities. Support facilities for these activities may include, but are not limited to, access roads, parking areas, utility and sanitation systems, sanitary and shelter buildings, signs, interpretive items, and other features that enhance nature-based outdoor recreation or improve disabled accessibility. Draft changes to NR 51 scheduled to be presented to the Natural Resources Board for approval in January, 2011, would specify that "playgrounds that supplement the appreciation of nature, occupy a minor portion of the grant property, and do not distract from the primary purpose of the grant project may be considered an eligible support facility." Ineligible activities include, but are not limited to, sports that require extensively developed open space such as dedicated sports fields, swimming pools, and tennis courts. The Department's decisions as to whether a particular project or activity qualifies as a "nature-based outdoor recreation activity" are made on a case by case basis.

An October, 2000, review of the original stewardship program by the Legislative Audit Bureau (LAB) noted that some concerns had been raised

regarding development projects paid for with stewardship acquisition and development of local parks grants. The report noted that under the original stewardship program, the acquisition and development of local parks grants category was allocated the most funding of any grant category (\$2.25 million annually) and was the only category allowing for local development activities. The LAB found that for 119 local development grants reviewed, over one-third included the development of sport facilities and playground equipment. The LAB noted that by using the term "primary focus or purpose" being the enjoyment of nature to define nature-based outdoor recreational activities, it was unclear to what extent sport facilities or playground equipment might be eligible if they were not the "primary focus" of the project. Further, LAB also noted that for land acquisition grants it may be unclear under the DNR administrative rule whether sports fields or facilities may be sited on property purchased with stewardship grants. However, the 2011 proposed draft changes to NR 51 would clarify that playgrounds may be eligible for development of local parks grants only as "support facilities" and only if they "occupy a minor portion of the grant property" and do not take away from the primary purpose of the project. Further, the rule changes also specify that ineligible acquisition or development projects include, but are not limited to "acquisition and development of areas and facilities that do not meet the definition of nature-based outdoor recreation as defined in NR 51 such as spectator sports, *stand-alone* playgrounds, swimming pools, dedicated sports fields, tennis courts and hockey rinks".

Recreational Boating Aids Subprogram

2007 Act 20 created a recreational boating aids subprogram and dedicated \$1.5 million in 2007-08 and \$2.5 million annually beginning in 2008-09 to this subprogram. Also under Act 20, \$1.5 million in 2007-08 and \$2.5 million annually beginning in 2008-09 in water resources account SEG (motorboat gas tax) was transferred from the recreational boating aids program in DNR to a DNR appropriation dedicated to grants for the control of aquatic inva-

sive species. Funding the recreational boating aids subprogram with stewardship bonding maintains funding for recreational boating projects at the same level as prior to Act 20 (\$3.1 million annually).

Under the recreational boating aids program, DNR provides grants to municipalities, counties, town sanitary districts, public inland lake protection and rehabilitation districts, qualified lake associations, the Milwaukee River Revitalization Council, and the Lower Wisconsin State Riverway Board for up to 50% of the costs (or more in certain circumstances) of developing recreational boating facilities approved by the Waterways Commission. The Waterways Commission is a five-member board appointed by the Governor with the advice and consent of the Senate for staggered, five-year terms. Grants are available for recreational boating projects that include providing public access (boat ramps and related parking facilities), navigational aids or markers, dredging, weed removal, and capital equipment used for trash or debris removal. The proposed changes to NR 51 (scheduled for review by the Natural Resources Board in January, 2011) would specify that if, by the date of the grant award, a project sponsor fails to establish boat launch fees as a method to pay for maintenance of existing landings under the sponsor's jurisdiction, the Waterways Commission may reduce that grant award by a percentage to be determined by the Commission during each grant cycle, not to exceed 25% of the total grant award amount. The statutes limit boat launching fees to a "reasonable fee," set in administrative rule NR 1.91(11) as a maximum base fee equal to the daily park admission fee (currently \$7) plus additional fees for attendants on-duty, toilet facilities and larger boats (from 20% to 60%). A season pass may not exceed 10 times the daily launch fee and nonresident fees, if charged, may not exceed 150% of municipal resident fees.

Baraboo Hills Subprogram

Under this subprogram, DNR could provide up to \$5 million in funding to match the value of land acquisitions that are certified by the Department as

qualifying under the following conditions: (a) the land is being acquired for conservation purposes; (b) the land is being acquired by the federal government, a local governmental unit or NCO; and (c) any federal moneys being used for the acquisition are federal non-transportation moneys.

The DNR is prohibited from obligating more than \$5 million under this subprogram. Funds that remained unassigned were required to be transferred to the land acquisition subprogram by January 1, 2006. As of June 30, 2010, DNR had expended the entire \$5,000,000 allotted for the program. Among its acquisitions are a conservation easement to prevent further development on 267 acres in Columbia County and fee title on 102 acres of land adjacent to Devil's Lake State Park in Sauk County, 70 acres adjacent to Natural Bridge State Park in Sauk County, and 56.7 acres in the western end of the Baraboo Hills, within one mile of Natural Bridge State Park.

Bluff Protection Subprogram

In 2000-01, \$1 million in bonding was allocated for a bluff protection program. No money may be obligated for the bluff protection subprogram after June 30, 2004. One grant totaling \$454,700 was awarded to the Ozaukee Washington Land Trust in 2001-02 under this subprogram to assist in the acquisition of 77 acres of bluff land ("Lion's Den Gorge") along the Lake Michigan shore in Ozaukee County.

Current Subprogram Allocations

In 2010-11, \$21.5 million is available to be divided between the Department's capital development budget and local assistance grants. Statutorily, no more than \$11.5 million may be devoted to local assistance grants. The Department allocated \$10 million to the property development budget, with \$250,000 set aside for Friends' Group development grants. This left the maximum of \$11.5 million in grant funds for local assistance. Table 12 illustrates the stewardship expenditure plan for fiscal year 2010-11.

Table 12: Stewardship 2010-11 Expenditure Plan

Subprogram	2010-11
Land Acquisition	
Department Acquisitions	\$48,000,000
Grants to NCOs	12,000,000
BCPL Natural Areas	2,000,000
Recreational Boating Aids	2,500,000
Property Development and Local Assistance	
DNR Property Development	9,750,000
Grants to Friends Groups and NCOs	250,000
Local Assistance Grants	<u>11,500,000</u>
Total	\$86,000,000

Grants to Nonprofit Conservation Organizations

NCOs are eligible to apply for grants under both of the major stewardship subprograms, the land acquisition subprogram and the property development and local assistance subprogram. Funds received as grants under the land acquisition subprogram are used to acquire land for a variety of purposes, such as habitat areas, natural areas, streambank protection, trails, and wild lakes, in accordance with the statutorily enumerated priorities for land acquisition funding.

Under 2007 Act 20, beginning in fiscal year 2010-11, grants of up to 75% of the property acquisition costs may be made to NCOs (rather than the prior maximum of 50%) if the Natural Resources Board determines that all of the following apply: (a) that the property is uniquely valuable in conserving the natural resources of the state; (b) that delaying or deferring the acquisition until 50% of the acquisition costs are procured by the NCO is not reasonably possible; and (c) that sufficient bonding authority remains in the \$12 million set aside for land acquisition grants to NCOs for that fiscal year, after awarding grants to nonprofit conservation organizations that meet the 50% matching requirement. Table 13 shows the amounts pro-

Table 13: Land Acquisition Allotments for Non-Profit Conservation Organizations

Fiscal Year	Total Allotment	Available for Land Acquisition	Available for NCOs	Percentage of Funds Allocated to NCOs
2000-01	\$28,500,000	\$22,500,000	\$6,000,000	21.1%
2001-02	34,500,000	27,250,000	7,250,000	21.0
2002-03	45,000,000	37,750,000	7,250,000	16.1
2003-04	45,000,000	37,000,000	8,000,000	17.7
2004-05	45,000,000	36,750,000	8,250,000	18.3
2005-06	45,000,000	36,750,000	8,250,000	18.3
2006-07	45,000,000	36,750,000	8,250,000	18.3
2007-08	43,500,000	35,500,000	8,000,000	22.5
2008-09	42,500,000	34,500,000	8,000,000	23.2
2009-10	42,500,000	34,500,000	8,000,000	23.2
2010-11	62,000,000	50,000,000	12,000,000	24.0

vided for general DNR land acquisition and NCO acquisitions since 2000-01.

Before receiving a grant, an NCO must enter into a contract with DNR. The contract must: (a) specify standards for the management of the property to be acquired; (b) prohibit use of the property as security for any debt, unless DNR approves; and (c) prohibit the property to be acquired from being closed to the public, unless DNR determines it is necessary to protect wild animals, plants or other natural features. In addition, the contract must specify that any subsequent sale or transfer of the property by the NCO may be made only with the approval of the Department and only if the potential owner enters into a new contract with DNR. If the NCO violates any essential provision of the contract, title to the acquired property will vest in the state. In 2009-10, NCO grant awards totaled \$12.7 million (including grants under the land acquisition subprogram and grants under the property development and local assistance subprogram).

Partnerships with NCOs have increased the Department's ability to protect land in more densely populated areas. For example, the "Polk Kames/Kettle Hills" project was located in the southeastern region of the state where open land is scarce and land values are generally higher than other regions of the state. For the project, \$1.45

million in Department land acquisition funds and \$1.89 million in NCO grant acquisition funds were paired with the National Park Service's Land and Water Conservation Fund (LWCF) as well as private funds of over \$5 million to protect over 550 acres in Washington and Waukesha counties. From 2000 to 2008, this multiple partner project collaboration resulted in an additional 43 miles of Ice Age National Scenic Trail and the purchase of 7,332 acres of habitat and recreation land.

NCOs are also eligible for matching grants under the property development and local assistance subprogram. Matching grants may be given to NCOs for property development and habitat restoration on land owned by the Department, acquisition of urban green space, acquisition of local parks (NCOs are not eligible for development of local parks), and urban rivers areas, and for the purchase of development rights (easements) for conservation purposes. As mentioned previously, all funds expended under this subprogram must be used for nature-based outdoor recreational purposes.

The DNR may provide up to \$250,000 each year in matching grants to friends groups and NCOs for property development activities on Department owned property, with no more than \$20,000 in grants for any property in a given fiscal year. Friends groups have first option on available funds.

2007 Act 20 authorizes DNR to contract with non-profit conservation organizations (including land trusts) and private companies to perform land management activities on DNR properties. The act also requires DNR to submit a report to the Joint Committee on Finance which includes information on costs of contracts, activities performed, and the cost effectiveness of the contracts, by November 15 each year for the prior fiscal year. According to the report for fiscal year 2008-09 submitted by the Department in December, 2010, DNR spent a total of \$2,273,400 for contracts with NCOs and private companies for land management activities during fiscal year 2008-09. (As of December, 2010, the De-

partment had not submitted its report for fiscal year 2009-10 due November 15, 2010.) The report identified the following categories of contracts: (a) boat access; (b) habitat; (c) hatcheries; (d) invasives; (e) land maintenance; (e) tree planting; (f) wetland maintenance; (g) wildlife area maintenance; (h) facilities maintenance; (i) trails maintenance; (j) master planning; (k) dike/dam maintenance; and (l) aerial surveys. Contracts for land maintenance, facilities maintenance, and trail maintenance made up 55% of the reported contract expenditures. DNR reported that contracts for land maintenance work generally involve work that DNR is unable to perform utilizing existing staff, or work that requires specialized equipment or expertise unavailable utilizing Department resources. For example, the report indicates that a majority of the contracts related to facilities maintenance are related to capital development projects, specifically road building, where utilizing contractors is both cost effective and necessary as the Department typically does not have the trained personnel available to perform these types of work.

Under 1993 Act 343, DNR was instructed to provide a one-time grant of \$75,000 from the water resources account of the conservation fund to a Wisconsin-based nonstock, nonprofit corporation. The nonprofit corporation was required to meet all of the following requirements to be eligible for the grant: (a) have an exemption from the federal income tax; (b) provide support to NCOs; (c) have a board of directors that has a majority of members who are representatives of NCOs; and (d) provide \$25,000 to be used with the grant.

This grant was awarded to Gathering Waters, Inc., in January, 1995. According to their mission statement, Gathering Waters is formed to serve as an informational clearinghouse and technical assistance center to aid individuals and NCOs in preserving, protecting, and enhancing the ecological integrity of Wisconsin's land and water. In accordance with statute, the group: (a) assists in establishing new NCOs; (b) sponsors conferences and

other educational programs; (c) publishes a newsletter; and (d) provides technical assistance on such issues as incorporation, organizational development, real estate transactions, and land protection options.

1995 Act 459 instructed DNR to provide a similar grant of \$75,000 in 1996-97 and annually thereafter to Gathering Waters. Also, 1999 Act 9 included provisions and funding for similar groups to support urban land conservation, the Ice Age Trail, and to encourage and assist private conservation activities. These grants were likewise funded by the conservation fund.

Small groups that do not qualify as a nonprofit organization may enter into a partnership with a qualified NCO in order to apply for a one-time stewardship grant of up to \$20,000 for habitat restoration and land acquisition. Under this provision, the qualified NCO would act as the fiscal agent for the grant and would retain title to the land.

As of September 30, 2010, 65 NCOs (not including friends groups) have been awarded 511 grants totaling over \$105 million under ten of the stewardship components, as follows: (a) 179 grants for natural areas; (b) 172 habitat areas grants; (c) 45 for the Ice Age Trail; (d) 31 grants under the stream bank protection program; (e) 15 grants for urban green space; (f) 21 grants under the acquisition of development rights component; (g) 11 grants for acquisition of local park lands; (h) eight grants under urban rivers; (i) four grants under state trails, and (j) nine in the Baraboo Hills program. In addition, another 16 grants were awarded through a mixture of funds from the multiple components listed above. Among the nonprofit conservation organizations that have received multiple grants under the stewardship program are The Nature Conservancy, the Ice Age Park and Trail Foundation, the Waukesha County Land Trust, Door County Land Trust, Natural Heritage Land Trust, West Wisconsin Land Trust, Ozaukee-Washington Land Trust, and the Madison Audubon Society.

Public Access on Stewardship Land

The use of DNR lands is guided by statute and administrative code. Section NR 1.61 of the administrative code refers to the public use of Department land and states, "except as prohibited or regulated by rule or statute, all department land shall be open for: (a) traditional outdoor recreational uses, including hunting, fishing, trapping, walking, nature study and berry picking; and (b) other types of recreational uses, including camping, bicycling, equestrian uses, field trials, and snowmobiling or other motorized activities, as authorized on a parcel by the property master plan." Section 29.089 of the statutes prohibits hunting in state parks (which includes state trails) and state fish hatcheries unless specifically opened by administrative rule (such as for hunting in a chronic wasting disease management zone). Approximately half of all state park acreage is open for deer or turkey hunting for some portion of the year. In addition, section 29.091 of the statutes prohibits hunting and trapping within a wildlife refuge. Further, the Department is prohibited from permitting any use of a designated state natural area which is "inconsistent with or injurious to its natural values". The Department has the authority under section 23.28 of the statutes to establish use zones within designated state natural areas and to limit the number of people accessing certain zones within that natural area. Further, several other DNR property types are also closed to hunting including: (a) administrative facilities (such as ranger stations); (b) forest nurseries; (c) boat access sites; and (d) certain conservation easements (such as those acquired to allow for fishing along certain trout streams and certain habitat protection easements).

In response to concerns raised regarding the level of public access on lands purchased using stewardship funds, specifically public access for hunting and trap-

ping, the Department conducted an analysis regarding public access on stewardship land. DNR found that, for land acquired by fee or easement through the land acquisition subprogram of the stewardship program from 1990 to 2006, approximately 94% of lands are open to hunting. In addition, the analysis found that, for land acquired through DNR stewardship grants to local units of government and non-profit conservation organizations, 62% are open to hunting. Table 14 shows the amount of land acquired through the stewardship program that is open to hunting through 2006.

Under the land acquisition subprogram, the Department is statutorily authorized to acquire land for certain specified purposes including: stream bank protection, habitat areas, fisheries, and natural areas. As mentioned above, hunting is generally prohibited at state parks, state trails and state fish hatcheries and the Department may control access to some state natural areas. In addition, section 23.092 of the statutes specifies that habitat areas are designated as such in order to enhance wildlife-based recreation in Wisconsin, including hunting, fishing, nature appreciation, and the viewing of game and nongame species. Under section NR 44.06 of the administrative code, habitat areas may be managed for a wide variety of purposes including focused species production and

Table 14: Stewardship Lands Open to Hunting (1990-2006)

	Total Acres Acquired	Acres Open to Hunting	Percent Open to Hunting
DNR Land Acquisition			
Fee title	282,900	276,400	98%
Easement	<u>142,800</u>	<u>122,900</u>	<u>86</u>
DNR Subtotal	425,700	399,300	94%
Grants			
Local Units of Government			
Fee Title	14,200	3,300	23%
Easement	800	0	0
Nonprofit Conservation Organizations			
Fee Title	31,900	28,000	88%
Easement	<u>4,700</u>	<u>500</u>	<u>11</u>
Grants Subtotal	51,600	31,800	62%
Total	477,300	431,100	90%

protection. Therefore, hunting may be allowed in some habitat areas, but may be prohibited in others where it would compromise the production or protection of a particular species. The closed acreage on lands acquired under the land acquisition subprogram also includes boat access sites and park entrance/visitor stations.

Under the local assistance subprogram, the Department provides grants to local governments and non-profit conservation organizations (NCOs) for land acquisition and development. Moneys obligated under this subprogram may only be used for nature-based outdoor recreation. The 14,200 acres of fee title land shown in Table 14 as acquired by local governments were used for municipal and county parks and trails. Hunting access on these lands is controlled by the local unit of government. However, in the chronic wasting disease (CWD) zones, the Department encourages deer hunting in all county parks. For example, Dane County, which generally prohibits hunting in county parks, allows archery deer hunting by permit to assist in the CWD control effort. The 800 acres of easements acquired by local units of government were acquired to help protect existing park and public green spaces from potential adjacent land developments. This acreage is not open for public hunting; however, hunting may be allowed on some of these lands by certain individuals with the landowner's permission.

Additionally, in order to receive a stewardship grant, NCOs must enter into a contract with the Department that specifies how the property will be managed. Fee title land purchased by NCOs through a stewardship grant is prohibited from being closed to the public unless DNR determines it is necessary to protect wild animals, plants or other natural features. In addition, the state holds a reversionary interest in the property, meaning that, if the NCO violates any provision of the contract, the title to the acquired property vests in the state. Closed acreage on lands controlled by NCOs generally includes lands where development rights were acquired to buffer existing public lands from

development.

2007 Act 20 (s. 23.0916(2) and (3)) specifies that land acquired by DNR or acquired through a stewardship program grant in fee simple, or acquired by an easement or other conveyance that was withdrawn from the managed forest land program on or after October 27, 2007, must be open to the public for hunting, fishing, trapping, hiking, cross-country skiing, and any other nature-based outdoor recreation as defined in administrative rule, unless the Natural Resources Board determines that a closure is necessary to: (a) protect public safety; (b) protect a unique plant or animal; or (c) to accommodate usership patterns, as defined by administrative rule. Exceptions to the public access requirements include fish, game, and wildlife refuges, fish hatcheries, state parks, and locations within close proximity to hospitals and schools where certain types of public access and/or hunting may be prohibited.

Administrative rule NR 52 was developed to address the stewardship public access requirements of Act 20. The Natural Resources Board held three listening sessions during the summer of 2007 to solicit public input on the rule. In addition, the DNR Secretary appointed a 29-member Citizen Advisory Committee (CAC) to provide input on developing the administrative rule. The advisory committee included representatives of recreational and conservation organizations, as well as local units of government and land trusts. In January, 2008, the Natural Resources Board approved an interim protocol for DNR staff to use to evaluate grant requests involving restrictions on public access until the administrative rule was implemented. NR 52 became effective on August 1, 2010.

The rule defines a nature based outdoor activity (NBOA) as "the nature based public outdoor activity of hunting, fishing, trapping, hiking, or cross-country skiing as described in s. 23.0916(1)(b) of the statutes". The rule specifies that decisions to prohibit public access for these activities will be reviewed by the Department of Natural Resources staff using "professional judgment and will be based on sound

science, legitimate safety issues, factual data, and relevant information." It further specifies that a restriction of a nature based outdoor activity may be considered a prohibition if the restriction prevents a major or a significant amount of the nature based activity from occurring.

Under the rule, DNR is required to incorporate an evaluation of the public access requirements in all Department master plans and other planning documents that include land acquisition as an implementation strategy and in all revisions to plans for existing projects subject to the public access requirements (exceptions include fish and game refuges, etc.). In addition, the rule specifies that all stewardship program grants for land acquisition are required to include a description of the public uses proposed for the property being acquired and a checklist indicating which of the specific NBOAs will be permitted on the property. The checklist must include: (a) an indication as to whether a specific NBOA shall be allowed on the property; (b) for hunting, information regarding allowing waterfowl, small game, turkey, and big game hunting, and both gun and archery hunting; (c) for trapping, information regarding allowing water trapping and upland trapping; (d) for fishing, information regarding permitting shore fishing and boat fishing; (e) for hiking; information regarding allowing trail hiking and hiking off-trail; and (f) for cross-country skiing, information regarding allowing groomed trail skiing and off-trail skiing. The application must also include an explanation of the primary purpose of the acquisition such as for a local park or urban green space, and a description of the state, regional, or local plans that support the acquisition, as well as a description of the formal or informal public input received regarding the proposed project. Further, the grant application checklist must also include a description of the NBOAs to be prohibited on the property and the reason for the prohibition (related to either protecting public safety, protecting a unique animal or plant community, or accommodating usership patterns).

Under the rule, Department staff, under the direction of the Natural Resources Board, will evaluate each proposal to prohibit an NBOA and determine

whether the prohibition will be allowed. The rule requires the Department to submit a report to the Natural Resources Board for each regularly scheduled board meeting that summarizes these determinations. The report must be submitted to the NRB and the information must be made available to the public over the internet at least five working days prior to the next regularly scheduled meeting of the Board. The rule requires the Board to allow public participation and receive public testimony regarding DNR's determinations and vote whether to ratify prohibitions of NBOAs on non-department land that appear on the report. The Board would not routinely review Departmental determinations on prohibitions of an NBOA on DNR acquired land (land acquired by the Department, using stewardship funds, in fee title, or with an easement on former managed forest land on or after October 27, 2007).

The rule specifies the criteria for making the determination of whether to allow the prohibition of an NBOA for each of the allowable categories of prohibition. Under the rule, factors that Department staff should consider when evaluating a proposal to prohibit an NBOA include: (a) the primary purpose for the project; (b) laws and ordinances that may impact one or more NBOAs on the property; (c) user conflicts that may create public safety issues and impact one or more NBOAs on the property and user incompatibility and how this incompatibility may lead to the primary purpose of the project being significantly altered or curtailed; (d) the complexity, feasibility, practicality, and cost effectiveness of separating activities by time and space or any other manner that might mitigate user incompatibility and or reduce the need for enforcement; (e) the physical characteristics of the property including size, shape, groundcover, topography or proximity to inhabited buildings that create public safety issues and influence NBOAs on the property as well as surrounding land uses, including the use of public lands immediately adjacent to the property which may or may not have been funded with stewardship funds; (f) the necessity to prohibit an NBOA to protect and enhance the biological diversity, composition and ecological functions of natural communities exhibiting relatively little human disturbance or that have the

capacity to be easily restored to such conditions; (g) the potential for an NBOA to impact the natural values of the site (natural values as defined in s. 23.27 of the statutes); (h) the potential for an NBOA to accelerate or increase over time and cause damage to the natural values of a site; and (i) the potential for an NBOA to increase the risk of poaching rare plant or animal species, or the removal or destruction of rare geological or archeological features.

In addition, the rule also addresses the public notice requirements associated with the Department's determinations regarding NBOA prohibitions. The rule specifies that these determinations are subject to the public notice requirements of Ch. NR 150 (generally requiring a news release including information about the project sponsor, location, type, potential to cause adverse environmental impacts, a contact person at DNR for comments, and a date by which comments must be submitted to DNR for consideration).

Further, the rule requires DNR to provide individual notification over the internet to any person requesting to receive a notice of any proposal to prohibit an NBOA. Specifically, the rule requires any public notice regarding a proposal to prohibit an NBOA to include: (a) the name, address, and phone number of the Department's contact person for the project; the checklist indicating which specific NBOAs will be permitted on the property; (c) a summary of the NBOAs to be prohibited; and (d) the Department's initial assessment of the proposal to prohibit the NBOA including an evaluation of the criteria described in the rule, and involving the Department's resource management professionals at the local, regional, and statewide level. The rule establishes a public comment period of 15 business days beginning on the day immediately following the day the Department sends out the notice electronically, during which public comments concerning the proposal may be submitted, in writing, to DNR. Objections are required to show the proposed prohibition of an NBOA is inconsistent with the public access requirements of s. 23.0916(2)(b) or (3)(b), as well as s. NR. 52.05. If an objection is received by

DNR during the 15-day comment period, DNR has up to 15 additional business days from the close of the comment period to evaluate the public comments, including any objections. During this time, DNR must contact any person that submitted an objection and the project sponsor to notify them that the objection was received and to gain more information about the proposal. At the end of the public comment and evaluation period, DNR must create a written summary of its determination whether to allow the prohibition of an NBOA to anyone who submitted an objection and to the project sponsor.

DNR was also required by 2007 Act 20 to provide a report to the Joint Committee on Finance and standing committees on natural resources by November 15 annually (beginning in 2008) identifying each property acquired in the previous fiscal year that is not open for one or more of the required nature-based outdoor recreational activities (hunting, fishing, trapping, hiking, and cross-country skiing) and the reason for the closure (either to protect public safety, protect unique plant and animal communities, or to accommodate usership patterns). 2009 Act 28 changed this to a biennial report. In the November, 2010, report, DNR identified one acquisition out of 148 acquired by DNR during fiscal years 2008-09 and 2009-10 where public access is restricted, and 45 grant projects acquired using stewardship funds out of a total of 276 awarded, where public access for one or more of the required nature-based outdoor activities was restricted. The DNR acquired property was acquired for use by Department fisheries and law enforcement staff to store equipment, and will not be open to the public for any of the required recreational activities. Of the 45 grant projects where access was restricted, 20 involved prohibitions on both hunting and trapping, while eight involved prohibitions on hunting and seven involved prohibitions on trapping (none of the projects involved prohibitions on cross country skiing, fishing, or hiking). The majority of these restrictions were related to protecting public safety, while some of the trapping restrictions were related to the protection of a unique plant or animal community and some of the prohibitions of hunting and trapping were related to ac-

commodating usership patterns.

In addition, Act 20 requires DNR, before November, 2011, to establish and maintain an interactive mapping tool at the Department's website that identifies all stewardship land that is open for public access. The mapping tool must be available without charge.

Further, 2007 Act 20 requires an owner of stewardship land, or DNR, if the land is surrounded by DNR land, to provide notice of public access to the stewardship land in the form of specific signs placed at major access points on the stewardship land that identify the land as acquired using stewardship funds (within six months of receiving stewardship funds for land acquired on or after October 27, 2007; and prior to November, 2011, for land acquired before October 27, 2007). The act specifies that the signs be at least 1,087 square inches and made of a durable substance. The act requires the signs to include: (a) either the primary activities that are restricted or prohibited on the stewardship land; (b) the name of the owner of the stewardship land or a person to contact regarding the stewardship land; and, (c) if the stewardship land has a cumulative acreage of 10 acres or more, the postal address or telephone number of the owner of the stewardship land, the postal address or telephone number of a person to contact regarding the stewardship land, or an internet website address where a person can locate that information.

Under Act 20, if a landowner fails to comply with these requirements, the landowner would be ineligible for state aid under the stewardship program until DNR determines that the landowner is in compliance. If the Department is notified that a sign needs replacing, the act requires DNR to determine whether the sign needs to be replaced within 28 days. If the Department determines that replacement is necessary, DNR must replace the sign within 28 days (for signs on DNR lands, or lands surrounded by DNR land), or must notify the landowner within seven days of that determination. If the landowner does not replace the sign within three months after

receiving notice from DNR, the landowner would be ineligible for any state aid under the stewardship program. The act also requires all owners of stewardship land to provide DNR with contact information. Further, the act specifies that, if the Department authorizes a nonprofit conservation organization to charge a fee for hunting on stewardship land, the fee for the hunting season may not exceed the state park daily resident vehicle admission fee (currently \$7). Under the act, these requirements do not apply to stewardship easements for trails, land acquired or managed for the Ice Age Trail, and easements where the primary purpose of the easement is not public access.

Stewardship Earmarks

Beginning in the 1991-93 biennium, statutory earmarks from the stewardship program have been included in some legislative acts. Table 15 shows the statutory stewardship earmarks by biennium. In addition, the 1995-97 biennial budget act authorized DNR to purchase the Willow Flowage and surrounding lands in Oneida County. The act authorized DNR to expend a level of funds for this purpose equal to the amount of funds not previously committed from the Lower Wisconsin State Riverway component of the stewardship program before July 1, 1996. Under the original stewardship program, \$2,000,000 annually was allotted for acquiring land along the Lower Wisconsin State Riverway. DNR purchased 8,720 acres for \$9.8 million for the Willow Flowage Scenic Waters Area in 1997.

Some earmarks required that stewardship program funding be matched in order for the stewardship funds to be released. For example, the 1997-99 biennial budget act (1997 Act 27) required that for every \$3 received by DNR from private grants or bequests for the Crex Meadows Wildlife Center, \$1 was to be expended from the stewardship program. This would represent a state grant for 25% of

eligible project costs (75% local match). The last column in the table shows the percent of eligible project costs required to be paid by the local recipient (no number in this column indicates no local match was required).

As shown in Table 15, 2007 Act 20 provided funding for five earmarks. First, the act directs DNR to expend up to \$1,000,000 of the bonding authority under the stewardship program for efforts to improve navigability for recreational boating in Mirror Lake in Sauk County and in the streams flowing into the lake. The act authorizes

DNR to expend bonding authority from either the land acquisition subprogram or the property development and local assistance subprogram. DNR has provided \$1,000,000 to the Mirror Lake Association for the Mirror Lake project (half of the funding was provided from the land acquisition subprogram and half from the property development and local assistance subprogram).

Second, 2007 Act 20 directs DNR to expend up to \$600,000 from either the land acquisition or the property development and local assistance subprogram to the City of Antigo for property devel-

Table 15: Statutory Stewardship Program Earmarks by Biennium

Biennium	Project	Location (County)	Bonding Authority	Local Match*
1991-93	Monona Terrace Convention Center	Dane	\$3,000,000	50%
	Hank Aaron State Trail	Milwaukee	400,000	
	Horicon Marsh Interpretive Center	Dodge	250,000	
1997-99	Grandfather Falls Recreation Area	Lincoln	2,138,000	75
	Hank Aaron State Trail	Milwaukee	290,000	
	Crex Meadows Wildlife Center	Burnett	250,000	
	Flambeau Mine Trail	Rusk	100,000	
1999-01	Milwaukee Lakeshore State Park	Milwaukee	2,000,000	50
	Root River Multi-Purpose Pathway	Racine	750,000	
	Hank Aaron State Trail	Milwaukee	670,000	
	Sheboygan Riverfront Park	Sheboygan	173,800	
	Keyes Lake Recreational Area	Florence	125,000	
	Rock River Riverwall	Jefferson	96,500	
	Rib Mountain State Park Ski Chalet	Marathon	50,000	
	Upper Whiting Park	Portage	38,000	
	Non-profit Habitat Restoration and Land Acquisition	Not Specified	20,000	
2001-03	Milwaukee Lakeshore State Park	Milwaukee	3,000,000	50
	Kickapoo Valley Visitor Center	Vernon	2,370,000	
	State Fair Park	Milwaukee	2,000,000	
	Rib Mountain State Park Ski Chalet	Marathon	1,000,000	
	Wisconsin Agricultural Stewardship Initiative	Grant	1,000,000	
	Prairie River Restoration	Lincoln	450,000	
	Root River Parkway	Racine	375,000	
2007-09	Mirror Lake Boat Access	Sauk	1,000,000	25
	The Conservation Fund - Greenseams Flood Management	Milwaukee	1,000,000	
	Green Bay Recreational Trail	Brown	875,800	
	Ice Age and Springbrook Trails	Langlade	600,000	
	Jersey Valley Lake	Vernon	500,000	

*Percent of eligible project costs funded by grant recipient.

opment activities related to the Ice Age and Springbrook trails. The act requires DNR to provide \$1 for each \$1 expended by the City of Antigo. As of September, 2010, DNR had issued a grant agreement and encumbered \$600,000 from the property development and local assistance subprogram for the development of the trail. Work on the trails began in summer 2009.

In addition, the act provides up to the following amount from either the land acquisition or property development and local assistance subprogram and requires the recipient to provide \$1 for each \$3 in state funding: (a) \$500,000 to Vernon County to restore Jersey Valley Lake; (b) \$1,000,000 to The Conservation Fund for property acquisition for the Milwaukee Metropolitan Sewerage District Greenseams flood management program and for habitat restoration for lands acquired under the program; and (c) \$875,800 to the City of Green Bay for the acquisition of property to be developed into a recreational trail.

Jersey Valley Lake, located in Vernon County, was drained in response to a March, 2005, incident where manure runoff resulted in the death of many of the lake's fish. Further, the lake's dam was in need of repair and the lake's structure may have been leaking. The funding provided by Act 20 is for a project to install a grout curtain on the dam as well as monitoring wells downstream that record water levels and determine the effectiveness of the repair and continuing lake and dam function. As of November 2010, DNR had enumerated \$500,000 in funds from the property development and local assistance subprogram and expended \$364,500 for the project.

Greenseams is a flood management program aimed at conserving water and preventing flooding through land protection. To implement Greenseams, the Milwaukee Metropolitan Sewerage district chose The Conservation Fund (TCF), a national non-profit conservation organization dedicated to land and water resource preservation. TCF helps MMSD acquire land along river corridors (such as the Menomonee, Milwaukee, and Root

Rivers) containing hydric soils that can rapidly absorb water. A total of \$1,000,000 in stewardship funding from the land acquisition subprogram (grants to non-profit conservation organizations) was provided to The Conservation Fund for the project.

The City of Green Bay intends to use the stewardship funding to purchase approximately 25 acres from Wisconsin Central Railroad. The city plans to construct an off-street multi-use bicycle and pedestrian trail separated from the city street grid. As of September, 2010, the city was still in negotiations with the railroad realtor regarding the purchase and DNR had not released any of the \$875,800 in earmarked stewardship funds.

Stewardship Program Oversight

A heightened review procedure for stewardship projects was enacted in 1995 in order to provide an increased level of legislative scrutiny for major expenditures under the stewardship program.

Prior to the passage of 2003 Act 33 (the 2003-05 biennial budget), DNR was prohibited from obligating any funding from the Warren Knowles-Gaylord Nelson Stewardship program for any project or activity that exceeded \$250,000 unless the Department first notified the Joint Committee on Finance in writing of the proposal. If the Co-Chairpersons of the Committee did not notify DNR within 14 working days after the date of the Department's notification that the Committee had scheduled a meeting to review the proposal, the Department was permitted to obligate the moneys. If, within 14 working days after the date of the notification by DNR, the Co-Chairpersons of the Committee notified the Department that the Committee had scheduled a meeting to review the proposal, DNR could only obligate the funding upon approval of the Committee.

Prior to July 26, 2003, 109 projects had been submitted to the Committee. Of these, 48 were reviewed by the full Committee. All but four were approved. Three projects were denied, and one project was deferred. In addition, a \$350,000 grant to the City of Green Bay to fund a portion of the cost of the acquisition of 34.2 acres of land in the Bairds Creek Parkway was scheduled for Committee review in December, 1998, but was withdrawn by DNR. The Department then reduced the amount of the grant below the \$250,000 threshold for Joint Finance review.

As passed by the Legislature, 2003 Act 33 would have required that all land acquisition and property development activities under stewardship be reviewed by Joint Finance under the 14-day passive review process. The \$250,000 threshold of review by the Committee would have been maintained for local assistance or non-profit conservation organization (NCO) grants provided under the stewardship program. The Governor, in his partial vetoes of 2003 Act 33, deleted this provision. Further, the partial veto repealed all passive review requirements for land acquisition, property development, and grant activities supported by funding from an annual stewardship program allocation.

2007 Act 20 restored the authority of the Joint Committee on Finance to review projects under the stewardship program through a 14-day passive review process effective July 1, 2010. (As passed by the Legislature, the review requirements would have been effective on the general effective date of the bill; however, the Governor vetoed words from several sections of the bill to postpone the effective date to July 1, 2010). The act specifies that all stewardship projects (excluding DNR property development projects and DNR acquisition of land held by the Board of Commissioners of Public Lands) in excess of \$750,000 are subject to review. 2009 Act 28 specifies that, if a stewardship project proposal is subject to review by the Joint Committee on Finance, the proposal is approved unless a majority of committee members present at the meeting vote to modify or deny the proposal.

Further, 2007 Act 20 specifies that a DNR project or activity using stewardship funds of less than or equal to \$750,000 is subject to review by the Joint Committee on Finance if all of the following apply: (a) it is so closely related to one or more other Department projects or activities proposed as to constitute a larger project or activity that exceeds \$750,000; and (b) the Department separated the projects or activities primarily to avoid Joint Finance Review. DNR property development projects and certain lands purchased from the Board of Commissioners of Public Lands are excluded from review.

Under the act, if the Joint Finance Co-chairs do not notify DNR within 14 working days that the Committee is scheduling a meeting to review the proposal, DNR may proceed with the project. In addition, the act requires that at least five members of the 16-member Committee, including at least one Co-chair, are required to object, in writing, for the item to be scheduled for a meeting. If the Committee does not hold a meeting to review the proposal within 16 working days after the Co-Chairpersons notified the Department that a meeting would be scheduled, the Department may proceed with the transaction. However, if the notification is made after the Legislature has adjourned its final general business floor period in an even-numbered year, then Joint Finance would have 31 working days to hold a meeting.

From July 1, 2010 through December 31, 2010, Joint Finance approved four stewardship projects through the passive review process (the statutory requirements for holding a meeting to review the projects were not met, and the projects were therefore approved). The projects included three DNR acquisitions and one grant and are summarized under prior sections relating to Recent Major Acquisitions and Local Assistance Grants.

In addition, non-legislative review procedures remain in place. Under DNR administrative rule, the following land transactions require the approval of the Natural Resources Board: (a) acquisi-

tions where the purchase price is \$150,000 or more; (b) acquisitions where more than 40 acres are outside of an established project boundary; (c) acquisitions where the purchase price exceeds the highest appraised value; (d) acquisitions where improvement values exceed 35% of the total appraised value; (e) acquisitions of short tenure with substantial increased value; and (f) sales of state land that are no longer needed for conservation purposes where the value exceeds \$50,000 or where the acreage exceeds 40 acres.

Building projects over \$500,000 in costs are required to be specifically enumerated in state law. For example, 2009 Act 28 enumerates a \$6.1 million stewardship project for an entrance and visitor station, rebuilt entrance road with bicycle and pedestrian lanes, and water and sewer utility connections at Rib Mountain State Park. The Legislature typically enumerates these projects in the state budget. Also, any state-funded development project in excess of \$150,000 but less than \$500,000 must be reviewed by the State Building Commission for approval prior to bidding.

Further, all land acquisition projects, proposals for the sale of any DNR managed land, and any development projects over \$60,000 are submitted to the Governor for review, and are subject to his approval.

While grants to local governments and NCOs go through an internal DNR review and scoring process, they generally are not subject to review by the Natural Resources Board. However, grants to local governments and NCOs in excess of \$750,000 are subject to Joint Finance Committee review. In addition, the Governor's review committee which consists of the Secretaries of the Departments of Natural Resources, Tourism, and Revenue reviews projects using more than \$250,000 of stewardship program funds. The committee meets periodically and makes recommendations to the Governor. The Governor makes the final decision of whether to approve the project.

Stewardship Debt Service

The state generally issues 20-year tax-exempt general obligation bonds to support stewardship purchases and grants. Debt service for stewardship bonding is primarily funded from a sum sufficient, general purpose revenue (GPR) appropriation in DNR. 1997 Act 27 created two additional appropriations to offset a portion of the GPR payment of stewardship debt service from the segregated conservation fund. Annual debt service payments of over \$8.9 million from the conservation fund (\$8.7 million from the forestry account and \$225,000 from the water resources account) were authorized in 1997-98 and 1998-99 for the payment of principal and interest related to the acquisition and development of state forests and recreational boating-related properties under the stewardship program. These appropriations sunset on June 30, 1999.

Under the stewardship 2000 program (and as extended under 2007 Act 20), debt service is again funded from a sum sufficient, GPR appropriation in DNR. In addition, since 1999-00 funds have been appropriated from the forestry account of the segregated conservation fund. This shift was specified to be one-time only in each biennia from 1999-01 through 2003-05. However, under 2005 Act 25, \$13.5 million SEG beginning in 2006-07 was provided on an ongoing basis from the forestry account. Further, 2007 Act 5 provided an additional \$10.6 million in 2006-07 (for a total of \$24.1 million) from the forestry account for stewardship debt service payments (\$13.5 million was provided annually beginning in 2007-08). 2009 Act 28 provides an additional \$5 million forestry SEG (for a total of \$18.5 million in 2009-10) and \$2.5 million in 2010-11 (for a total of \$16 million in 2009-10) and reduces the amount provided from GPR by the same amount. However, the 2010-11 additional payment is specified as one-time, meaning it will be removed from base level funding as a standard budget adjustment in 2011-13 (payments from the forestry account for stewardship debt service would return to \$13.5 million annually

beginning in 2011-12).

While the majority of the debt service shown in the Table 16 is related to the stewardship program, a portion of the payments are related to bonding mostly authorized prior to the creation of the first stewardship program for several similar recreational land acquisition programs and a local dam repair and removal grant program.

Table 16 shows state stewardship related debt services costs over a 10-year period. Costs declined in 2003-04 primarily because of a state debt refinancing initiative to take advantage of lower interest rates and reduce short-term liabilities. In 2009-10, GPR debt service payments for the program declined significantly due primarily to the state's decision to defer payment of principal on a large portion of its outstanding GPR-supported, general obligation debt, including the stewardship program debt. Debt service payments (principal repayment and interest) on the \$1.66 billion authorized for the program could total close to \$2.6 billion over the life of the program bonds (a period of over 50-years).

Table 16: Stewardship Debt Repayments

Fiscal Year	SEG	GPR	Total
2001-02	\$4,901,900	\$19,774,000	\$24,675,900
2002-03	8,400,000	19,187,700	27,587,700
2003-04	10,000,000	8,649,200	18,649,200
2004-05	10,000,000	23,779,300	33,779,300
2005-06	14,100,000	25,618,900	39,718,900
2006-07	24,100,000	20,866,600	44,986,600
2007-08	13,500,000	34,104,900	47,604,900
2008-09	13,500,000	37,603,700	51,103,700
2009-10	18,500,000	7,235,000	25,735,000
2010-11*	16,000,000	47,000,000	63,000,000

*Budgeted.

Appraised Versus Assessed Value

Assessors and appraisers generally determine

the value of property based on the property's highest and best use, which is that use which will produce the greatest net return to the property owner over a reasonable period of time. Three methods are generally accepted in determining the value of property.

- Under the sales comparison method, value is determined by analyzing recent sales of property that are similar in size, age, use, location and other factors.
- Under the cost method, the value of the land is estimated and added to the cost of replacing any attached structures.
- Under the income method, the present value of the property is determined from the estimated future income derived from the property. While all three approaches are accepted, the sales method is the approach most commonly used.

Commonly-accepted definitions of highest and best use utilized by appraisers generally take into account four different factors when making the determination:

- Physical possibility, taking into account the size, terrain, soil composition and utility availability for the parcel that may limit the use of the land;
- Legal permissibility, including applicable zoning regulations (including rezoning prospects), building codes, deed restrictions, historic district controls and environmental regulations;
- Financial feasibility, meaning any use that produces a positive rate of return based on the characteristics of the property; and
- Maximum productivity, under which no other use of the land would provide a greater net return to the owner based on land costs, physical characteristics, legal constraints and the economic characteristics of the surrounding area.

For a particular piece of property, there may be some difference of opinion among those doing the property valuation relating to any of these factors. The physically possible uses of the parcel, for example, would be influenced by the proximity of a sewer line to the parcel. The legally permissible uses of a parcel of land could be affected by current zoning designations and a particular municipality's history of approving zoning changes that affect the ability of land in the municipality to be developed. In these cases, assessors and appraisers (and potential buyers) must make certain assumptions related to these factors to be able to determine a value for the property.

Providing less than the fair market value for land could be considered a taking without just compensation in violation of the Fifth and Fourteenth Amendments to the U.S. Constitution. Further, under Wisconsin Statutes s. 32.09(5)(b), any increase or decrease in the fair market value of a property caused by any public improvement for which property is acquired, or the likelihood that the property would be acquired for such an improvement, may not be taken into account in determining just compensation for the property.

Questions were sometimes raised about parcels of land proposed for acquisition where the appraised value was significantly greater than the assessed value. Assessed value is the value placed on a property by the local unit of government for property tax purposes. Most assessors value property at some fraction of market value, despite a statutory requirement that property be assessed at full value. A series of court cases, dating back to the nineteenth century, has interpreted statutes to allow assessed values at a fraction of market value, provided the same fraction applies to all property in the taxation district. As a result, local assessors can assess property at a level below market value without violating the state constitution's requirement of uniform taxation.

DNR, local governments, and NCOs hire private real estate appraisers to determine the fair market value of prospective land purchases. A

large disparity between assessed and appraised value may result from local assessors significantly undervaluing all property, not having updated assessments, or as a result of local land use policies. If open space that could be preserved is likely to otherwise be developed, it is often within the power of localities to zone the land in such a way as to maintain it in a relatively undeveloped state, if that is the preferred local option. In addition, a significant contributor to the rapidly escalating value of some properties may be a municipality's history of rezoning agricultural or open space land to allow residential or commercial development.

The power of zoning as a tool for land preservation, however, is limited by the willingness of the locality to maintain land in an undeveloped state. Further, zoning ordinances must allow a reasonable use of the property by the owner to avoid a taking of private property for public use.

For stewardship grant applications submitted beginning October 27, 2007, for an acquisition estimated to cost over \$350,000 (\$250,000 previously) at least two appraisals are required with one paid for by the grant applicant and one obtained by DNR. Further, the purchase price of certain properties owned by the seller for less than three years are limited by statute.

Aids in Lieu of Property Taxes

The difference between assessed and appraised values also has an effect on payments made by the state in lieu of property taxes. Since 1992, when DNR acquires land, the Department pays aids in lieu of property taxes on the land to the city, village, or town in which the land is located in an amount equal to the tax that would be due on the estimated value of the property at the time it was purchased (generally the purchase price), adjusted annually to reflect changes in the equalized valuation of all land, excluding improvements, in the taxation district. The municipality then pays each taxing jurisdiction (in-

cluding the county and school district) a proportionate share of the payment, based on its levy. To the extent that the purchase price paid by DNR for land is based on appraised values and to the extent that appraised values exceed assessed values, the resulting aids in lieu payments made under state ownership of land are greater than the property taxes that would be paid if the property remained under private ownership. Further, in some cases, lands purchased by the state were fully or partially exempted from property taxation before purchase (such as managed forest lands, railroad rights-of-way or properties owned by certain tax-exempt corporations).

Aids in lieu payments are made primarily from a sum sufficient, GPR appropriation. However, beginning in 2003-04, a portion of the payments are made from the forestry account of the conservation fund (generally \$4 million annually but less a one percent reduction beginning in 2009-10). Table 17 shows aids in lieu of property tax payments for the past 10 years.

Table 17: Aids in Lieu of Property Tax Payments

Fiscal Year	GPR	SEG	Total
2000-01	\$3,393,500	\$0	\$3,393,500
2001-02	3,906,100	0	3,906,100
2002-03	4,755,400	0	4,755,400
2003-04	4,349,000	1,000,000	5,349,000
2004-05	4,133,000	2,000,000	6,133,000
2005-06	3,160,100	4,000,000	7,160,100
2006-07	4,190,800	4,000,000	8,190,800
2007-08	5,381,400	4,000,000	9,381,400
2008-09	6,352,000	4,000,000	10,352,000
2009-10	7,675,400	3,960,000	11,635,400

Although the formula for calculating aids in lieu of taxes is intended to produce a state payment that is equivalent to what is paid in property taxes; in practice, state payments typically exceed the property taxes that would have been paid on the property because the purchase price of conservation land has routinely exceeded the property's assessed value. In October of 2000, the Legislative Audit Bureau (LAB)

released an evaluation of the Warren Knowles-Gaylord Nelson Stewardship program. The report found that within a sample of 74 property acquisition grants, the average appraised value per acre of the property was more than double (120% greater than) the average assessed value per acre. When adjustments were made to make comparisons on a per-property rather than a per acre basis, the average difference increased to 305%. The Legislative Audit Bureau noted that the sample was specifically selected to include large grants. Since it was not a random sample, the result could not be projected to all grants. While these wide discrepancies in appraised and assessed valuations have raised questions by some about the fair market value of stewardship properties, the report also notes that infrequent updates in assessed values also raise questions about fairness in local property taxes.

When the DNR property being purchased (a) is exempt from local property taxes (such as when owned by certain nonprofits or public utilities), (b) is subject to preferential tax treatment (such as under the managed forest law or agricultural use value), or (c) has a purchase price that exceeds the local assessed value, transferring the property to DNR results in a net gain in revenues for the affected local governments.

Table 18 compares the estimated aids in lieu of taxes payment due on all properties acquired in fee title by DNR under the stewardship program in calendar year 2007 (24 parcels) to the amount paid in taxes for that year (2007 taxes paid in 2008). In some cases, properties were enrolled in the managed forest law (MFL) program and agricultural properties benefited from use value assessment, which would result in a lower than expected 2007 tax bill. While only a limited sample was reviewed (and excluding properties previously enrolled in MFL or forest crop law and properties subject to agricultural use value or another property tax exemption) on average local payments were approximately two-thirds higher under state ownership for the parcels reviewed.

Table 18: 2007 State Land Purchases

Property Category	Acres	Purchase Price	County	2007 Tax Amount	Aids in Lieu Estimation*	% Change
Fishery	13	\$49,000	Ashland	\$179	\$790	341%
Fishery	122	320,300	Bayfield	3,523	4,969	41
Natural Area	43	129,000	Bayfield	333**	1,223	267
Wildlife Area	320	600,000	Burnett	266**	7,850	2,851
Wildlife Area	20	35,500	Columbia	328	388	18
Natural Area	53	150,000	Crawford	1,933	2,682	39
Fishery	7	42,700	Dane	37**	668	1,705
Fishery	80	152,400	Florence	**	2,586	
Natural Area	72	300,500	Green	186**	4,636	2,392
Natural Area	40	64,000	Green Lake	357	957	168
Natural Area	80	168,000	Jackson	156**	2,666	1,609
Natural Area	0	7,300	Kenosha	119	117	-2
Wildlife Area	160	480,000	Kewaunee	4,441	7,662	73
Park	157	409,000	Marathon	130**	6,670	5,031
Northern Forest	111	286,000	Oneida	1,049	2,904	177
Wildlife Area	11	10,000	Pierce	400	400	0
Wildlife Area	56	91,100	Portage	250	1,394	458
Fishery	45	80,000	Racine	84	1,556	1,752
Wildlife Area	30	195,000	Rock	1,966	3,092	57
Wildlife Area	200	785,000	Sauk	6,392	9,141	43
Wildlife Area	20	84,600	Sauk	759	985	30
Fishery	40	120,000	Sheboygan	162**	1,792	1,006
Northern Forest	35	115,000	Vilas	899	962	7
Wildlife Area	<u>19</u>	<u>29,500</u>	Wood	<u>75**</u>	<u>426</u>	<u>468</u>
Total	1,734	\$4,703,900		\$24,024	\$66,516	177%

*Aids in lieu estimation is calculated using the purchase price multiplied by the equalized tax rate for the taxing district for 2007.

**Property enrolled in managed forest law, forest crop law, or subject to use value assessment or another property tax exemption.

In most cases, the aids in lieu payment to municipalities exceeds revenues previously generated by property taxes. The Department indicates that the current formula has led to a reduction in the number of local objections to state acquisition of land. Conversely, the intent of the formula was to establish a fair level of compensation, rather than to create a financial incentive, for municipalities to cooperate with state land acquisition.

As passed by the Legislature, the 2003-05 biennial budget would have changed the formula by which aids in lieu payments are calculated for lands purchased from the effective date of the bill forward. The modified formula would have defined the estimated value of the property to mean

the lower of the equalized value of the property prior to purchase by DNR or the purchase price (instead of the purchase price, as currently provided in statute). In cases where the property had previously been tax-exempt, the last recorded equalized value would be used, or a payment of \$1 per acre would be made, whichever amount was greater. The amount determined under this formula would continue to be adjusted annually to reflect changes in the equalized valuation of all land, excluding improvements, in the taxation district. Under this formula, aids in lieu of property tax payments would have been expected to decline by between one-half and two-thirds for future purchases. The Governor item vetoed this provision in 2003 Act 33. The 2005-07 budget, as passed by the

Legislature, again included this provision. However, the Governor also item vetoed the provision in 2005 Act 25.

Conservation Reserve Enhancement Program

While not a stewardship program, \$28 million in general fund supported bonding is available for the Department of Agriculture, Trade and Consumer Protection to participate in the Conservation Reserve Enhancement Program (CREP). Under the federal land retirement conservation program, the state provides at least a 20% match to federal funds to provide financial incentives for farmers and ranchers who enroll in a minimum of 15-year conservation easements (permanent easements are allowed).

Under these easements, land is removed from agricultural production to improve water quality, erosion control, and wildlife habitat in specific geographical areas. The U.S. Department of Agriculture has authorized \$200 million in federal funds for Wisconsin to enroll up to 100,000 acres in CREP. Through September 30, 2010, nearly 42,000 acres of land have been enrolled in CREP (35,600 acres in 15-year easements and 6,400 acres in perpetual easements).

The Farm Service Agency (FSA) projects that total federal payments associated with these acres over their CREP contracts (generally 15 years, unless a permanent easement is granted) will total about \$82 million. In addition, through September 30, 2010 the state had expended about \$11.9 million on incentive payments to enroll this land into the program and on cost-share grants to landowners

for, the installation of conservation practices. As a result expenditures of approximately \$94 million (out of the total \$240 million available) are expected over the life of the CREP contracts (generally 15 years) for the 42,000 acres enrolled in CREP as of September 30, 2010. Under the current agreement with the USDA, state landowners are allowed to participate in CREP provided they have signed a federal contract by December 31, 2012.

Appendices

Following are six appendices which provide additional information about the Warren Knowles-Gaylord Nelson Stewardship program. Appendix I provides a summary of expenditures under the stewardship program for fiscal years 2000-01 through 2009-10. Appendix II summarizes DNR land acquisitions funded from the stewardship program (original and reauthorized programs) by county, including the number of acres in each county for which an easement has been purchased, the number of acres acquired by fee title purchase and total expenditures made by DNR for both fee title and easement purchases in the county. Appendix III shows stewardship program land acquisitions where the purchase price was greater than \$5 million. Appendix IV summarizes DNR grant program activity by county under stewardship, based on the location of the property involved, to local units of government and nonprofit conservation organizations. Appendix V provides information on recent major property development projects, and Appendix VI shows the amount of stewardship funding spent on property development on DNR properties since 1990.

APPENDIX I

Stewardship Program Expenditures: Fiscal Year 2000-01 through 2009-10*

Category	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	Total
DNR Land Acquisition	\$21,063,600	\$31,974,600	\$16,091,700	\$32,935,800	\$42,247,500	\$25,139,700	\$61,573,000	\$27,678,200	\$34,137,300	\$26,577,100	\$319,418,500
NCO Land Acquisition	4,662,900	3,204,500	4,475,200	8,267,900	6,295,600	11,826,300	5,816,300	10,438,400	10,296,700	9,899,100	75,182,900
Baraboo Hills	0	0	128,100	986,500	366,400	1,191,400	1,214,500	743,100	2,000	368,000	5,000,000
Bluff Protection	0	450,000	0	4,700	0	0	0	0	0	0	454,700
Kickapoo Valley	0	0	305,400	745,200	800,900	415,700	102,800	0	0	0	2,370,000
Mirror Lake	0	0	0	0	0	0	0	493,500	493,500	13,000	1,000,000**
Local Assistance	4,413,900	5,640,600	6,039,100	8,976,900	5,664,200	6,825,900	6,223,400	4,559,500	7,500,400	8,312,900	64,096,800
Property Development	4,712,200	5,800,300	4,332,800	2,016,500	3,985,800	4,455,800	9,375,300	7,154,900	9,886,900	6,189,700	57,910,200
Recreational Boating	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>261,500</u>	<u>1,409,600</u>	<u>1,424,800</u>	<u>3,095,900</u>
Total	\$34,852,600	\$47,070,000	\$31,372,300	\$53,933,500	\$59,360,400	\$49,854,800	\$84,305,300	\$51,329,100	\$63,666,400	\$52,784,600	\$528,529,000

* Includes expenditures related to bonding authority provided under the original Stewardship program.

**\$500,000 was provided from Local Assistance and \$500,000 from DNR Land Acquisition for the Mirror Lake Earmark.

APPENDIX II

DNR Land Acquisitions Under Stewardship by County as of September 30, 2010

County	Easement Acres	Fee Acres	Federal Expenditures	Stewardship Expenditures	Total Expenditures
Adams	1,714	7,271	\$3,190,307	\$6,988,766	\$10,179,073
Ashland	361	1,605	42,700	2,277,675	2,320,375
Barron	36	772	18,000	1,059,225	1,077,225
Bayfield	12	9,972	1,325,067	6,242,559	7,567,626
Brown	216	1,540	499,421	3,224,834	3,724,255
Buffalo	1	1,937	19,200	1,366,056	1,385,256
Burnett	27	3,412	1,292,291	2,965,600	4,257,891
Calumet	19	1,806	57,660	2,869,713	2,540,161
Chippewa	169	5,303	713,597	2,520,874	2,927,373
Clark	0	224	0	476,290	476,290
Columbia	678	3,372	1,062,991	5,930,341	6,993,332
Crawford	924	9,379	188,540	9,119,036	9,307,576
Dane	2,182	5,714	1,617,512	20,935,450	22,552,962
Dodge	709	1,581	926,226	2,336,770	3,262,996
Door	2,414	1,666	3,010,527	6,305,008	9,315,535
Douglas	285	15,330	911,750	9,043,516	9,955,266
Dunn	927	3,918	456,978	3,771,424	4,228,402
Eau Claire	108	583	466,600	2,109,493	2,576,093
Florence	1,959	13,525	2	19,238,576	19,238,578
Fond du Lac	1,911	6,036	3,445,792	4,847,462	8,293,254
Forest	44,402	845	0	19,238,576	19,331,165
Grant	1,257	4,448	422,701	5,518,469	5,941,170
Green	424	784	543,174	1,882,205	2,425,379
Green Lake	13	1,293	57,000	1,511,543	1,568,543
Iowa	1,479	4,917	72,868	8,509,855	8,582,723
Iron	3,114	44,241	623,859	25,714,745	26,338,604
Jackson	4	3,929	66,205	3,880,402	3,946,607
Jefferson	32	7,290	24,284	4,772,354	4,796,638
Juneau	463	6,276	1,048,881	8,078,911	9,127,792
Kenosha	114	447	589,005	2,194,943	2,783,948
Kewaunee	88	795	189,650	1,435,417	1,625,067
La Crosse	208	280	30,148	637,959	668,107
Lafayette	270	634	0	1,749,369	1,749,369
Langlade	18,844	2,106	3,313,050	8,197,815	11,510,865
Lincoln	20,777	8,080	3,566,077	8,906,147	12,472,224
Manitowoc	1,464	479	109,275	2,669,209	2,778,484
Marathon	1,372	3,617	1,159,821	5,461,123	6,620,944
Marinette	14,712	20,434	5,035,869	36,602,247	41,638,116
Marquette	873	2,515	330,112	2,122,895	2,453,007
Milwaukee	76	172	0	4,749,003	4,749,003

APPENDIX II (continued)

DNR Land Acquisitions Under Stewardship by County as of September 30, 2010

County	Easement Acres	Fee Acres	Federal Expenditures	Stewardship Expenditures	Total Expenditures
Monroe	636	1,155	\$566,756	\$1,310,867	\$1,877,623
Oconto	224	2,296	133,992	2,715,717	2,849,709
Oneida	20,401	36,286	2,018,602	45,787,566	47,806,168
Outagamie	24	5,782	39,500	8,192,234	8,231,734
Ozaukee	1,058	548	1,340,582	3,286,855	4,627,437
Pepin	404	1,926	275,500	1,944,505	2,220,005
Pierce	113	870	461,100	656,120	1,117,220
Polk	1,126	5,395	1,746,450	13,517,328	15,263,778
Portage	179	9192	378,270	10,630,533	11,008,803
Price	34	266	0	333,928	333,928
Racine	39	668	0	1,632,600	1,632,600
Richland	743	4,802	242,386	5,247,787	5,490,173
Rock	599	1,841	456,625	1,794,713	2,251,338
Rusk	1	132	23,250	285,874	309,124
Saint Croix	230	3,448	563,244	6,060,607	2,585,342
Sauk	4,602	5,968	2,537,083	15,813,840	18,350,923
Sawyer	54	1,762	111,170	3,663,702	3,774,872
Shawano	28	1,739	6,650	3,249,413	3,256,063
Sheboygan	798	3,478	1,000,115	9,362,731	10,362,846
Taylor	23	1,547	68,880	2,516,462	2,585,342
Trempealeau	136	1,480	136,283	864,397	1,000,680
Vernon	367	1,503	146,679	2,258,848	2,405,527
Vilas	2,605	5,406	65,500	8,029,508	8,095,008
Walworth	956	3,974	249,302	8,790,219	9,039,521
Washburn	180	3,557	0	6,431,527	6,431,527
Washington	684	2,075	3,307,500	9,282,130	12,589,630
Waukesha	389	3,530	172,019	25,140,026	25,312,045
Waupaca	684	2,495	891,120	3,947,536	4,838,656
Waushara	273	4,620	1,014,243	6,841,239	7,855,482
Winnebago	3,111	3,966	1,206,050	4,506,642	5,712,692
Wood	<u>28</u>	<u>1,351</u>	<u>87,900</u>	<u>1,892,731</u>	<u>1,980,631</u>
Total	165,508	331,586	\$55,673,891	\$483,542,629	\$539,216,520

APPENDIX III

Stewardship Transactions Over \$5 million

Fiscal Year	Seller	County	Property	State Amount	Acres	Description	State Cost Per Acre
2007, 2009, and 2010	International Paper	Florence, Forest and Marinette	Wild Rivers Legacy Forest Easement	\$35,100,000	64,630	In July, 2006, DNR acquired fee title on 5,629 acres and a conservation easement on 44,401 acres in Florence, Forest, and Marinette Counties for approximately \$33 million for the Wild Rivers Forest Legacy acquisition. The Nature Conservancy (TNC) also acquired an easement on approximately 14,600 acres as part of the project. In July 2008, the Department acquired an easement on approximately 7,300 acres from TNC at a cost of approximately \$3.2 million. Of the \$3.2 million, DNR received \$2.3 million in Federal Forest Legacy funds to reimburse a portion of the purchase cost. In August, 2009 (fiscal year 2009-10), the Department acquired an easement on the remaining 7,300 acres (from TNC) for \$3.5 million and received \$2.3 million in Federal Forest Legacy funds as reimbursement. The almost 65,000 acre area includes more than 48 lakes and ponds, and more than 70 miles of rivers and streams. It is a working forest that also provides habitat for migratory waterfowl, trout, and other wildlife. The property offers a variety of recreational opportunities including hiking, hunting, fishing, kayaking, cross-country skiing, and snowmobiling.	\$543
1999	Packaging Corp. of America	Iron, Oneida, Lincoln, and Vilas	"Great Addition" additions to numerous properties including the Turtle-Flambeau and Willow Flowages	\$25,000,000	32,003	Purchased in two phases and DNR utilized borrow-ahead authority.	781
2002	Wisconsin Public Service Corporation	Marinette and Oconto	Peshtigo River State Forest	\$25,000,000	9,239	Purchased in three phases and utilized borrow-ahead authority. Over 66 miles of river and flowage frontage.	\$2,706

Fiscal Year	Seller	County	Property	State Amount	Acres	Description	State Cost Per Acre
2009	Rainbow Springs Golf Company, Inc. and U.S. Residential Golf Properties, Inc.	Walworth and Waukesha	Rainbow Springs	\$10,800,000	970	Includes a 38-acre natural seepage lake, and three-quarter mile corridor of Mukwonago River, an exceptional resource water and Class II trout stream. Designated as Mukwonago River Unit of Southern Kettle Moraine State Forest. Natural Resources Board approved borrow-ahead from single year to cover full cost.	11,134
2005	Burnkow Hardwoods and Western Wisconsin Land Trust	Polk	Straight Lake State Park & Ice Age Trail (\$10.6 million)	\$7,830,000	2,779	Includes a 107 acre wild lake, flowages and 3.5 miles of Ice Age Trail. Additional \$2.77 million federal contribution brought purchase price to \$10.6 million.	2,806
1998	Four States Timber/Tenneco	Oneida	Willow Flowage	\$9,800,000	8,720	Joint Finance approval process sped up to allow close of sale. Includes 73 miles of shoreline, 106 islands and 7 boat landings.	1,124
2005	Plum Creek	Langlade	Wolf River Forest Legacy Easement (\$9.2 million)	\$6,180,600	18,512	29 square mile easement for public recreation, timber management and development limits. Additional \$3 million FED provided for \$9.2 million total purchase.	\$334
2010	Wisconsin Timber Associates	Forest	Connors State Forest Legacy Easements	\$8,297,200	18,438	Easements consist of hemlock-hardwood forestland in Forest County acquired for the state forest legacy program. Adjacent to national forest and county forest land, which combined with this property protects two major wild lakes, Wabikon and Riley. The rivers flowing through the tract form the upper reaches of the Green Bay watershed. The property will be managed using sustainable forest practices and provide public access for all nature-based outdoor recreational activities including hunting, fishing, trapping, hiking, and cross-country skiing.	\$450
2004	Wisconsin Valley Improvement Corp.	Oneida, Vilas and Lincoln	Rainbow Flowage - Northern Highland/American Legion State Forest and New Wood Wildlife Area	\$7,950,000	5,875	Includes 63 miles of lake frontage, 4 boat landings and 10 islands.	1,353
2003	Tomahawk Timberlands	Iron, Oneida, Marathon, and Lincoln	Forest Legacy \$7.2 million Easement	\$2,244,000	35,337	First Wisconsin easement under the federal forest legacy grant program (\$2.2 million Stewardship funds and \$5 million FED).	\$64
2008	Wausau Papers and The Conservation Fund	Douglas	Brule River State Forest Addition	\$6,111,400	5,889	Four non-contiguous parcels provided additional acreage in northern Brule River State Forest, protected hunting on land previously open for hunting under managed forest land program.	1,038

APPENDIX IV

DNR Grant Program Activity Under Stewardship by County as of September 30, 2010

	Grants to Local Units of Government	Grants to Nonprofit Conservation Organizations	Total Grant Expenditures
Adams	\$218,682	\$347,102	\$565,784
Ashland	226,182	325,750	551,932
Barron	371,988	0	371,988
Bayfield	695,052	1,552,334	2,247,387
Brown	6,524,389	620,069	7,144,458
Buffalo	180,541	158,077	338,618
Burnett	202,790	89,695	292,485
Calumet	781,721	123,407	905,128
Chippewa	1,085,022	1,725,606	2,810,628
Clark	637,698	0	637,698
Columbia	582,392	2,065,326	2,647,717
Crawford	238,331	1,218,379	1,456,710
Dane	20,643,788	17,884,797	38,528,586
Dodge	1,585,194	309,400	1,894,594
Door	2,349,228	15,262,233	17,611,461
Douglas	474,101	4,358,982	4,833,083
Dunn	455,761	1,417,606	1,873,366
Eau Claire	1,453,604	6,600	1,460,204
Florence	142,185	0	142,185
Fond Du Lac	1,178,114	57,490	1,235,604
Forest	58,345	0	58,345
Grant	422,853	900,955	1,323,808
Green	250,330	92,714	343,044
Green Lake	137,164	6,567	143,731
Iowa	134,995	4,545,171	4,680,166
Iron	146,640	0	146,640
Jackson	478,817	22,500	501,317
Jefferson	1,820,387	4,070,833	5,891,220
Juneau	657,314	178,120	835,434
Kenosha	2,325,012	577,981	2,902,993
Kewaunee	578,793	26,050	604,843
La Crosse	1,417,675	3,802,925	5,220,600
Lafayette	526,481	0	526,481
Langlade	962,788	0	962,788
Lincoln	744,084	9,000	753,084

APPENDIX IV (continued)

DNR Grant Program Activity Under Stewardship by County as of September 30, 2010

	Grants to Local Units of Government	Grants to Nonprofit Conservation Organizations	Total Grant Expenditures
Manitowoc	\$1,957,870	\$275,664	\$2,233,534
Marathon	1,774,609	179,951	1,954,560
Marinette	186,918	0	186,918
Marquette	77,784	181,016	258,800
Menominee	0	0	0
Milwaukee	3,229,961	2,103,359	5,333,319
Monroe	759,424	10,000	769,424
Oconto	426,199	0	426,199
Oneida	586,533	0	586,533
Outagamie	1,976,413	10,218	1,986,631
Ozaukee	2,614,244	5,092,655	7,706,899
Pepin	23,501	645,000	668,501
Pierce	285,315	1,428,514	1,713,829
Polk	1,344,807	2,078,667	3,423,474
Portage	1,028,746	514,580	1,543,326
Price	561,888	0	561,888
Racine	3,028,724	157,136	3,185,860
Richland	221,438	0	221,438
Rock	2,213,625	546,267	2,759,892
Rusk	537,895	0	537,895
Sauk	1,898,317	7,083,475	8,981,793
Sawyer	328,119	35,290	363,409
Shawano	1,022,037	72,050	1,094,087
Sheboygan	2,060,922	348,142	2,409,064
St. Croix	1,173,601	2,804,924	3,978,525
Taylor	205,272	17,741	223,013
Trempealeau	140,530	67,195	207,725
Vernon	1,387,593	185,103	1,572,695
Vilas	1,182,812	4,359,938	5,542,750
Walworth	1,689,618	992,882	2,682,499
Washburn	324,089	0	324,089
Washington	3,541,396	9,743,367	13,284,763
Waukesha	12,612,958	2,770,833	15,383,790
Waupaca	1,405,424	56,478	1,461,902
Waushara	192,030	963,578	1,155,607
Winnebago	2,031,957	848,704	2,880,661
Wood	<u>1,166,381</u>	<u>48,050</u>	<u>1,214,431</u>
Total	\$105,887,386	\$105,376,442	\$211,263,828

APPENDIX V

Stewardship Major Development Projects Active as of June 30, 2010

Project Name	Budgeted	Expended	Encumbered	Balance
400 State Trail Resurface 20.5 Miles	\$109,200	\$0	\$0	\$109,200
Badger State Trail Improvements	1,056,000	1,028,200	0	27,800
Badger State Trail Resurface and Construct Drain	497,000	0	0	497,000
Big Bay State Park Hagan Road 6.5 Mile Bike Lane	152,200	0	0	152,200
Black River State Forest Park Entrance and Visitor Station	696,400	0	0	696,400
Blue Mounds State Park Entrance and Visitor Station	904,200	129,700	633,000	141,400
Council Grounds State Park Entrance and Visitor Station	748,500	197,000	551,500	0
Devil's Lake State Park Storage Building	223,400	0	0	223,400
Elroy / Sparta State Trail Deck/Rail Rehab Bridges	221,500	0	0	221,500
Governor Thompson State Park Entrance and Visitor Station, Campgrounds, and Storage Building	3,624,900	1,692,100	1,622,000	310,800
Great River State Trail Extension	496,100	107,700	0	388,400
Hank Aaron State Trail Developments	3,712,000	150,000	0	3,562,000
Hartman Creek State Park Storage Facility	118,800	0	0	118,800
Havenwoods State Forest Garage / Service Building	230,000	0	0	230,000
Horicon Service Center Education Center Remodel	200,000	200,000	0	0
Kettle Moraine State Forest Northern Unit - Upgrade Campsites	386,200	370,000	0	16,200
Kettle Moraine State Forest Sothern Unit - Toilet / Shower Buildings	872,700	97,500	10,500	764,700
Lake Kegonsa State Park Entrance and Visitor Station	915,400	0	0	915,400
Lakeshore State Park Phase I Construction	5,000,000	4,867,200	33,600	99,200
Lapham Peak State Park Asphalt Trail	427,800	25,100	0	402,700
Lower Wisconsin State Riverway Storage Facility	128,200	0	0	128,200
Peninsula State Park Nicolet Bay Showers	498,500	90,500	360,000	48,000
Rib Mountain State Park Entrance and Visitor Station	1,429,800	128,700	230,900	1,070,200
Rib Mountain State Park Sewer and Water	4,687,100	371,800	3,070,200	1,245,100
Richard Bong Recreational Area ATV/Dirt Bike Trail	120,800	102,900	11,700	6,200

Project Name	Budgeted	Expended	Encumbered	Balance
Roche-A-Cri State Park Reconstruct Landmark Stairway	\$354,600	\$0	\$0	\$354,600
Statewide Construct 16 Toilets	1,320,100	1,292,100	5,000	23,000
Statewide Construct Vault Toilets	567,000	69,100	21,400	476,500
Turtle Flambeau Scenic Waters Area Bridge	201,800	180,300	6,300	15,100
Turtle Flambeau Scenic Waters Area Group Campgrounds	190,000	188,900	0	1,100
Wildcat Mountain State Park Entrance and Visitor Station	758,500	221,800	360,400	176,200
Willow Flowage Scenic Waters Area Trail Improvements	356,600	219,800	0	136,800
Willow River State Park Campground Expansion	2,832,900	2,550,400	129,000	153,400
Willow River State Park Pedestrian Bridge	368,700	23,000	11,400	334,300
Wyalusing State Park Vault Toilets	<u>404,400</u>	<u>0</u>	<u>0</u>	<u>404,400</u>
Major Projects Subtotal	\$34,811,300	\$14,303,800	\$7,056,900	\$13,450,200
Various Small Projects	<u>4,669,700</u>	<u>291,300</u>	<u>1,950,600</u>	<u>2,427,800</u>
Total	\$39,481,000	\$14,595,100	\$9,007,500	\$15,878,000

APPENDIX VI

Stewardship Development Expenditures by State Property, 1990 through June 30, 2010

400 State Trail	614,200	Heritage Hill State Park	\$40,500
Ahnapee Trail	8,400	High Cliff State Park	1,108,600
Ahnapee / Casco Bridge	19,500	Horicon Service Center	391,700
Amnicon Falls State Park	29,700	Ice Age State Trail	56,500
Badger Trail	1,638,700	Interstate State Park	365,800
Baraboo Hills	2,357,400	Kettle Moraine State Forest - Northern Unit	2,544,700
Bearskin-Hiawatha State Trail	236,900	Kettle Moraine State Forest - Southern Unit	2,717,500
Big Bay State Park	324,900	Kickapoo Valley Visitor Center	2,370,000
Big Foot Beach State Park	52,200	Kinnickinnic State Park	169,500
Black River State Forest	199,400	Kohler-Andrae State Park	976,600
Blue Mounds State Park	252,300	Lacrosse River State Trail	416,700
Brillion Wildlife Area	14,200	Lake Kegonsa State Park	284,700
Brule River State Forest	66,600	Lake Wissota State Park	133,200
Brunet Island State Park	811,300	Lakeshore State Park	4,867,200
Buckhorn State Park	273,200	Lapham Peak	1,179,500
Buffalo River State Trail	269,800	Loew's Lake	19,500
Burlington to Kansasville Trail	50,000	Lower Wisconsin State Riverway	582,400
Cadiz Springs Recreation Area	10,100	MacKenzie Environmental Center	350,100
Chippewa Moraine Recreation Area	64,200	Mead / McMillian Wildlife Area	213,500
Chippewa River State Trail	330,200	Meadow Valley Wildlife Area	179,500
Chiwaukee Prairie Natural Area	60,000	Merrick State Park	52,800
Copper Falls State Park	591,000	Military Ridge State Trail	420,600
Council Grounds State Park	492,300	Mill Bluff State Park	27,800
Crex Meadows	273,000	Mirror Lake State Park	1,650,500
Devil's Lake State Park	2,305,600	Miscellaneous Projects	136,500
Dodgeville Service Center	99,600	Mountain Bay State Trail	24,500
Door County State Natural Area	50,700	Navarino Wildlife Area	52,100
Eisenbahn State Trail	30,000	Nelson Dewey State Park	132,000
Elroy / Sparta State Trail	700,000	New Glarus Woods State Park	39,400
Flambeau Mine Trail	97,500	Newport State Park	488,100
Flambeau River State Forest	169,800	Northern Highland / American	
Fox River Trail	20,000	Legion State Forest	2,176,800
Friendship Trail	6,600	Old Abe State Trail	251,100
Gandy Dancer Trail	50,500	Open Balances Total- Large Projects	13,437,600
Glacial Drumlin Trail	778,800	Open Balances Total - Small Projects	2,427,800
Governor Dodge State Park	864,000	Parks Falls Area	30,100
Governor Knowles State Forest	590,200	Pattison State Park	1,464,900
Governor Nelson State Park	191,000	Pecatonica State Trail	9,900
Governor Thompson State Park	2,279,500	Peninsula State Park	1,818,000
Great River State Trail	245,000	Perrot State Park	578,300
Green Circle State Trail	7,700	Pike Lake	197,900
Hank Aaron State Park Trail	589,100	Point Beach State Forest	773,700
Harrington Beach State Park	4,000,100	Polk County Trails	4,700
Hartman Creek State Park	109,200	Potawatomi State Park	571,100
Havenwoods State Forest	140,800	Red Banks	10,000

Red Cedar State Trail	\$563,800	Statewide - Parks Toilet / Shower Bldgs	\$2,035,400
Rib Mountain State Park	864,800	Statewide - Parks Vault / Pit Toilets	69,100
Rib Mountain Chalet	995,000	Statewide - Parks Trails	138,200
Richard Bong Recreation Area	1,202,800	Sugar River State Trail	725,400
Roche-a-Cri State Park	66,800	Tower Hill State Park	43,200
Rock Island State Park	838,100	Turtle / Flambeau Flowage	369,200
Rocky Arbor State Park	36,000	Tuscobia State Trail	202,300
Rush Lake Wildlife Area	1,900	Upper Fox Headwater	19,700
Spread Eagle Barrens	109,700	Whitefish Dunes State Park	327,500
State Fair Park	15,500	Wildcat Mountain State Park	2,411,900
Statewide - Asbestos	55,000	Willow Flowage	220,900
Statewide - Bridge Inspections	5,700	Willow River State Park	3,481,800
Statewide - Engineering	214,000	Wilson Nursery	37,300
Statewide - Environmental Cleanup	44,600	Wyalusing State Park	824,800
Statewide - Miscellaneous	80,500	Yellowstone Lake State Park	409,900
Statewide - Old Closed Projects	696,900	Miscellaneous Projects	<u>134,700</u>
Statewide - Parks	628,800	TOTAL	\$86,721,200
Statewide - Parks Electric Sites	505,300		
Statewide - Parks Handicap Access	68,500		
Statewide - Parks Playground Equip	167,100		