



Warren Knowles-Gaylord Nelson
Stewardship Program

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Warren Knowles-Gaylord Nelson Stewardship Program

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Warren Knowles-Gaylord Nelson Stewardship Program

Wisconsin's first stewardship program was created in 1989 Act 31 to acquire land to expand nature-based outdoor recreational opportunities and protect environmentally sensitive areas. Under the program, the Department of Natural Resources (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 (i.e., 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 by 1995 Act 27 due to anticipated federal funding) for the original stewardship program over a 10-year period through 1999-2000. 1993 Act 343 renamed the program the Warren Knowles-Gaylord Nelson Stewardship Program.

Through 1999 Act 9, the program was reauthorized as the Warren Knowles-Gaylord Nelson Stewardship 2000 Program, with maximum total public debt contracted under the program set at \$460 million (with \$46 million annual bonding from fiscal years 2000-01 through 2009-10). Under 2001 Act 16, annual authorized bonding was increased from \$46 million to \$60 million, from fiscal year 2002-03 through 2009-10. This increased the total authorized bonding of the reauthorized program to \$572 million (\$803 million total bonding for the 20-year program).

2007 Act 20 extended the program to fiscal year 2019-20 and increased the annual bonding authority from \$60 million to \$86 million beginning in 2010-11 (increasing the total bonding authority by \$860 million, to \$1,663 million). 2011 Act 32 specified that DNR may not obligate more than \$60 million in each year from fiscal year 2011-12 through 2019-20. This reduced total authorized bonds for the program by \$234 million (to \$1,429 million). 2013 Act 20 reduced total stewardship program authorized bonding by another \$63.5 million (to \$1,365.5 million) and specifies that DNR may not obligate more than \$47.5 million in fiscal year 2013-14, not more than \$54.5 million in fiscal year 2014-15 and in fiscal year 2015-16, and not more than \$50 million in each year from 2016-17 through 2019-20. Beginning in fiscal year 2011-12, any remaining unobligated bonding authority may not be used in future fiscal years, effectively reducing the total authorized bonding of the stewardship program below the statutorily enumerated total (currently \$1,365.5 million). While DNR has some discretion over the use of funds, the general allocations under the stewardship program are shown in Table 1.

As of June 30, 2014, the Department of Natural Resources (DNR) owned approximately 1.5 million acres of land, which represents approximately 4.3% of the state's land area (34.76 million acres). The DNR ownership represents approximately 25% of the publicly-owned conservation land in Wisconsin.

As of June 30, 2014, the Board of Commissioners of Public Lands (BCPL) owned approximately 76,700 acres of school trust lands, bringing total state-owned conservation land to approximately 1.58 million acres. BCPL's lands are included in this total as they are open to the pub-

Table 1: Stewardship Program Allocations

	Original	Stewardship 2000	Reauthorized Stewardship	Total	% of Total
DNR Land Acquisition	\$140,800,000	\$341,750,000	\$256,000,000	\$738,550,000	54.1%
State Property Development	45,000,000	65,000,000	92,000,000	202,000,000	14.8
Local Assistance*	45,200,000	158,750,000	189,500,000	393,450,000	28.8
Recreational Boating	0	6,500,000	25,000,000	31,500,000	2.3
Total Allocations	\$231,000,000	\$572,000,000	\$562,500,000	\$1,365,500,000	100.0%

*Including grants to Non-profit Conservation Organizations (NCOs) from the land acquisition subprogram.

lic for recreation (including hunting, fishing, trapping and other nature-based outdoor recreational activities). It should be noted that BCPL has a fiduciary duty to manage these lands in trust for the benefit of public education beneficiaries. Today, a majority of these school trust lands are managed for timber production and the timber revenue is deposited in the appropriate school trust funds in accordance with constitutional direction.

2005 Act 352 allows BCPL to "bank" proceeds from land sales and use them for acquisitions that meet certain criteria including: (a) improving land management, (b) decreasing forest fragmentation, or (c) increasing public access to the land. The Act also required DNR to set aside \$2,000,000 in each fiscal year from the stewardship program to acquire land from BCPL. (2013 Act 20 eliminated the requirement that DNR set aside funds for BCPL acquisitions for fiscal years 2013-14 through 2015-16; beginning in 2016-17 the Department is required to set aside \$1 million annually through the end of the program in 2019-20). Further, the Act specified that the total acreage of public lands managed by the Board may not exceed the total acreage of public lands managed by the Board on May 3, 2006. As of that date, BCPL managed 77,845 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 1.84 million (or 31.2%) 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 42%) of the total. As of June 30, 2014, in addition to the 1.5 million acres owned by DNR, the Department held easements on an additional 289,300 acres. 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.

The Department utilizes both fee title and conservation easement purchases in its land acquisition activities. Fee title acquisition involves outright purchases of land by the state, allowing for complete DNR management of the parcel. The Department makes aids in lieu of property

Table 2: Estimated Public Conservation Land Ownership in Wisconsin

Land Owner	Acres	Percent of State Land
County	2,486,600	7.15%
Federal	1,844,800	5.31
DNR	1,503,700	4.33
BCPL	<u>76,700</u>	<u>0.22</u>
Total	5,911,800	17.01%
State Land Area	34,758,500	

tax payments to local governments, primarily from state general purpose revenue (\$8,031,200 GPR in 2013-14) and also from the segregated forestry account of the conservation fund (\$5,470,000 SEG in 2013-14), 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 233,900 acres (the Northern Highland/American Legion State Forest in Iron, Oneida, and Vilas counties). The Department has established a total acquisition goal of approximately 2,353,300 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, nearly 1.8 million acres have either been purchased or protected by easement, bringing the Department

to within 76% 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.

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 Program (FLP) 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); Sport Fish Restoration Grants (fishery projects, boating access); and Pittman-Robertson Federal Aid in Wildlife Restoration Grants. In addition to utilizing federal grants for land acquisition, DNR may also receive a gift or donation of land from a nonprofit organization or private landowner. DNR also may utilize certain other non-stewardship state funds from programs such as the Nonpoint Source Pollution Abatement program and the

Natural Resource Damage Assessment program to purchase land. However, the amount of available federal funds, gifts, and other state funds has varied greatly from year to year. Therefore, the majority 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 1999-00)

	Total Allotment (10 Years) (In Millions)
General Obligation Bonding	
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)

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

Subprogram	Total Allotment (10 Years) (In Millions)
Land Acquisition	\$413.0
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

property development and local assistance. Out of the first 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 \$562.5 million in general obligation bonding authorized from 2010-11 through 2019-20 is currently allo-

Table 5: Reauthorized Stewardship Allocations by Subprogram (2010-11 through 2019-20)

Subprogram	Total Allotment (10 Years) (In Millions)
Land Acquisition*	\$376.0
Property Development**	92.0
Local Assistance	69.5
Recreational Boating Aids	<u>25.0</u>
Total	\$562.5

*Including grants to Non-profit Conservation Organizations (NCOs) of \$12 million annually, and one-time allocations of \$5.2 million to DATCP for grants under the Purchase of Agricultural Easements Program (PACE) and \$6 million for dam safety grants to counties under order by DNR.

**Including \$7 million in fiscal year 2014-15 and \$7 million in 2015-16 for Kettle Moraine Springs fish hatchery renovations.

cated. While \$860 million was initially authorized by 2007 Act 20, 2011 Act 32 reduced the annual bonding authority from \$86 million to \$60 million beginning in 2011-12, which reduced the total authorization by \$234 million. Further, 2013 Act 20 reduced total bonding authority by an additional \$63.5 million from \$60 million annually to \$47.5 million in fiscal year 2013-14, \$54.5 million in fiscal year 2014-15 and in 2015-16 and \$50 million annually from fiscal year 2016-17 through 2019-20. Total statutorily authorized bonding authority under the program is currently \$1,365.5 million as shown in Table 6.

Table 6: State Stewardship Program Bonding Authorizations

Original 1991-2000	\$231,000,000
Reauthorization 2001-2010	572,000,000
2013 Act 20 2011-2020	<u>562,500,000</u>
	\$1,365,500,000

As of June 30, 2014, the stewardship program has allowed DNR to purchase land or acquire easements on approximately 627,600 acres. The primary funding source during the reporting period is the stewardship program. However, these acres include those acquired through all sources, including acres donated to DNR, or purchased or acquired using federal grant funding or other state funds since 1990 (the Stewardship program began in July, 1990). Table 7 provides a summary of the acreage acquired by program area.

Table 7: Cumulative DNR Purchases, January 1, 1990 through June 30, 2014

Program	Acres
Fisheries and Streambank Protection	43,800
Northern Forests	241,400
Southern Forests	7,000
Parks, Trails, and Recreation Areas	42,700
Wild Rivers and Resource Areas	97,800
Wildlife Management	113,900
Natural Areas	74,600
Other	<u>6,400</u>
Total	627,600

DNR reports that during fiscal year 2013-14, it had 32.05 FTE positions in the agency funded from general operations appropriations 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) 14.47 positions in Facilities and Lands; (b) 7.87 positions in Community Finance; (c); 3.03 positions in Parks (d) 1.86 positions in Customer Service and Licensing; (e) 1.5 position in Legal Services; (f) 1.40 positions in Wildlife Management; (g) 0.89 position in Fisheries; (h) 0.85 position in Forestry; (j) 0.12 position in Land Program Management; (k) 0.04 position in Law Enforcement (l); 0.01 position in Natural Heritage Conservation (formerly known as Endangered Resources); and (m) 0.01 position in Watershed Management. 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 \$484.7 million for land acquisition between July 1, 2000, and June 30, 2014, including approximately \$402.5 million in stewardship funds and \$82.2 million in federal grants, other non-stewardship state funds, and other funds and gifts. Acquisitions by component are summarized in Table 8. 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, 2014, DNR expended approximately \$199 million under the property development and local assistance subprogram.

Table 8: DNR General Land Acquisition Expenditures July 1, 2000 through June 30, 2014

Category	Acres Purchased	Stewardship Cost	Federal Cost*	Total Cost
Fisheries Management	17,500	\$38,955,600	\$7,386,800	\$46,342,400
Parks & Southern Forests	33,200	87,173,300	8,148,500	95,321,800
Northern Forests	226,500	116,363,800	22,361,700	138,725,500
Wild Rivers & Resources	35,200	47,825,200	5,066,800	52,892,000
Wildlife Management	60,800	73,124,600	23,486,900	96,611,500
Natural Areas	40,000	33,436,500	15,539,800	48,976,300
Other	<u>3,300</u>	<u>5,623,400</u>	<u>241,700</u>	<u>5,865,100</u>
Total	416,500	\$402,502,400	\$82,232,200	\$484,734,600

*Primarily federal, but including a small amount of gifts and land donations from private individuals and non-profit conservation organizations and certain other non-stewardship state funds from programs such as the Nonpoint Source Water Pollution Abatement program and the Natural Resource Damage Assessment program.

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 (by statute, DNR has some flexibility with respect to the annual bonding authority amounts for the subprograms).

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.

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 (includ-

ing 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.

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 specified 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 reimburse the applicant for up to 50% of the appraisal cost. 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 cost of the third appraisal.

Stewardship 2000 and Reauthorized Stewardship Program

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 through 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 million (this was reduced by 2011 Act 32 to \$1,429 million and reduced again by 2013 Act 20 to 1,365.5 million). 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. 2007 Act 20 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, which was later modified by 2011 Act 32 (discussed later).

As mentioned previously, 2011 Act 32 specified that DNR may not obligate more than \$60 million in each year from fiscal year 2011-12 through 2019-20 under the stewardship program. This reduced total authorized bonds for the program by \$234 million (to \$1,429 million). 2013 Act 20 further reduced overall program bonding by \$63.5 million (to \$1,365.5 million as shown in Table 6) and specifies that DNR may not obligate more than \$47,500,000 in fiscal year 2013-14, not more than \$54,500,000 in fiscal year 2014-15 and in fiscal year 2015-16, and not more than \$50,000,000 in each year from 2016-17 through 2019-20 under the stewardship program. In addition, beginning with fiscal year 2011-12, DNR is no longer allowed to carry forward bonding authority into subsequent fiscal years. Further, 2011 Act 32 eliminated usership patterns as an acceptable reason for prohibition of a nature based activity, unless the property is for a state trail, or the Ice Age Trail. The 2011 act also set aside funds from the land acquisition subprogram for grants from an agricultural easement program under the Department of Agriculture Trade and Consumer Protection (DATCP) and for DNR grants for dam safety projects. The Act also required that, for any proposed acquisition using stewardship funds, DNR must provide notice to each affected city, village, town, or county. The municipality may adopt a nonbinding resolution that supports or opposes the proposed acquisition and DNR is required to consider such a resolution, if it is received within 30 days after providing notice, before approving or denying the grant or acquisition.

In addition, 2011 Act 32 lowered the thresh-

old for review of a stewardship project by the Joint Committee on Finance from \$750,000 to \$250,000 and brought the stewardship passive review procedure under s. 23.0917(6m) of the statutes into consistency with the general s. 16.515 14-day passive review procedures. Further, the Act altered the formula for the calculation of the payments for aids in lieu of property taxes for land acquired by the Department beginning July 1, 2012, which was further clarified under 2013 Act 20 (discussed later).

Use of Prior Year Bonding Authority. Prior to 2011, if the Department did not obligate the full amount allocated under a stewardship subprogram, DNR was directed to raise the annual bonding authority for the subprogram by an amount equal to the unobligated amount. 2011 Act 32 specified that this does not apply after fiscal year 2010-11. As a result, beginning in fiscal year 2011-12, DNR is no longer allowed to carry forward unobligated bonding authority into subsequent fiscal years. Table 9 shows the annual unobligated balances of the stewardship program by program area for fiscal years 2011-12 through 2013-14. As shown in the table, through fiscal year 2013-14, almost \$27.9 million of stewardship bonding authority was unobligated. This means that while the stewardship program is statutorily authorized to issue up to \$1,365.5 million in bonds over the life of the program (Table 6), approximately \$27.9 million in previously unobligated balances (Table 9) may not be utilized, bringing the effective bonding limit to \$1,337.6 million as of July 1, 2014.

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, fisheries or 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

Table 9: Stewardship Annual Unobligated Balances by Fiscal Year

	2011-12	2012-13	2013-14	Total FY12 thru FY14
Land Acquisition				
Department Acquisitions	\$2,225,300	\$530,800	\$3,167,200	\$5,923,300
Grants to NCOs	6,592,000	4,753,200	--*	11,345,200
County Forest Grants	23,700	4,900	232,200	260,800
BCPL Natural Areas	2,729,900	362,000	0	3,091,900
PACE Grants	375,900	0	0	375,900
County Dam Safety Grants	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Subtotal	\$11,946,800	\$5,650,900	\$3,399,400	\$20,997,100
Recreational Boating Aids	95,500	13,000	500	109,000
Property Development and Local Assistance				
DNR Property Development	\$0	\$0	\$0	\$0
Local Assistance Grants	<u>6,745,900</u>	<u>3,300</u>	<u>0</u>	<u>6,749,200</u>
Subtotal	\$6,745,900	\$3,300	\$0	\$6,749,200
Total	\$18,788,200	\$5,667,200	\$3,399,900	\$27,855,300

*2013 Act 20 specifies that beginning in fiscal year 2013-14, any remaining unobligated balances from the \$12 million annually allocated for grants to NCOs may be carried over into the following fiscal year to be used in that year only to provide county forest grants. Approximately \$4.9 million was carried over from fiscal year 2013-14 to fiscal year 2014-15 for this purpose.

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; (e) acquisition of land in the middle Kettle Moraine; and (f) acquisition of land in the Niagara Escarpment corridor.

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 and near the heavily populated areas of the state (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 land acquisition criteria and priorities statewide. An updated DNR land acquisition strategy for the stewardship program for fiscal years 2009-10 through 2019-20 was approved by the Board in December, 2010.

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 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.

According to the 2010 land acquisition strategy, 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, under the revised land acquisition strategy, 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 improving 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 DNR 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 (for example, 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.

Under current law, 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. Prior to 2013 Act 20, the Department was also required to set aside \$2 million in each fiscal year to acquire land from the Board of Commissioners of Public Lands.

Under 2013 Act 20, no specific amount of bonding authority is provided for DNR acquisition of BCPL parcels in fiscal years 2013-14 through 2015-16, with \$1 million provided annually from 2016-17 through 2019-20. Beginning in 2010-11, DNR was required to set aside at least \$12 million annually (increased from \$8 million) 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 10 illustrates how funding is allocated under the land acquisition subprogram.

Grants for County Forests

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.

Each county receiving a grant under this program is required to provide matching funds of at least 50% of the land acquisition costs. Further, a county is prohibited 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; 2007 Act 20 extended eligibility to the land acquisition subprogram).

In order to be eligible for a grant to acquire land for inclusion in a county forest, subchapter 17 of administrative code NR 51 requires a county to have land entered in the county forest law program under s. 28.11(4) of the statutes, and 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; (b) whether the project has regional or

Table 10: Land Acquisition Subprogram (Annual Allotments)

	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17 Through 2019-20
Department Acquisitions	\$16,897,900	\$20,574,200	\$15,000,000	\$18,070,000	\$19,257,900	\$22,257,900
NCO Acquisitions	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000	12,000,000
County Forest Grants*	1,095,800	1,872,600	5,000,000	0	0	0
BCPL Natural Areas	2,000,000	2,000,000	0	0	0	1,000,000
PACE Grants**	5,200,000	0	0	0	0	0
County Dam Safety Grants***	<u>306,300</u>	<u>53,200</u>	<u>0</u>	<u>1,930,000</u>	<u>742,100</u>	<u>742,100</u>
Total Annual Bonding Authority	\$37,500,000	\$36,500,000	\$32,000,000	\$32,000,000	\$32,000,000	\$36,000,000

*DNR does not plan to allocate any fiscal year 2014-15 funding to county forest grants, but plans to utilize the approximately \$4.9 million carried over from fiscal year 2013-14 NCO grants for FY15 county forest grants, as permitted under 2013 Act 20 and any carryover funds from NCO grants for county forest grants in subsequent years.

**Under 2011 Act 32, \$5.2 million was allocated to DATCP for 16 grants awarded in 2010 under the Purchase of Agricultural Conservation Easements (PACE) program.

***DNR planned 2014-15 allocation; 2015-16 through 2019-20 reflects the estimated annual allocation that would utilize the \$6 million provided for dam safety grants to counties under order by DNR provided by 2011 Act 32.

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.

In addition, 2007 Act 20 also created a program under the land acquisition subprogram for projects for which DNR requests a county's assistance to acquire land 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. NR 51 specifies 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 or her designee to assist with the acquisition of title in fee simple or conservation easement acquisition. Counties are required to provide matching funds of at least 50% of eligible costs. To date, the Department has not awarded any grants under this program.

DNR has discretion over the amount of annual land acquisition subprogram funding allocated to county forest grants. In addition, 2013 Act 20 specifies that, if at the end of a given fiscal year, any of the \$12 million allocation for NCOs remains unobligated, DNR may carry-forward the unobligated bonding authority into the following fiscal year to be used only to provide grants in that fiscal year to counties to acquire land to be included in a county forest. Table 11 shows the annual county forest allotments from the land acquisition subprogram from fiscal year 2010-11 through 2013-14 as well as the amount carried over from fiscal year 2013-14 NCO grants which will be available for county forest grants in fiscal year 2014-15. Beginning in fiscal year 2014-15, the Department has indicated that they do not

Table 11: Land Acquisition Allotments for County Forest Grants

Fiscal Year	Total Allotment	Available for County Forest Grants	Percent of Funds Allocated to County Forest Grants
2010-11	\$62,000,000	\$1,500,000	2.42%
2011-12	37,500,000	1,095,800	2.92
2012-13	36,500,000	1,872,600	5.13
2013-14	32,000,000	5,000,000	15.63
2014-15*	32,000,000	4,910,700	N.A.

*DNR does not plan to allocate any fiscal year 2014-15 funding to county forest grants, but plans to utilize the approximately \$4.9 million carried over from fiscal year 2013-14 NCO grants for FY15 county forest grants, as permitted under 2013 Act 20.

plan to allocate any current year land acquisition stewardship funds for county forest grants and instead plan to utilize available unobligated NCO grant funds carried over from the prior year for each fiscal year from 2014-15 on. Through June 30, 2014, the Department has awarded grants totaling \$9,259,400 under the county forest program.

Selected Recent County Forest Acquisition Grants

Fiscal Year 2012-13. In November, 2012, the Joint Committee on Finance approved a county forest grant using up to \$501,100 of stewardship program funds to Forest County for the acquisition of 554 acres known as the Cemetery Block project. This gently rolling parcel is primarily forested land and includes approximately 445 acres of northern hardwood, 60 acres of aspen, 20 acres of red pine, 20 acres of swamp conifer, and 10 acres of lowland keg. Multiple outdoor recreational opportunities will be provided to the public including: hunting, trapping, hiking, cross-country skiing, snowshoeing, and a variety of other nature-based outdoor recreational activities. There is also the potential to develop additional trail systems and connectors to existing local recreational trails.

In May, 2013, the Joint Committee on Finance approved a county forest grant to Douglas

County for the acquisition of 1,062 acres of land using up to \$483,900 in stewardship funds. This project encompasses 25 different parcels that are situated near or within the Village of Solon Springs. Forest cover types present include: red pine (781 acres), aspen (82 acres), scrub oak (40 acres), jack pine (21 acres), white pine (13 acres), and approximately 124 acres of noncommercial timber. These parcels provide significant wildlife habitat, including habitat for 18 state-listed wildlife species, seven rare plants, and eight significant natural communities including the globally rare pine barrens (plant communities that occur on dry, acidic, infertile soils dominated by grasses, forbs, low shrubs, and small to medium size pines). Additionally, several existing county-managed recreational trails are located on portions of the parcels, including summer ATV trails, winter snowmobile/ATV trails, and cross-country ski trails. These parcels will provide the public with multiple outdoor recreational opportunities including: hunting, trapping, hiking, cross-country skiing, snowshoeing, and a variety of other nature-based outdoor recreational activities.

Fiscal Year 2013-14. In December, 2013, the Joint Committee on Finance approved a grant utilizing up to \$952,300 in stewardship funds to Clark County for the acquisition of 924 acres known as Norwegian Creek to expand the county forest. This new acquisition consists of a single large block of land and 91 percent of the property supports timber production. The area is utilized heavily by the public for recreation and provides excellent wildlife habitat. Several wetland areas and tributaries to the South Fork of the Eau Claire River and Norwegian Creek cross portions of this property. The property's timber includes 325 acres of aspen, 300 acres of red pine, and 140 acres of northern hardwood. Additionally, as part of the county match, the county is incorporating 590 acres of existing county-owned land

into the Clark County Forest known as the Sportsman Lake and Highway Department projects. The Sportsman Lake project includes three parcels, representing 427 acres in the Towns of Hoard and Hixon. The parcels are located on or near Sportsman Lake and consist primarily of aspen, with a mix of alder, northern hardwood, and bottomland hardwoods. Two of the parcels include frontage on Sportsman Lake. The Highway Department project includes a 163 acre parcel in the Town of Levis. The property is located along 1,800 feet of the Black River and is adjacent to a town road. The parcel consists primarily of bottomland hardwoods. Recreational users will be able to hunt, fish, hike, trap, cross-country ski, snowshoe, view wildlife, and engage in other recreational activities on these county forest properties.

In January, 2014, the Joint Committee on Finance approved a grant using up to \$1,938,600 in stewardship program funds to Langlade County for the acquisition of 2,352 acres in the township of Langlade known as the Piela project. This parcel is adjacent to existing county forest land and will help block in ownership of the forest land. The parcel is mainly forested consisting of high quality northern hardwood, hemlock/hardwoods, and aspen. Additionally, this acquisition will make a connection between the county forest and state-owned lands along the Wolf River and Turtle Lake. Currently, a segment of a Langlade County-funded snowmobile trail is located on the property. As part of the required county match, the Answorth project will incorporate 40 acres into the Langlade County Forest. The parcel consists of high quality northern hardwood and aspen. A county maintained all-terrain vehicle trail is located on the property. Recreational users will also be able to hunt, hike, trap, cross-country ski, snowshoe, view wildlife, and engage in other recreational activities on the property (while fishing would not be prohibited, there is no surface water on the property).

Stewardship Acquisition Limits and Project boundaries. 2013 Act 20 creates three limits on DNR land acquisitions under the program. First, of stewardship bonding authority allocated in a year for Department acquisitions (\$20 or \$23 million in a given year) DNR may obligate not more than one-third for the purchase of DNR land in fee simple (at least two-thirds of allocated bonding authority would be used for county forest grants or DNR acquisitions of easements).

Second, section 23.0917(8)(g) of the statutes specifies that, unless the Joint Finance Committee approves the land acquisition, beginning July 1, 2013, the Department may not obligate any moneys from the stewardship program for DNR to acquire land that is outside a project boundary. The Act defines a "project boundary" under this section as the boundary of a project established by the Department on or before May 1, 2013. Under this provision, a land acquisition is approved by Joint Finance if 12 members of the Committee vote to approve the purchase.

Finally, DNR may not acquire land if the number of acres held by the Department in fee simple (approximately 1.5 million acres on July 1, 2014) exceeds 1.9 million acres, unless the Joint Committee on Finance approves the proposed acquisition under a 14-day passive review process.

Sale of DNR Lands. 2013 Act 20 requires the Natural Resources Board to do the following: (a) on or before June 30, 2017, offer for sale at least 10,000 acres of DNR property located outside the project boundaries established as of May 1, 2013. As passed by the Legislature, the Act would have also included a provision requiring the Natural Resources Board to sell at least 250 acres of productive agricultural land annually through 2019-20 and specify that the land must remain in use as productive agricultural land in perpetuity. The Governor deleted the provision requiring the annual sale of 250 acres of productive agricultural land. In his veto message, the Governor directed

DNR to include productive agricultural lands as part of the provision to offer 10,000 acres for sale outside of project boundaries. In addition, Act 20 specifies that the net proceeds of sales be used for the following, as applicable: (a) to repay any outstanding public debt used to finance the acquisition or improvement of the property, including providing a sufficient amount for the costs of maintaining federal tax law compliance applicable to any such debt; (b) to pay the federal government any of the net proceeds required by federal law (if the property was acquired or improved with federal financial assistance); and (c) if the property was acquired by gift or grant or acquired with gift or grant funds, to adhere to any restriction governing use of the proceeds. After meeting any of the aforementioned requirements that apply, any remaining net proceeds must be used to pay principal on outstanding public debt issued under the stewardship program.

The Department indicates that DNR will be selling land to the following three groups in descending order of priority: (1) sale to a unit of government or a Wisconsin sovereign tribal nation; (2) private sale for trespass or boundary settlement or with adjacent property owner under special circumstances; (3) public sale to the general public. The Department plans to offer approximately a quarter of the required 10,000 acres of land each year over a four-year period. DNR staff conducted an initial field review of parcels meeting the criteria under Act 20 and recommended 26 parcels totaling 1,625 acres to the Natural Resources Board (NRB) for possible sale. Of the 26 parcels recommended to the NRB, 22 of the parcels, totaling 1,407 acres of land were approved for sale by the Natural Resources Board in June, 2014 (the remaining four parcels will be retained by the Department). According to the Department, three of the 22 sale parcels will be offered subject to some form of deed reservation that restricts future use of the property, while the remaining 19 parcels will be sold with no restrictions or restrictive covenants. DNR states that minimum selling prices will be estab-

lished for each parcel approved for sale and the Department will obtain a title commitment that will be available to any prospective buyer. Parcels that are land locked and have no legal access will be marketed to adjoining landowners through a competitive bidding process. Parcels that have legal access from a public road will be offered for sale to local or tribal governments that have expressed interest in the parcel and then to the general public through a competitive bidding process. DNR plans to work closely with local municipalities and adjoining landowners to ensure that trail corridors or other access easements are perpetuated prior to marketing any parcel for sale. The Department indicated they planned to have most of the first 22 parcels available for sale by January, 2015.

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 re-

tired 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, 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 acquire 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

Table 12: 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.

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. Table 12 shows stewardship land acquisition subprogram allocations including funds utilized for borrow ahead purchases.

Recent Major DNR Land Acquisitions

Fiscal Year 2011-12. In June, 2012, the Joint Committee on Finance approved the acquisition of a conservation easement on 44,679 acres in Bayfield, Burnett, Douglas, and Washburn County from Lyme St. Croix Forest Company for \$11,265,400. (While the acquisition was approved in fiscal year 2011-12, and committed 2011-12 funds, the closing date for the transac-

tion was August 31, 2012.) Under the easement, Lyme St. Croix Forest Company will continue to manage the land using sustainable forestry practices, as required by the easement, and continue to pay managed forest law acreage and severance payments or property taxes on the parcels, where applicable. This is the first of a planned two-phase project. The entire property will be open to the public for nature-based outdoor activities including hunting, fishing, trapping, hiking, and cross-country skiing. However, the easement specifies that certain areas may be

temporarily closed to public access for forestry management purposes and under certain other specified circumstances (for example, natural disasters).

The Phase I easement area also includes 39 miles of county snowmobile trails open for public use. These trails would also be open to ATV use during the winter months, subject to certain restrictions. Walk-in access on existing trails will be available to six lakes for fishing, nature appreciation, and waterfowl hunting. The easement area includes the headwaters of the Bois-Brule, Totogatic and St. Croix Rivers. It also includes frontage on a number of trout streams. These include MacKay Creek and Five Mile Creek; both Class II trout waters located in Washburn County. In Douglas County, the easement provides access to one mile of Bergen Creek and two miles of Upper Ox Creek, both Class II brook trout waters. Access to Cheney Lake, a 20-acre bass and panfish lake in Douglas County is also included. There are also several other small lakes throughout the easement area which may provide habitat for Trumpeter swans and may offer potential waterfowl hunting opportunities. In addition, DNR indicates that a considerable amount of the easement area is classified as Pine Barrens, an area of sandy soil characterized as a savanna

community that includes scattered jack pines (or less commonly red pines) mixed with scrubby hills and burr oaks. The Pine Barrens found in Wisconsin are globally significant due to their distinctive ecological characteristics, restricted range, and global rarity. These Pine Barrens support a number of species, including the federally endangered Karner Blue Butterfly and the Kirtland's Warbler, as well as several other species including the sharp-tailed grouse.

For Phase II, the Department originally planned to acquire an additional easement on 22,668 acres from Lyme St. Croix Forest Company, at an estimated cost of \$6,007,000, utilizing a combination of stewardship funds and federal Forest Legacy Program (FLP) funds. As part of the 1990 Farm Bill, Congress created the Forest Legacy Program (FLP) to identify and protect environmentally important private forestlands threatened with conversion to non-forest uses—such as subdivision for residential or commercial development. To help maintain the integrity and traditional uses of private forestlands, the FLP promotes the use of conservation easements. The Natural Resources Board approved the Department's acceptance of a donation of 1,398 acres in the Namekagon Barrens Wildlife Area in Burnett and Washburn counties from The Conservation Fund in October, 2013. The acres were part of the originally planned Phase II easement, but the Department determined that management of the land was better served through DNR ownership. As a result, the planned Phase II acreage now totals approximately 21,270 acres for an estimated cost of approximately \$5,615,000. DNR indicates that the Department has been awarded a federal grant to cost share the purchase of the easement but the exact amount of federal funding has not been determined because the grant process requires that appraisals be done to value the land being funded by the grant. The Department is currently working through the appraisal process now and once the grant is finalized the transaction will be routed to the NRB for approval. If approved by the NRB, the Phase II easement

would then be submitted to the Joint Committee on Finance for approval. The project, if completed, would total approximately \$16.9 million for 65,949 acres. According to the Department, acquisition of these tracts would connect to and provide buffers for existing state and other public lands, prevent forest fragmentation, promote sustainable forestry, as well as provide recreational opportunities for the public and protect habitat for critical species. Portions of the parcels abut existing state lands including the Brule River State Forest, Douglas County Wildlife Area, and Namekogan Barrens Wildlife Area.

Fiscal Year 2012-13. In June, 2013, the Joint Committee on Finance approved four major DNR stewardship land acquisitions. The parcels included an 850 acre parcel to be added to the Northern Highland American Legion State Forest, at up to \$1,244,500 in stewardship funds for DNR to acquire from Plum Creek Timberlands. The parcel is located southwest of the town of Winchester, in Vilas County, falls entirely within the acquisition boundary of the Northern Highland State Forest, and creates a connection between DNR-owned lands to the south and west. The parcel is almost entirely forested with well-managed mixed hardwoods, which the Department indicates makes the purchase valuable for both aesthetic and environmental resources as well as the ability to continue sustainable forestry management on the property. The property includes a 1.4-acre unnamed lake and several small, seasonal water pockets and will be open to the public for all nature-based outdoor recreational activities including hunting, fishing, trapping, hiking, and cross country skiing.

Also in June, 2013, the Committee approved the purchase of two parcels to be included in the Paradise Valley Wildlife Area. (In 2009, the Natural Resources Board approved expansion of the Kettle Moraine State Forest- Southern Unit to include the Paradise Valley Habitat Unit and in 2011 the property was redesignated as the Paradise Valley Wildlife Area). The Committee ap-

proved up to \$1,001,100 for the purchase of 300 acres located just south of the Town of Dousman in Waukesha County. The parcel consists of several small farm fields scattered among 260 mixed acres of non-tillable wooded wetlands, shrubland, and marsh. According to the Department, the Southeast Regional Planning Commission designated the property as a primary environmental corridor for its wetland values. DNR staff plan to use waterfowl stamp funds to plug a series of ditches on the property which were left behind by a failed attempt to drain the marsh, and create a series of shallow ponds on the property, restoring the wetlands and improving wildlife habitat. The property includes a mix of wetlands surrounded by an upland buffer which will serve as nesting cover, a filter for the wetlands, and hunting area. Wildlife found on the property includes pheasants, turkey, deer, waterfowl, doves, cranes, frogs, turtles and songbirds. The property will provide pheasant hunting opportunities and be open to the public for all five nature-based outdoor recreational activities (hunting, fishing, trapping, hiking, and cross-country skiing).

The second Paradise Valley Wildlife Area parcel approved was for up to \$1,261,700 for 1,344 acres located in the Town of Ottawa, Waukesha County. The property is located approximately one-half mile from the Paradise Valley Wildlife Area project boundary, bordered on the north and west by 3.3 miles of frontage along the Bark River. At the time of acquisition, the property was one of the largest remaining properties under single ownership in Waukesha County. The state-owned Glacial Drumlin Trail runs along the entire northern boundary of the property. The parcel is a mix of wetlands and farmlands that have been drained. In 2011, the seller entered the parcel into a perpetual Wetland Reserve Program (WRP) easement with the United States Department of Agriculture (USDA). The WRP program plans to restore the previously farmed wetlands to provide wildlife habitat and restore wetland function. This restoration will include disabling the wetland drainage, allowing the Bark

River to flow into the property along its former course, and planting native wet meadow and prairie. After completed restoration, the property will include a mix of approximately 500 acres of shallow marsh, 300 acres of shrubland, and 500 acres of grassland. The parcel will be open for all nature-based outdoor recreational activities (NBO-As). Further, the internal dike system will allow the public to move through the restored wetlands and grasslands, offering hunting, trapping, and wildlife viewing opportunities. Wildlife found on the property include: tundra swans, eagles, osprey, deer, turkey, hawks, herons, coots, and diving and puddle ducks. At the time of purchase, the parcel was outside of the Paradise Valley Wildlife Area boundary. The Natural Resources Board approved the expansion of the Wildlife Area to include the parcel.

Also in June, 2013, the Finance Committee approved the purchase of a 360 acre parcel in Iowa County for the Southwest Wisconsin Grassland and Stream Conservation Area (SWGSCA) utilizing up to \$1,163,000 in stewardship funds. The parcel is located completely within the boundary of the SWGSCA (which includes 473,900 acres within 19 townships in Dane, Iowa, Green, and Lafayette Counties) and was to be the first acquisition within a proposed 12,000 acre Barreldown Bird Conservation Area. DNR joined with a group of conservation partners including landowners and local governments to establish the SWGSCA project. The 360 acre parcel is primarily open grassland with very few trees and DNR indicates it will require minimal management to improve grassland bird habitat. The Mineral Point Branch of the Pecatonica River flows north to south through portions of the eastern part of the property. The property is located within the "core" of the SWGSCA between the cities of Mineral Point and Dodgeville. The core consists of over 1,000 acres of grass pastureland including this parcel, and grassland bird species such as bobolink, eastern meadowlark, savanna sparrow, grasshopper sparrow, northern harrier, and upland sandpiper (a proposed state

threatened species) are all found within the core area. In addition, the state endangered loggerhead shrike was also found during a 2012 summer bird survey on the property. The property will be open to the public for all NBOAs (hunting, fishing, trapping, hiking, and cross-country skiing).

Fiscal Year 2013-14. In June, 2014, the Joint Committee on Finance approved a DNR easement on 13,692 acres from The Conservation Fund utilizing up to \$4,499,800 in stewardship funds. DNR purchased the easement as part of the state's forest legacy program, which aims to preserve the integrity of northern forestlands in perpetuity, prevent forest fragmentation, and promote the sustainable use of the northern forests. The easement area, known as the Twin Lakes working easement, is in the townships of Knight and Mercer, in Iron County, adjacent to county-owned land. In addition to the town road system, DNR is also acquiring rights for the public to use licensed motor vehicles on approximately 10.5 miles of private woods roads on the property. The easement requires that the roads have a gravel base and that maintenance occur on a regular basis, and that no more than 3.5 miles of road be closed at any time. The parcel is 89% forested, and the area contains important habitat for American marten (the only state listed endangered mammal). The Twin Lakes area also provides habitat for deer, wolves, bear, bobcat, and possibly lynx. Lakes and streams on the parcel provide opportunities for trapping, fishing, and waterfowl hunting. The easement will be open to hunting, fishing, trapping, hiking, and cross-country skiing. The Twin Lakes include two adjoining lakes encompassing 52 acres with 8,700 feet of shoreline, which will provide fishing opportunities for bass and panfish. The easement also includes four other small lakes covering 19 acres with 9,900 feet of frontage. There are also several trout streams on the property including LeClair Creek and Apple Creek, which are Class I trout streams (three miles of frontage) and Swamp Creek and Norman Creek, which are Class II trout streams (four miles of frontage),

and Tyler Forks River and Magee Creek, which are Class III trout streams (combined three and a half miles of frontage). All streams contain brook trout, and the Tyler Forks River is also known for brown and rainbow trout.

Also in June, 2014, the Joint Committee on Finance approved a DNR acquisition of 161 acres for the New Munster Wildlife Area in Kenosha County, known as the Petlicki property, utilizing up to \$694,800 in stewardship funds. In addition, DNR received a donation of \$5,000 from a local land trust. The parcel is the largest remaining parcel within the New Munster Wildlife Area project boundary and borders existing state-owned land on the west and south. The property supports several habitat types including a high quality sedge meadow wetland associated with 5,176 feet of frontage on both banks of Bassett Creek, a warm water stream. The parcel also includes 53 acres of cropland, of which the Department indicates 13 acres will continue to be share-cropped, and the remaining acreage returned to native habitat. The New Munster Wildlife Area was established in 1947 to provide important pheasant and upland game habitat in a more rapidly developing area of Wisconsin. The Department indicates that the addition of the Petlicki property will protect water quality and provide public access for fishing and hunting along Palmer Creek (a Class III trout stream). Acquisition of the property will also improve the management capabilities of a 35 acre waterfowl impoundment on the adjacent section of the New Munster Wildlife Area. The property will be open to hunting, fishing, trapping, cross-country skiing, hiking and other outdoor recreational opportunities.

Another recent major acquisition approved by the Joint Committee on Finance in June, 2014, was the acquisition of 206 acres in Rock County for the Avon Bottoms Wildlife Area utilizing up to \$329,100 in stewardship funds. The property is located 10 miles west of the City of Beloit and 15 miles southwest of Janesville, within a one-hour

drive of approximately two million people. The parcel is completely within the Avon Bottoms Wildlife Area project boundary and bordered by DNR land on the east, west, and south. Acquisition of the property will connect over 250 acres of current state ownership along the Illinois state line. The Avon Bottoms Wildlife Area is identified as a conservation opportunity area of state significance for the conservation of floodplain forest communities (this parcel is strategically positioned across the Lower Sugar River floodplain corridor). The wildlife area is managed to provide opportunities for hunting, fishing, trapping and other outdoor recreational activities while protecting unique native communities and species on property. DNR indicates the property will be open to all five NBOAs (hunting, fishing, trapping, cross country skiing and hiking). The parcel is a mix of wetland, lowland hardwoods, overgrown pasture, and former croplands. Acquisition of the property will protect wildlife habitat and protect the floodplain of the Lower Sugar River, allowing it to safely flood where it will not cause property damage.

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 primarily 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. (Changes to NR 51 approved by the Natural Resources Board in January, 2011, clarify that tribes are considered eligible units of local government.)

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 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). 2011 Act 32 allocated not more than \$8 million for local assistance (consistent with the 2009-10 allocation), leaving \$12 million in 2011-12, \$13 million in 2012-13, and \$7 million from 2013-14 through 2019-20 (consistent with the 2009-10 allocation) for property development. According to DNR, the additional property development allocation during the 2011-13 biennium was utilized for what the Department has termed "conservation infrastructure" projects which include projects such as gravel parking areas, increased signage and campsite electrification. 2013 Act 20 maintained the \$7 million allocation for DNR property development for fiscal year 2013-14 through 2015-16, but reduced the annual allocation to \$5.5 million annually from fiscal year 2016-17 through 2019-20. The Act also reduced the amount allocated for local assistance grants from a maximum of \$8 million annually to a set amount of \$6 million annually beginning in fiscal year 2013-14. Table 13 illustrates how funding is allocated annually under the property development and local assistance subprogram.

Property Development

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

Table 13: Property Development and Local Assistance Subprogram (Annual Allotments)

	2011-12	2012-13	2013-14	2014-15 and 2015-16	2016-17 Through 2019-20
DNR Property Development	\$12,000,000	\$13,000,000	\$6,500,000	\$6,500,000	\$5,000,000
Motorized Stewardship*	0	0	500,000	500,000	500,000
Kettle Moraine Springs Hatchery			0	7,000,000	0
Local Assistance Grants	<u>8,000,000</u>	<u>8,000,000</u>	<u>6,000,000</u>	<u>6,000,000</u>	<u>6,000,000</u>
Total Annual Bonding Authority	\$20,000,000	\$21,000,000	\$13,000,000	\$20,000,000	\$11,500,000

*Motorized stewardship projects are subtracted from the DNR property development allocation beginning in fiscal year 2013-14. DNR indicates they plan to allocate \$500,000 annually for motorized stewardship projects.

other state agencies) is required to submit a six-year facility 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. Appendix V provides information on recent major property development projects.

Kettle Moraine Springs Fish Hatchery. 2013 Act 20 provides \$14 million for infrastructure improvements to the Kettle Moraine Springs fish hatchery from the property development and local assistance subprogram and specifies that DNR may obligate not more than \$7 million in fiscal year 2014-15 and \$7 million in 2015-16 for the project. The Act allows DNR to carry-forward the \$14 million allocation for the hatchery through June 30, 2017. As a result, if less than \$7 million in bonds were obligated from the property development and local assistance subprogram for infrastructure improvements to Kettle Moraine Springs fish hatchery in either fiscal year 2014-15 or in 2015-16, the Department could obligate the unobligated amounts for that purpose through June 30, 2017 (the end of fiscal year 2016-17).

Further, 2013 Act 20 requires DNR to prepare a report that describes the need for renovation of the Kettle Moraine Springs fish hatchery. The Act specifies that the report must include the following: (a) a statement about whether private aquaculture facilities or other entities are able to

meet the Department's fish stocking needs in an economically feasible manner; and (b) a description of all proposed expenditures for the renovation of the Kettle Moraine Springs fish hatchery and how these expenditures minimize the requirement to contract state debt. DNR was required to submit the report to the Joint Committee on Finance not later than June 30, 2014. Further, the Act specifies that DNR may not obligate any stewardship bonds for infrastructure improvements at the Kettle Moraine Springs fish hatchery unless the Department submits a request to the Joint Committee on Finance under s. 13.10 of the statutes and the Joint Committee on Finance approves the request. The Department submitted the required report regarding the need for renovation at Kettle Moraine Springs on June 30, 2014. The Finance report referenced another more comprehensive report, referred to as the HDR Engineering report.

In April, 2009, DNR contracted with HDR Engineering, Inc. of Springfield, IL, to complete a comprehensive statewide fish facility evaluation to determine whether the statewide fish propagation system can continue to meet current and projected fish stocking goals. The Kettle Moraine Springs fish hatchery and nearby "annex," located in Sheboygan County, is utilized for a significant portion of DNR Great Lakes fish stocking. The hatchery has traditionally stocked wild (rainbow, or steelhead) trout in Lake Michi-

gan, and also provides chinook salmon eggs which are transferred to other hatcheries for stocking in Lake Michigan. The annex is a facility near the main campus of the Kettle Moraine fish hatchery used to incubate steelhead trout, coho salmon, and chinook salmon eggs. Fish are then transferred to the main campus of the Kettle Moraine hatchery for continued rearing. The Department currently uses water from two wells in the incubation units and raceways at the annex. According to the Department, the deteriorating condition of the facilities at the Kettle Moraine Springs hatchery could lead to an inability to meet Great Lakes fish stocking goals, and renovation of Kettle Moraine Springs is the Department's highest priority in the fish propagation system. The Finance report cites the HDR report as describing a system-wide production gap of approximately 323,550 pounds of coldwater fish for both the Great Lakes and the inland stocking programs. According to the Department, renovation of Kettle Moraine Springs could address much of this gap (for example the current gap amounts to approximately 170,800 pounds of fish for stocking in Lake Michigan).

With regard to whether private aquaculture facilities and other entities are able to meet DNR's needs in an economically feasible manner, the report states that Great Lakes stocking is not a need that private aquaculture can meet, and private aquaculture supports the Department's proposal to renovate the Kettle Moraine Springs fish hatchery and views the Department's Great Lakes stocking program as complementary to their interests and not an area of competition. According to the DNR report, private sector rearing of Great Lakes coldwater species is more difficult due to the need for lower rearing densities, for addressing stringent biosecurity and fish health issues and DATCP rules, and required medical separation of hatchery space. The report states that less than eight percent of private hatcheries have the type of licenses which would be required to bring wild fish into a facility. The Department also refers to another report required under 2013 Act 20

regarding private fish farm capacity to produce fish for stocking state waters. The capacity report provided results from a spring 2014 survey of private fish farmers in Wisconsin conducted by the UW-Extension Aquaculture Outreach Program contracted through the Survey Research Center at UW-River Falls. The survey found that, while many respondents had unused capacity for fish stocking and planned to expand in the next several years, expansions are more likely for cool water species (such as walleye and panfish) than cold water species (trout and salmon). Additionally, most respondents indicated it was not an important factor for them to work with DNR to fulfill management stocking needs.

With regard to a description of all proposed expenditures for the renovation of the Kettle Moraine Springs fish hatchery, DNR again refers to the HDR Engineering report for estimated Kettle Moraine Springs renovation costs, originally approximately \$21.9 million in 2011 costs, updated to reflect 2.4% inflation (\$24.6 million in 2016 estimated costs). The Department notes that while final project costs will be determined by the budget authorized by the Legislature and approved by the State Building Commission, including design fees and DOA management fees, the total cost of the renovation is not expected to exceed \$30,042,000 as shown in Table 14. This includes \$21.87 million in 2011 estimated costs (updated to \$24.6 million in 2016 estimated costs) for improvements to the Kettle Moraine Springs hatchery recommended in the HDR En-

Table 14: Kettle Moraine Springs State Fish Hatchery Infrastructure Project Estimated Costs

2016 Estimated Construction	
Cost (inflation rate of 2.4%)	\$24,624,400
Contingency (10% of estimated construction cost)	2,462,400
Architectural/Engineering Design	
Fee (approx. 8% of construction)	1,970,000
DOA Construction Management Fees	<u>985,000</u>
Total	\$30,041,800

gineering report including (listed costs include \$18.14 million in 2011 costs at the main Kettle Moraine Springs campus and \$3.73 million at the annex) as follows: (a) \$6.86 million for improvements to the aquaculture water supply-improvements to existing wells, installation of new wells, centralized water recirculation treatment system, replacement of truss piping, renovation of water treatment system at the annex, water heating equipment for incubation and early rearing, installation of pump stations for rearing ponds, installation of water flow measurement devices, installation of partial reuse aquaculture system (PRAS) at the annex, installation of a dissolved oxygen management system at the annex; (b) \$9.93 million for fish rearing units- raceway improvements, renovation of watershed rearing ponds, installation of additional fish tanks, additional biosecurity features, coolwater rearing units, and installation of an automatic fish feeding station at the annex; (c) \$1.85 million for building repairs and renovations- office building renovations or replacement, replacement of hatchery roof at the annex, additional biosecurity features, new storage buildings, new water supply lines and drains, replacement of educational kiosks and display materials, residence renovations, new chemical storage building, addition of temperature control to feed storage areas; (d) \$1.24 million for on-site improvements- evaluation of domestic water well and water quality treatment, installation of site security fencing, storm water and surface water management, survey and signage of property boundaries, pavement of existing gravel roads and additional parking, creation of a visitor video, addition of an ADA accessible restroom for visitors, and addition of truck/equipment disinfection areas; (e) \$993,300 for wastewater-replacement of the effluent treatment system at the main campus and renovation of a wastewater treatment pond at the annex; and (f) \$992,000 for electrical and HVAC-installation of upgraded facility electrical systems, phone systems, emergency generator, remote surveillance and remote water quality and low flow and low dissolved oxygen alarm sys-

tems.

With regard to the minimization of state debt, the DNR report to Joint Finance states that the Department is planning to utilize as many funding sources as possible in order to minimize any requirements to contract state debt to complete this project. According to the report, the Department plans to utilize primarily stewardship program funds to complete the project (the \$14 million authorized by 2013 Act 20 and a potential additional \$14 million included by DNR in their 2015-17 biennial budget request). Additionally, the Department would use some Great Lakes trout and salmon stamp funds (approximately \$1 million) and would pursue federal Natural Resource Damage Assessment (NRDA) funds (\$6 million in NRDA funds were utilized for renovation of the Wild Rose fish hatchery) as well as potentially create a fish hatchery stamp which could be used to generate revenues to increase fish stocking capacity. The Department contracted with the United States Geological Survey (USGS) for a groundwater study at the Kettle Moraine Springs hatchery paid for with approximately \$183,000 in Great Lakes trout and salmon stamp funds. USGS contributed \$48,000 in costs for the study (for a total study cost of \$231,000). However, the Department plans to amend the groundwater study to include contracting with USGS to drill a deep (approximately 1,000 feet deep) test well in the sandstone layer of the aquifer. Testing would be done to prove that there is adequate quantity and quality of water to eliminate any impact on neighboring wells. The test well could then potentially be converted into a production well that would be utilized by the newly renovated hatchery. DNR indicates that preliminary estimates of costs to drill the test well are approximately \$300,000, which the Department would pay for using Great Lakes trout and salmon stamp funds. DNR expects the test well to be drilled sometime in early, 2015, with final results of the groundwater study completed in December, 2015. DNR plans to use approximately \$1 million in Great Lakes trout and salm-

on stamp funds for the 35% design report (otherwise known as a preliminary design report) for the Kettle Moraine Springs project which is required by the State Building Commission for enumerated projects (projects over \$760,000 in cost). Originally, the Department had indicated they planned to utilize these funds for a conceptual design report but DNR staff indicate that they consider the groundwater study to have supplanted the need for a conceptual engineering study. According to the Department, preliminary groundwater results were favorable, meaning a new fish hatchery site will not need to be considered. The 35% design study will integrate the results of the groundwater study and provide the parameters to design the renovation, resulting in a system designed to optimize the use of the site and available water. DNR would then pursue plans to design and construct improvements to the Kettle Moraine Springs hatchery recommended in the HDR Engineering report including improvements related to the water supply, fish rearing units, buildings, and other on-site, HVAC and electrical work. The Department hopes to begin final design, bidding and contracting for construction of the Kettle Moraine Springs hatchery infrastructure improvements in fiscal year 2016-17.

Motorized Stewardship Grants. 2013 Act 20 specifies that stewardship property development subprogram funds may be used for aids to the state, counties, villages or towns for the following snowmobile, all-terrain vehicle (ATV), and utility terrain vehicle (UTV) trail aid projects: (1) snowmobile trail project costs including: (a) development of trails; (b) the cooperative snowmobile sign program; (c) major reconstruction or rehabilitation to improve bridges on existing approved trails; (d) trail rehabilitation; (e) signing of snowmobile routes and state snowmobile trails and areas; and (2) ATV and UTV projects including: (a) acquisitions of easements and land; (b) development of facilities, routes, and trails; (c) development of a snowmobile route or trail or an

off-the road motorcycle trail or facility if the route, trail or facility is open for use by ATVs; (d) improvement of ATV trails for use by UTVs; and (e) placement of signs briefly explaining the law related to intoxicated operation of ATVs and UTVs. A DNR grant may not exceed 80% of eligible project costs (20% local match). In fiscal year 2013-14, DNR set aside \$500,000 for grants under this "motorized stewardship" program. DNR indicates they plan to continue to allocate \$500,000 annually from DNR property development funds for motorized stewardship grants. In fiscal year 2013-14, the Department awarded a total of \$447,000 in grants for motorized stewardship trail projects including \$309,000 for 14 grants to counties for projects on snowmobile trails, \$31,900 for two grants to counties for projects on ATV trails, and \$106,100 for two grants to counties for projects on combined snowmobile/ATV trails. Projects primarily included bridge rehabilitation, replacement, or construction; trail rehabilitation or relocation, and land acquisition for trail connectivity.

Local Assistance

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 "Grants to Non-Profit Conservation Organizations"). Administrative rule NR 51 further addresses the administration of these grant programs. Through fiscal year 2013-14, DNR had provided a total of approximately \$294.4 million in stewardship grants to local units of government under the local assistance program. (Local Assistance grants to NCOs are included in the "Grants to Non-Profit Conservation Organizations" section of this paper.)

Recent Grants to Local Units of Government

Fiscal Year 2012-13. In February, 2013, the Joint Committee on Finance approved a grant to Kenosha County in the amount of \$265,000 for the acquisition of 96 acres to expand the West End County Park in the Towns of Wheatland and Randall. The grant was provided from the Acquisition and Development of Local Parks subprogram. The property is primarily upland, with a former gravel pit, former agricultural lands and approximately 16 acres of woodlands and 10 acres of wetlands. The Southeastern Wisconsin Regional Planning Commission (SEWRPC) has designated 24 acres as a secondary environmental corridor. A small, navigable stream (Palmer Creek) runs through the northwest corner of the property. Recreational users will be able to hunt, fish, trap, hike, bike, picnic, and enjoy nature.

In March, 2013, the Joint Committee on Finance approved a Stewardship grant to the City of Waupaca in the amount of \$339,200 for the renovation of the City of Waupaca's South Park. The grant was provided from the Acquisition and Development of Local Parks subprogram. South Park is a 15 acre park located on Mirror Lake and Shadow Park in the heart of the City of Waupaca. The park was created in 1907 and no major improvements have occurred in 40 years. This phase of the project, known as phase I, will complete renovations of South Park by modernizing existing facilities and expanding new ones, including: construction of a new shelter/restroom facility, walkways and driveways, playground upgrades, rehabilitation of the utilities servicing the park, fishing pier, park benches, and picnic tables. Park users will be able to fish, hike, picnic, swim, sled and enjoy many recreational activities.

In April, 2013, the Joint Committee on Finance approved a Stewardship grant in the amount of \$423,000 to Dane County for the acquisition of 60 acres known as the Holy Wisdom Monastery Prairie located in the Town of West-

port. The grant was provided from the Urban Greenspace (\$360,000) and Acquisition and Development of Local Parks (\$63,000) subprograms. The entire site is prairie and is well known in the area for its beauty and diversity of native forbs and grasses. Dane County, with assistance from a Friends Group and the Town of Westport, will maintain the hiking trails and construct a small parking lot on the eastern boundary to provide direct public access. An underpass at County Highway M will allow safe pedestrian passage and a trail connection to Governor Nelson State Park will be constructed. Park users will be able to hike, hunt, fish, trap, cross-country ski, picnic, snowshoe, and study nature.

An October, 2000, review of the original stewardship program by the Legislative Audit Bureau (LAB) noted that some concerns had been raised regarding local development projects paid for with stewardship 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 have been unclear under the DNR administrative rule whether sports fields or facilities may be sited on property purchased with stewardship grants.

January, 2011, changes to NR 51 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 to a DNR appropriation dedicated to grants for the control of aquatic invasive species. With \$400,000 remaining water resources SEG, funding for recreational boating grants totals \$2.9 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.

Baraboo Hills Subprogram

Under this subprogram, DNR could provide up to \$5 million to match the value of land acquisitions certified by the Department as meeting the following: (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 used for the acquisition are federal non-transportation moneys. The entire \$5 million allotted for the program was obligated by fiscal year 2010-11.

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

Under 2013 Act 20, in 2014-15 and 2015-16, \$20 million is allocated to the property development and local assistance subprogram, including \$7 million in each of those years for the Kettle Moraine Springs Fish Hatchery. The Act allocated \$6 million in 2014-15 and 2015-16 for local assistance, and \$7 million in 2014-15 and 2015-16 for DNR capital development projects. Prior to 2013 Act 20, DNR was required to allocate \$2 million annually from the land acquisition subprogram of stewardship to acquire land from the Board of Commissioners of Public Lands (BCPL). Under 2013 Act 20, DNR is not required to allocate any funding in fiscal years 2013-14 through 2015-16 for BCPL acquisitions. Beginning in fiscal year 2016-17, the Department is required to allocate \$1 million annually in land acquisition funds for BCPL acquisitions through the end of the stewardship program (fiscal year

Table 15: Stewardship 2014-15 Expenditure Plan

Subprogram	2014-15
Land Acquisition	
Department Acquisitions	\$18,070,000
Grants to NCOs	12,000,000
County Forest Grants	0*
BCPL Natural Areas	0
County Dam Safety Grants	<u>1,930,000</u>
Subtotal	\$32,000,000
Recreational Boating Aids	\$2,500,000
Property Development and Local Assistance	
DNR Property Development	\$6,250,000
Motorized Stewardship Grants	500,000
Grants to Friends Groups and NCOs	250,000
Kettle Moraine Springs Hatchery	7,000,000
Local Assistance Grants	<u>6,000,000</u>
Subtotal	\$20,000,000
Total	\$54,500,000

*While DNR is not allocating any land acquisition funds for county forest grants, in fiscal year 2014-15, under 2013 Act 20, the Department may utilize the approximately \$4.9 million in unobligated NCO grants from fiscal year 2013-14 for county forest grants in fiscal year 2014-15.

2019-20). As mentioned previously, the Department plans to allocate \$500,000 annually from DNR property development funds for motorized stewardship grants. Table 15 illustrates the stewardship expenditure plan for fiscal year 2014-15.

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. The Department used this provision once, in April, 2012, when the Natural Resources Board approved a stewardship grant to The Conservation Fund of up to 75% of the acquisition costs (up to \$567,900 in stewardship funds) for acquisition of 262 acres in the Town of Chicog, Washburn County. The Board found that the property met the statutorily required criteria including: (a) that the property is uniquely valuable - according to the Department, conservation of the parcel aligned with legislative and DNR river protection designations and protects 2.5 miles of frontage on the Totogatic River (the River, also spelled Totagatic, is a state designated wild river and an outstanding resource water, the state's highest water quality designation), and that conservation of the parcel supports DNR management of two immediately adjacent parcels, protects globally significant pine barrens, and will provide nature-based outdoor recreation for the public (the property is open to all five nature-based outdoor recreational activities); (b) that delaying or deferring is not reasonably possible - when the applicant (The Conservation Fund) originally applied for the stewardship grant, they had a verbal agreement from a private party for \$100,000 to use toward the purchase but the commitment was withdrawn after the application was submitted and the Conservation Fund and their partner the Washburn County Lakes and Rivers Association indicated that the acquisition of the parcel would not be

Table 16: 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
2011-12	37,500,000	25,500,000	12,000,000	32.0
2012-13	36,500,000	26,500,000	12,000,000	32.9
2013-14	42,500,000	30,500,500	12,000,000	28.2
2014-15	32,000,000	20,000,000	12,000,000	37.5
2015-16	32,000,000	20,000,000	12,000,000	37.5

possible without the increased grant award; and (c) that sufficient bonding authority remains - as of April, 2012, the Department indicated that of the \$12 million in bonding authority set aside for grants to NCOs, the Department planned to award approximately \$7.5 million for grants meeting the 50% matching requirement, leaving \$4.5 million remaining for fiscal year 2011-12 to award the grant. The Department also indicated that they received no public comments expressing opposition to the project.

Table 16 shows the amounts provided for the land acquisition subprogram, including the amounts available for general DNR land acquisition (and certain other specified purposes), and for NCO acquisitions since 2000-01. 2013 Act 20 maintained the \$12 million annual allocation from the land acquisition subprogram that must be utilized for grants to NCOs. However, the Act specifies that, if at the end of a given fiscal year, any of the \$12 million allocation for NCOs remains unobligated, DNR may carry-forward the unobligated bonding authority into the following

fiscal year to be used only to provide grants in that fiscal year to counties to acquire land to be included in a county forest.

Before receiving a grant, s. 23.096(3) of the statutes specifies that 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 (beginning on or after October, 27, 2007, fee title acquisitions and easements on former MFL land acquired using stewardship funds are generally required to be open to the public for hunting fishing, trapping hiking, and cross-country skiing subject to the requirements under s. 23.0916). 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 2013-14, 15 NCOs received grant awards totaling \$6.8 million (all grants were awarded under the land acquisition 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. 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.

In addition, 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.

DNR is currently authorized to contract with non-profit conservation organizations (including land trusts) and other third parties to perform land management, maintenance, and improvement activities on Department land. In addition, 2011 Act 32 authorized DNR to receive gifts, grants, and bequests of money, materials, or services from NCOs and other donors for the performance of these activities on Department land. The Act also specified that DNR may acknowledge the performance of these activities on DNR land through signs, bulletins, pamphlets or other communications.

DNR is required to submit a report to the Joint Committee on Finance annually by November 15, which includes information on costs of contracts with NCOs and other third parties, activities performed, and the cost effectiveness of the contracts in the prior year. Contracts of approximately \$3.2 million were identified in 2009-

10, \$2.5 million in 2010-11, \$3.2 million in 2011-12, and approximately \$4.8 million in 2012-13. The fiscal year 2013-14 report categorized DNR contracts with private companies and NCOs totaling approximately \$5.6 million. Project categories included: boat access maintenance; habitat maintenance; fish hatcheries projects; invasive species control; land, wildlife area, and wetland maintenance and management; master planning; facilities, trails, and dam/dike land maintenance; and training.

Small groups that do not qualify as a non-profit 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 June 30, 2014, 70 NCOs (not including friends groups) have been awarded 676 grants totaling over \$128 million under ten of the stewardship components, as follows: (a) 250 grants for natural areas; (b) 225 habitat areas grants; (c) 58 for the Ice Age Trail; (d) 42 grants under the stream bank protection program; (e) 18 grants for urban green space; (f) 29 grants under the acquisition of development rights component; (g) 12 grants for acquisition of local park lands; (h) 12 grants under urban rivers; (i) four grants under state trails, (j) nine in the Baraboo Hills program and (k) 17 grants were awarded through a mixture of funds from the multiple components listed above.

Since the inception of stewardship NCO grants, several NCOs have received multiple grants, including The Conservation Fund, Door County Land Trust, Mississippi Valley Conservancy, Natural Heritage Land Trust, and The Nature Conservancy, among others. In the last two fiscal years two NCOs received their first Stewardship grants: The Alliance of Dunn County Conservation and Sports Clubs and the Mani-

towoc County Fish and Game Association. Other recent grantees represent several regions of the State: Chippewa County Land Conservancy, Sheboygan County Conservation Association, the North Central Conservancy Trust, Ozaukee Washington Land Trust and The Prairie Enthusiasts. Stewardship grant awards by County are summarized in Appendix IV.

Recent Grants to NCOs

In December, 2013, the Joint Committee on Finance approved an NCO grant to the Natural Heritage Land Trust of up to \$1,219,500 for the acquisition of 356 acres which will become Dane County's Sugar River Wildlife Area. The property includes 2.5 miles of the Sugar River, designated an exceptional resource water and class II trout stream. This section of the river is within the boundaries of the Sugar River Water Trail, a project identified in the county comprehensive plan. The property is also within the corridor of a new county-funded hiking and bicycle trail designed to connect the Military Ridge and Badger State trails. The property lies in the unincorporated community of Paoli, a regional silent-sports hub. The Land Trust purchased the property in partnership with Dane County, which plans to manage the property as a conservation park, open to hunting, trapping, hiking, cross country skiing and fishing. The county's management goals include restoration of native plant communities, removal of some old and decaying dam and bridge structures and development of a canoe launch site.

In the last two fiscal years (2012-13 and 2013-14), 14 grants totaling approximately \$2.2 million were awarded to the Door County Land Trust and The Nature Conservancy for additions to State Natural Areas in Door County. The parcels total 330 acres, range in size from less than two acres to 65 acres and are additions to Shivering Sands, Mink River, North Bay, Bailey's Harbor Boreal Forest, Big and Little Marsh, Detroit Harbor and Coffey Swamp State Natural Areas.

The Stewardship awards were matched with US Fish and Wildlife Service Coastal Wetlands Conservation funds. These 14 Stewardship-funded acquisitions represent the final projects of a six-plus year partnership among DNR and nonprofit partners for protection of the unique natural resources on the Door Peninsula and Washington Island. The lands purchased host stretches of alkaline bedrock beach along Lake Michigan, old growth northern mesic forest, Mink River estuary frontage, and forested wetlands. The habitat protection goals of this Coastal Wetland partnership include conservation of several natural communities along the Niagara Escarpment and Great Lakes shorelines that provide critical habitat for migratory birds and host several endangered plant and animal species including the Hine's emerald dragonfly, dwarf lake iris, and ram's head lady's slipper orchid. These parcels and the State Natural Areas they lie within are open to the public year round for hunting, trapping, hiking, cross-country skiing, fishing and wildlife viewing.

Public Access on Stewardship Lands

The use of DNR lands is guided by statute and administrative code. Administrative rule NR 1.61 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." Certain Department lands are statutorily allowed to be closed to public access for hunting and trapping. For example, 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 that is "inconsistent with or injurious to its natural values". The Department also 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 addition, prior to 2011 Act 168, s. 29.089 of the statutes prohibited hunting or trapping 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). However portions of many state parks were open for deer hunting seasons, some requiring a Department issued park access permit, and others allowing hunting without a permit (a state park vehicle admission sticker is required for all vehicles in a state park).

Under 2011 Act 168, the prohibition of hunting and trapping in state fish hatcheries was maintained. However, the Act modified the prohibition of hunting and trapping in state parks (including state trails). Effective January 1, 2013, state parks must be open to hunting, fishing, and trapping. However, the Act authorizes DNR to prohibit hunting, fishing, or trapping in a state park or a portion of a state park if the area is: (a) within 100 yards of a designated use area; or (b) if the Natural Resources Board determines that prohibiting hunting, fishing, or trapping is necessary to protect public safety or to protect a unique plant or animal (the Act requires four or more of the seven members to concur in that determination). The hunting opportunities in state parks that were already established by rule and in place prior to the enactment of 2011 Act 168 remain in place. In addition, the Department has established

two time periods during which hunting and trapping is permitted in state parks during seasons that fall within these time periods including: (a) spring - gun and archery hunting and limited trapping are allowed in the open areas of the property from April 1 through the Tuesday nearest May 3; and (b) fall/winter - gun and archery hunting and trapping are allowed in the open areas of the property from November 15 through December 15, except that hunting with legal archery methods is allowed through the Sunday nearest January 6. According to the Department, most state parks have some areas open to hunting and trapping during these time periods. However, due to property size, proximity to urban or residential areas, environmental sensitivity and other factors, some state park properties do not allow hunting or trapping. Maps are available at each property, and on the Department's website, showing the areas open to hunting and trapping. (All properties are open for state fishing seasons except that bow and spear fishing follow the same state park rules as hunting. Bow and spear fishing is prohibited within 100 yards of a beach, boat launch, or fishing pier within a state park).

In response to concerns raised regarding the level of public access on lands purchased using stewardship funds, specifically public access for hunting and trapping, in 2007, 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 were open to hunting, and as of September, 30, 2012, approximately 96% of Department lands acquired through the stewardship program are open to hunting. The Department indicates that since 2012 all parcels acquired by the Department using stewardship funds 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% were open to hunting. Table 17 shows the amount of land acquired through the stewardship

Table 17: Stewardship Lands Open to Hunting (1990-2006)

	Total Acres Acquired	Acres Open to Hunting	% 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%

program that was open to hunting through 2006. DNR grant staff indicate that since October, 2007, 94% of lands purchased with stewardship grants are open to hunting.

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 prohibited on state fish hatcheries and the Department may control access to some state natural areas, and specified areas of state parks and state trails. In addition, s. 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 administrative rule NR 44.06, habitat areas may be managed for a wide variety of purposes including focused species production and 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 acreage where hunting is not permitted 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 17 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. 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.

Statutory Requirements and Administrative Rules Addressing Stewardship Public Access

2007 Act 20 (s. 23.0916(2) and (3) of the statutes) specified 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 law (MFL) 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 recreational activity 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. 2011 Act 32 removed the accommodation of usership patterns from the allowable reasons for prohibition of a nature-based outdoor activity. However, if the property was acquired for a state trail or the Ice Age Trail, ac-

cess could continue to be restricted to accommodate usership patterns. Appendix VII illustrates the public access requirements for stewardship land acquisitions. Exceptions to the public access requirements include fish, game, and wildlife refuges, fish hatcheries, certain specified areas within 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, effective August 1, 2010, was developed to address the stewardship public access requirements under s. 23.0916 of the statutes. 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" (the minimum requirements under 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.

Further, administrative rule NR 52.01(3) specifies that the Natural Resources Board has determined that administrative rules NR 1.61 and 51.07(3)(e) govern public access on all other lands funded in whole or in part with funding from the stewardship program that are not subject to the requirements of s. 23.0916(2) or (3) of the statutes (lands acquired in whole or in part with funding from the stewardship program that are acquired by easement, other than easements on former MFL land). As mentioned previously, administrative rule NR 1.61 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." In addition, administrative rule NR 51.07(3)(e) requires that property acquired by a non-profit conservation organization (NCO) using stewardship funds, may not be closed to the public unless the Department determines that it is necessary to protect species of plants, wild animals or other natural features or if the right of public access is not acquired as part of the rights purchased with an easement.

For Department acquisitions, administrative rule NR 52 requires DNR to incorporate an evaluation of 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 under s. 23.0916(3) of the statutes (exceptions include fish and game refuges, etc.). For non-department land acquisitions, the rule specifies that all stewardship program grants for land acquisitions subject to s. 23.0916(2) of the statutes (land acquired, with stewardship funds, in fee simple or through an easement on former MFL land) 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.

Additionally, section 23.096(3) of the statutes specifies that, in order to receive a stewardship grant, an NCO must enter into a contract with the Department that details standards for management of the property. For grants to NCOs, the state holds a reversionary interest in the property, meaning that, if the NCO converts the use of the property to one inconsistent with the contract, the title to the acquired property vests in the state. Closed acreage on lands purchased using stewardship funds that are controlled by NCOs generally include lands where development rights were acquired to buffer existing public lands from development or land that was acquired with a stewardship grant prior to October 27, 2007 (the effective date of s. 23.0916).

In addition, a stewardship grant 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, if any, and the reason for the prohibition (related to protecting public safety, protecting a unique animal or plant community, or accommodating usership patterns, if applicable, subject to the provisions under s. 23.0916 of the statutes).

Under NR 52, Department staff evaluate each proposal to prohibit an NBOA and determine whether the prohibition will be allowed. 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

NBOA(s) 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 archaeological features.

In addition, Department grant staff also evaluate proposed restrictions on an NBOA, such as a permitting or registration system (for NBOAs such as hunting, trapping, or cross-country skiing), to determine whether the restriction would prevent a significant amount of an NBOA from occurring, as to constitute a prohibition under administrative rule NR 52.01(1) and 52.02(10). Staff are guided by a number of factors in deciding whether the permit system is reasonable, or too restrictive, including the following: (a) the purpose of the permit or registration system; (b) whether there is a reporting requirement, voluntary or required; (c) the permit application methods (by mail, internet, in person, and/or by

phone); (d) whether there is a fee, and if so, whether the fee is equal to or less than the cost of a daily Wisconsin resident park admission sticker (currently \$7); (e) whether the system is exclusive or favoring a particular user group (such as residents vs. non-residents); (f) whether the system is designed to create and/or improve an NBOA opportunity; and (g) whether there was public input into the design and implementation of the proposed system.

For any stewardship proposal to prohibit an NBOA subject to s. 23.0916 (including DNR acquisitions and stewardship grants), DNR is required to provide electronic public notice to any individual asking to receive such notice. This is followed by a public comment period and, if an objection is received during the comment period, an evaluation period. If an objection is received, DNR is required to create a written summary of its determination on the proposal to prohibit one or more NBOAs at the end of the public comment and evaluation periods.

The Department submits a report to the Natural Resources Board for each regularly scheduled board meeting that summarizes Department staff determinations regarding proposed prohibitions of NBOAs for DNR acquisitions or stewardship grant awards. The report is submitted to the Board and the information made available to the public over the internet at least five working days prior to the next regularly scheduled meeting of the Board. Administrative rule NR 52 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 included in the report.

For proposed prohibitions of NBOAs on land acquired by DNR that is subject to s. 23.0916, NR 52 does not require the Board to vote whether to ratify the prohibitions included in the report. However, the Board generally does vote on whether to approve the DNR land acquisition

transaction as a whole. If a stewardship land transaction includes a prohibition of an NBOA, four or more members of the Natural Resources Board are required under s. 23.0916 to concur in the determination that the prohibition is necessary, in order for the transaction to be approved by the Board. In practice, the Department indicates it submits stewardship land acquisition projects subject to s. 23.0916, including grants for land acquisition, where DNR has determined an NBOA would be prohibited, or significantly restricted, to the Natural Resources Board for review (either individually or in a summary listing). Further, all Department land acquisition projects over \$150,000 are submitted to the Board for review, as required under administrative rule NR 1.41 (the rule also requires Board approval for certain other land acquisitions including land acquisitions with substantial improvements or land acquired by gift).

Public Information

Administrative rule NR 52 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 administrative rule NR 150. These generally require a news release including information about the project sponsor, location, and 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.

In addition to the public notice requirements under administrative rule NR 150, administrative rule NR 52 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. DNR complies with this requirement through the use of an email sign-up feature available through the Department's website, which delivers news releases to a subscriber's email address containing the required information for each stewardship project.

Further, 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 administrative rule 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, hik-

ing, and cross-country skiing) and the reason for the closure (either to protect public safety; protect unique plant and animal communities; or, if applicable, to accommodate usership patterns). 2009 Act 28 changed this to a biennial report. In the November, 2013, report, DNR identified zero acquisitions out of 287 acquired by DNR during fiscal years 2011-12 and 2012-13 where public access is restricted, and 23 grant projects acquired using stewardship funds out of a total of 110 awarded, where public access for one or more of the required nature-based outdoor activities was restricted. Of the 23 grant projects where access is restricted, 17 involved prohibitions on both hunting and trapping, while an additional six involved prohibitions on hunting (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 restrictions were allowed by statute such as a parcel acquired for a fish or wildlife refuge, or if a local unit of government acquires property within a municipal boundary where they aren't the holders of the ordinance that prohibits one of the NBOAs and therefore the grant sponsor has no control over the ordinance and is not able to make a modification to allow the NBOA, this was the case for a grant to the Caledonia Conservancy which acquired a parcel subject to a Village of Caledonia ordinance. The Department indicates that if the Conservancy were to transfer the property to the Village, DNR would ask the Natural Resources Board to approve the NBOA restrictions or would require the Village to change the ordinance to allow the NBOAs (hunting and trapping).

In addition, 2007 Act 20 required 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. The mapping tool is available on the DNR website at <http://dnr.wi.gov/topic/lands/PAL/application.html/>. 2011 Act 95 requires DNR to, by December 21,

2013, make available to the public a written directory of all stewardship land that is open for public access. The directory is required to be organized by county and town and clearly show the location of stewardship land and named or numbered roads. The directory must be updated at least every two years. DNR may prepare the directory or may make available a map, book, or directory published by a private entity. DNR may charge a fee for the directory, but it may not exceed the cost of preparing and publishing the directory. The Act also requires DNR to make a list of all stewardship land that was acquired before October 27, 2007, for which public access has been restricted or prohibited and the reasons for that action, and make it available to the public by December 21, 2013. The atlas is available for purchase from the University Bookstore via a link from the Department's website at <http://dnr.wi.gov/topic/lands/PAL/>. The hard copy of the Atlas is \$89.95 or a DVD is available for \$5.95.

Further, 2007 Act 20 required 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 by November, 2011, for land acquired before October 27, 2007). The Act specifies that the signs be at least 108 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 per-

son 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 an NCO 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.

Motorized Access

Under s. 23.116, 2013 Act 20 requires DNR to inventory and map all roads on DNR-owned property. Each map would designate which roads are open to the public for the use of motorized vehicles and state when each road is open or closed for such use. In addition, the Act specifies that DNR work in cooperation with the public, governmental units, and other interested parties to evaluate roads using ecological, economic and social criteria to develop a motorized vehicle access plan and an implementation plan for the access plan for each DNR-owned property. The plan must establish criteria for determining when

the use of motorized access may be restricted or temporarily prohibited by the Department, including when the land is actively being logged. According to DNR, operational planning and information technology systems to manage data and create maps are in development with the goal of being piloted in early, 2015 and operational by spring, 2015. The criteria for decisions of whether a road will be restricted to public use is currently in draft form, and the Department indicates that public review of the criteria will likely occur in early, 2015, and be completed by spring, 2015. In addition, DNR indicates that the framework for public and intergovernmental engagement in decision-making is currently being planned with a completion target of spring, 2015.

Further, 2013 Act 20 modified s. 23.115 of the statutes, to specify that, in addition to the Department's current ability to designate trails, campgrounds, and special use areas for property under its control, the Department may also designate roads. These roads must be shown on maps available at the Department's district office, on a sign outside the office on the property or on signs placed by the designated roads at the option of the Department (as was previously specified for trails, campgrounds, and special use areas) and that the requirement that the Department must inspect "designated features" twice a year would not apply to roads. Further, the Act modifies s. 895.52(1)(g) of the statutes (recreational land use immunity) to specify that recreational activity includes "operating a vehicle [as defined under s. 340.01(74)] on roads designated under s. 23.115".

Stewardship Earmarks

Beginning in the 1991-93 biennium, statutory earmarks from the stewardship program have been included in some legislative acts. Table 16 shows the statutory stewardship earmarks by bi-

ennium. In addition, the 1995-97 biennial budget act authorized DNR to purchase the Willow Flowage and surrounding lands in Oneida County. 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 18, 2007 Act 20 provided funding for five earmarks. First, the Act directed 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 authorized 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 directed 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 development activities related to the Ice Age and Springbrook trails. The Act requires DNR to provide \$1 for each \$1 expended by the City of An-

Table 18: 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	75
1997-99	Grandfather Falls Recreation Area	Lincoln	2,138,000	
	Hank Aaron State Trail	Milwaukee	290,000	
	Crex Meadows Wildlife Center	Burnett	250,000	75
	Flambeau Mine Trail	Rusk	100,000	
1999-01	Milwaukee Lakeshore State Park	Milwaukee	2,000,000	
	Root River Multi-Purpose Pathway	Racine	750,000	50
	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	50
	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	
	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	50
2007-09	Mirror Lake Boat Access	Sauk	1,000,000	
	The Conservation Fund - Greenseams Flood Management	Milwaukee	1,000,000	25
	Green Bay Recreational Trail	Brown	875,800	25
	Ice Age and Springbrook Trails	Langlade	600,000	50
	Jersey Valley Lake	Vernon	500,000	25
2011-13	Dam Safety Grants	Milwaukee, Racine, Vernon	6,000,000	75
	DATCP Purchase of Agricultural Conservation Easements (PACE)	Several	5,200,000	50
2013-15	Bearskin State Trail	Lincoln, Oneida	130,000	

*Percent of eligible project costs funded by grant recipient.

tigo. DNR issued a grant agreement and encumbered \$600,000 from the property development and local assistance subprogram, and as of September, 2012, a \$300,000 balance remains for the development of the trails. Work on the trails began in summer 2009.

In addition, the Act provided up to the follow-

ing amount from either the land acquisition or property development and local assistance subprogram and required 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 manage-

ment 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 2007 Act 20 was 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. DNR enumerated \$500,000 in funds from the property development and local assistance subprogram and the final payment for the project was made on February 1, 2011.

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 TCF for the project.

The City of Green Bay project involved using stewardship funding to purchase approximately 25 acres from Wisconsin Central Railroad. In addition, Green Bay is acquiring parcels within the city limits and plans to construct an off-street multi-use bicycle and pedestrian trail separated from the city street grid, which will connect two existing multi-use trails. As of September, 2012, DNR had encumbered \$875,800 from the proper-

ty development and local assistance subprogram with \$419,800 provided to the city for the project to date.

2011 Act 32 requires DNR to set aside funding from the land acquisition subprogram for two purposes not ordinarily covered under the stewardship program. Under the Act, DNR is required to set aside not less than \$6 million from the land acquisition subprogram for dam safety grants to counties under s. 31.385 of the statutes. Grants may only be awarded for a county-owned dam that is under an order by DNR for maintenance, repair, modification, abandonment or removal as of July 1, 2011. Grants are provided for up to 25% of eligible project costs, with a maximum grant award of \$2,500,000 (\$10,000,000 project). Of this amount, as of August 1, 2014, DNR has awarded \$991,800 to Vernon County, with an additional grant for an estimated total project cost of \$375,000 to Vernon County pending. In addition, the Department indicates that a grant to Milwaukee County for the Estabrook Dam for an estimated project cost of \$1.5 million and a grant to Racine County for the Waterford Dam for an estimated project cost of \$55,000 (pending a verification of ownership) are also pending.

In addition, DNR is required to provide the amount necessary, but not to exceed \$5,200,000, to fund projects preliminarily approved in 2010 by the Department of Agriculture, Trade, and Consumer Protection (DATCP) for the Purchase of Agricultural Conservation Easements (PACE) program. The PACE program authorizes DATCP to enter into voluntary, perpetual easements with landowners to prohibit agricultural lands from being developed for nonagricultural uses. DATCP awarded 18 PACE grants for 15 projects in six counties. DNR provided a total of \$4,824,100 in funding to DATCP for the 18 grants in fiscal year 2011-12.

As passed by the Legislature, 2013 Act 20 would have directed DNR to provide the amount of funds necessary, but not to exceed \$200,000,

for the costs of a project to surface a 6.9 mile trail corridor that would extend the Bearskin State Trail so that it connects with the Hiawatha Trail, in Lincoln County. The Act would have specified that DNR utilize \$54,200 in federal funds for the project, with the remainder funded from the stewardship program. [As of spring, 2013, the Bearskin State Trail, named for Bearskin Creek that the trail follows, consisted of an 18-mile trail located on a former railroad corridor, which extended south from Minocqua to a junction at Oneida County Highway K and U.S. Highway 51. The Hiawatha Trail is a six-mile county trail which extends south from Heafford Junction to Tomahawk, in Lincoln County.] The Governor vetoed the provision. However, in his veto message the Governor directed DNR to complete the project in the 2013-15 biennium using existing resources. The preliminary trail connection opened to the public in August, 2014. While some outstanding work is yet to be completed on a bridge and some easements are yet to be acquired from private landowners, recreational enthusiasts (including, hikers, bicyclists, and snowmobilers) are now able to utilize 32 miles of uninterrupted trail. DNR utilized a combination of \$17,000 SEG from the snowmobile account of the conservation fund and \$8,200 GPR, \$113,600 in federal trail development funding, and \$129,700 in stewardship development funds from fiscal years 2011-12, 2012-13, and 2013-14 to complete the preliminary trail connection, and will utilize approximately \$3,500 in GPR and \$3,500 in federal trail development funds for the outstanding work for a total estimated project cost of approximately \$275,500.

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 specified 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 were subject to review. 2009 Act 28 specified 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 specified 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 did not notify DNR within 14 working days that the Committee was scheduling a meeting to review the proposal, DNR was allowed to proceed with the project. In addition, the Act required that at least five members of the 16-member Committee, including at least one Co-Chair, must object,

in writing, for the item to be scheduled for a meeting. If the Committee did 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 was allowed to proceed with the transaction. However, if the notification was made after the Legislature has adjourned its final general business floor period in an even-numbered year, then Joint Finance had 31 working days to hold a meeting. From July 1, 2010 through June 30, 2011, Joint Finance approved five stewardship projects through this 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 two grants.

2011 Act 32 reduced the threshold for review of a stewardship project by the Joint Committee on Finance from \$750,000 to \$250,000 and brought the passive review procedure under s. 23.0917(6m) of the statutes into consistency with the s. 16.515 14-day passive review procedure. Under the Act, the Committee has 14 working days from the receipt of a stewardship passive review request in which to notify DNR that a meeting has been scheduled. If, within that time-period, the Joint Committee on Finance Co-Chairs do not notify DNR that a meeting has been scheduled, DNR may proceed with the project. Under 2011 Act 32, if the Co-Chairs schedule a meeting by the Joint Committee on Finance, a majority vote is required to approve the proposal. From July 1, 2011 through November 1, 2014, Joint Finance approved 103 stewardship projects including 43 DNR acquisitions and 60 grants.

In addition to review by the Joint Committee on Finance, non-legislative review procedures for stewardship projects also exist. Under administrative rule NR 1.41, the following land transactions require the approval of the Natural Resources Board: (a) acquisitions 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. In addition, s. 23.15 of the statutes requires all proposals for the sale of any land under the jurisdiction of DNR, determined by the Natural Resources Board to be no longer need for conservation purposes, to be submitted to the Governor for his approval.

Grants to local governments and NCOs generally are not subject to review by the Natural Resources Board. However, all projects go through an internal scoring process and review by Department staff. In addition, 2011 Act 32 requires that, in order for public access for nature based outdoor activities to be prohibited on land acquired using stewardship funds in fee title or through an easement on former MFL land, the Natural Resources Board must determine that a closure is necessary to: (a) protect public safety; (b) protect a unique plant or animal; or, (c) to accommodate usership patterns (if acquired for a state trail or the Ice Age Trail). As a result, a summary of those stewardship grants which a prohibition of an NBOA is proposed are submitted to the Natural Resources Board for approval.

Building projects over \$760,000 are required to be specifically enumerated in state law and reviewed by the State Building Commission for approval prior to bidding. For example, 2009 Act 28 enumerated 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 \$185,000 but less than \$760,000 must be re-

viewed by the State Building Commission for approval prior to bidding. Building projects up to \$185,000 in costs are required to be reviewed by the Department of Administration, Division of Facilities Development (referred to as small projects) for approval prior to bidding.

In addition, under Governor Doyle, a Governor's review committee which consisted of the Secretaries of the Departments of Natural Resources, Tourism, and Revenue reviewed projects using more than \$250,000 of stewardship program funds. The committee met periodically and made recommendations to the Governor (through July 1, 2010). The Governor then made the final decision of whether to approve the project. This committee has not been utilized since 2010. However, under current practice, all Department land acquisitions utilizing stewardship funds, including those approved by the Natural Resources Board, and by the Joint Committee on Finance when required, are then sent to the Governor for his approval.

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.

In addition, 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, 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 provided 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 2010-11) and reduced the amount provided from GPR by the same amount. However, the 2010-11 additional payment was specified as a one-time payment. (Payments from the forestry account for stewardship debt service returned to \$13.5 million annually beginning in 2011-12.)

While the majority of the debt service shown in the Table 19 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 for a local dam repair and removal grant program.

Table 19 shows state stewardship related debt services costs over a 12-year period. Costs were lower in 2003-04 primarily because of a state debt refinancing initiative to take advantage of lower interest rates and reduce short-term liabilities. From 2009-10 through 2011-12, GPR debt service payments for the program declined significantly due primarily to the state's decision to de-

Table 19: Stewardship Debt Repayments

Fiscal Year	SEG	GPR	Total
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	17,537,400	33,537,400
2011-12	13,500,000	13,767,000	27,267,000
2012-13	13,500,000	66,324,000	79,824,000
2013-14	13,500,000	73,464,500	86,964,500
2014-15*	13,500,000	76,307,000	89,807,000

*Budgeted.

fer payment of principal on a large portion of its outstanding GPR-supported, general obligation debt, including the stewardship program debt.

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 Four-

teenth 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 have sometimes been 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 preser-

vation, 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 certain stewardship grant applications submitted beginning October 27, 2007, for an acquisition estimated to cost over \$350,000 at least two appraisals are required with one paid for by the grant applicant and one obtained by DNR. 2011 Act 32 clarified that two appraisals are required to determine the "current" fair market value of the land for all stewardship land acquisition grants to local units of government and NCOs for land where DNR estimates the current value at over \$350,000.

In addition, the Act modified a provision regarding grants for the acquisition of land owned by the seller for less than three years. The Act specifies that for land that has been owned by the current owner for less than one year, the buyer's acquisition price equals the sum of the current fair market value "and other acquisition costs, as determined by rule by the department" or the current owner's acquisition price, whichever is lower. In addition, for land that has been owned by the current owner for one year or more but for less than three years, the Act specified that the buyer's acquisition price shall equal the lower of the following: the sum of the current fair market of the land and "other acquisition costs, as determined by rule by the department" or the sum of the current owner's acquisition price and the annual adjustment increase (5% of the owner's acquisition price if over one year but less than two, and 10% for two years but less than three). The Act made sections 23.0917(7)(b) and (c) consistent with s. 23.0917(7)(a), which specifies that, for stewardship grants for the acquisition of land owned for longer than three years, "the acquisition costs shall equal the sum of the land's current fair market value and other acquisition costs, as determined by rule by the department". By making these sections consistent, the Act allows DNR

to award stewardship grants for 50% of allowable acquisition costs (including 50% of such costs as land surveys, title insurance, recording fees, and appraisals) for the acquisition of land owned by the current owner for less than three years, as the Department had done for stewardship grants for the acquisition of land owned by the current owner for three or more years.

Aids 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, 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 (including the county and school district) a proportionate share of the payment, based on its levy. Prior to July 1, 2011, the estimated value typically equaled the purchase price, while after that date the value typically represents the equalized (property tax) value in the year prior to purchase. However, 2011 Act 32, as modified by 2013 Act 20, specifies that in cases where the property had been tax exempt in the year prior to acquisition, or enrolled in the forest crop law (FCL) or managed forest law (MFL) program at the time of purchase, estimated value means the lesser of either the purchase price or an amount that would result in a payment of \$10 per acre.

Prior to 2003, aids in lieu payments were made entirely from a sum sufficient, GPR appropriation. However, the 2003-05 biennial budget provided \$1 million in 2003-04 and \$2 million in 2004-05 from the forestry account of the conservation fund for these payments. Statutory language specifies that the first draw for aids in lieu of property tax payments be taken from the for-

Table 20: Aids in Lieu of Property Tax Payments

Fiscal Year	GPR	SEG	Total
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
2010-11	8,305,000	3,960,000	12,265,000
2011-12	7,842,000	4,843,000	12,685,000
2012-13	7,389,700	5,470,000	12,859,700
2013-14	8,031,200	5,470,000	13,501,200

estry account appropriation. The 2005-07 biennial budget act provided \$4,000,000 SEG annually, beginning in 2005-06, from the forestry account for this purpose. This was reduced to \$3,960,000 due to a 1% reduction beginning in 2009-10. 2011 Act 32 provided payments of \$4,843,000 SEG in 2011-12 and \$5,470,000 SEG in 2012-13 from the forestry account. Table 20 shows aids in lieu of property tax payments for the past 10 years (the amounts shown in the table include \$364,000 GPR annually for payments for lands acquired prior to January 1, 1992).

While the pre-2011 formula (based on purchase price) for calculating aids in lieu of taxes was intended to produce a state payment that was equivalent to what was paid in property taxes; in practice, state payments had typically exceeded the property taxes that would have been paid on the property because the purchase price of conservation land 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 the Department does not make aids in lieu of taxes payments on lands acquired through a stewardship grant (DNR only makes payments on lands acquired by the Department), these wide discrepancies in appraised and assessed valuations raised questions by some about the fair market value of stewardship properties. However, the report also noted that infrequent updates in assessed values also raise questions about fairness in local property taxes.

However, the difference between assessed and appraised values did have an effect on payments made by the state in lieu of property taxes under the pre-2011 formula. When the DNR property being purchased: (a) was exempt from local property taxes (such as when owned by certain nonprofits or public utilities); (b) was subject to preferential tax treatment (such as under the managed forest law or agricultural use value); or (c) had a purchase price that exceeds the local assessed value, transferring the property to DNR resulted in a net gain in revenues for the affected local governments.

A similar review by the Legislative Fiscal Bureau of 51 parcels acquired in the first nine months of 2009 found that overall, the aids in lieu of taxes payments were nearly three times greater than the property taxes. Even excluding properties previously enrolled in MFL or forest crop law and properties subject to agricultural use value or another property tax exemption, local payments were routinely more than double under state ownership for the parcels reviewed.

In most cases, aids in lieu payments to municipalities under the prior law formula had exceeded revenues previously generated by property taxes. The Department indicated that the prior formula 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 for the calculation of aids in lieu payments 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). In cases where the property had previously been tax-exempt, the last recorded equalized value would have been used, or a payment of \$1 per acre would have been made, whichever amount was greater. The amount determined under this formula would have been 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.

The modified formula provided under 2011 Act 32, which specified that estimated value means either the lower of the equalized value of the property in the year prior to purchase by DNR or the purchase price, and that in cases where the property had been previously tax exempt, the calculation would be the lower of either: (a) the purchase price; or (b) the last recorded equalized value, or a payment of \$10 per acre, whichever amount was greater, applies to lands purchased by the Department beginning on July 1, 2011. The modified formula created by 2011 Act 32 is intended to provide local governments with an amount more closely approximating the lost level of tax revenue. At the time, it was believed that land purchased by the Department that

was enrolled in the forest crop law (FCL) or managed forest law (MFL) programs would be subject to the tax exempt provision and the calculation of estimated value would therefore result in a payment not exceeding \$10 per acre. However, while land enrolled in FCL and MFL is subject to preferential tax treatment, it is not technically considered tax exempt. Further, FCL and MFL continue to be assigned assessed values. As a result, aids in lieu of taxes payments for FCL or MFL parcels purchased by the Department were typically calculated based on the full assessed value. This generated significantly greater amounts to the local government than typically received in payments under the FCL or MFL programs. For example, the Department of Revenue estimates that local governments received approximately \$2.10 per acre on average in MFL fees in 2011-12 (80% to towns and 20% to counties), versus approximately \$33 per acre for similar forest lands not in the program.

In order to conform to the original intent of 2011 Act 32, the formula for lands acquired after July 1, 2011, was amended by 2013 Act 20 to specify that in cases where the property had been tax exempt in the year prior to acquisition, or enrolled in the FCL or MFL program at the time of purchase, estimated value means the lesser of either the purchase price or an amount that would result in a payment of \$10 per acre. In all other cases for land purchased after July 1, 2011, estimated value would continue to mean the lower of either the equalized value of the property in the year prior to purchase by DNR or the purchase price (as under prior law). 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. This provision was included to ensure that the aids in lieu of taxes payments for lands previously enrolled in the FCL or MFL programs would more closely resemble the payment amounts received by the local jurisdiction under the forest tax law programs. While the \$10 per acre payment is higher than

the amount local governments would have received under the FCL or MFL programs, it was chosen to reflect the fact that FCL and MFL orders expire (MFL orders last 25 or 50 years) and may, or may not, be renewed. Parcels that are not renewed in MFL would return to the property tax rolls.

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 June 30, 2014, approximately 44,600 acres of land have been enrolled in CREP (38,100 acres in 15-year easements and 6,500 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 \$99.4 million. In addition, through June 30, 2014 the state had expended about \$12.7 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 \$112.1 million (out of the total of up to \$240 million available) are expected over the life of the CREP contracts (generally 15 years) enrolled as of June 30, 2014. Under the current agreement with the USDA, state landowners are allowed to participate in CREP provided they have signed a federal contract by September 30, 2018.

Appendices

Following are seven 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 2004-05 through 2013-14.
- 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, or more than 10,000 acres were acquired.

- 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 major property development projects.
- Appendix VI shows the amount of stewardship funding spent on property development on DNR properties since 1990.
- Appendix VII illustrates the public access requirements for stewardship land acquisitions under s. 23.0916(2) and 23.0916(3) of the statutes.

APPENDIX I

Stewardship Program Expenditures: Fiscal Year 2004-05 through 2013-14*

Category	2004-05	2005-06	2006-07	2007-08	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	10-Year Total
DNR Land Acquisition	\$42,247,500	\$25,139,700	\$61,573,000	\$27,678,200	\$34,137,300	\$26,577,100	\$42,380,700	\$19,047,400	\$28,652,000	\$17,142,900	\$324,575,800
NCO Land Acquisition	6,295,600	11,826,300	5,816,300	10,438,400	10,296,700	9,899,100	10,363,000	2,605,100	8,243,900	5,738,600	81,523,000
Baraboo Hills	366,400	1,191,400	1,214,500	743,100	2,000	368,000	0	0	0	0	3,885,400
Bluff Protection	0	0	0	0	0	0	0	0	0	0	0
Kickapoo Valley	800,900	415,700	102,800	0	0	0	0	0	0	0	1,319,400
Mirror Lake**	0	0	0	493,500	493,500	13,000	0	0	0	0	1,000,000
Local Assistance	5,664,200	6,825,900	6,223,400	4,559,500	7,440,400	8,312,900	7,554,900	6,766,300	9,643,900	8,027,100	71,018,500
Property Development	3,985,800	4,455,800	9,375,300	7,154,900	9,886,900	6,189,700	16,285,900	8,084,600	10,386,700	9,740,000	85,545,600
Recreational Boating	0	0	0	261,500	1,409,600	1,424,800	2,089,400	2,076,800	3,750,400	1,508,300	12,520,800
Dam Safety								56,200	0	294,200	350,400
PACE Grants								4,824,100	0	0	4,824,100
Total	\$59,360,400	\$49,854,800	\$84,305,300	\$51,329,100	\$63,666,400	\$52,784,600	\$78,673,900	\$43,460,500	\$60,676,900	\$42,451,100	\$586,563,000

*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 June 30, 2014

County	Easement Acres	Fee Acres	Total Acres	Federal Expenditures	Stewardship Expenditures	Total Expenditures
Adams	10,802	9,308	20,110	\$7,137,288	\$9,220,000	\$16,357,288
Ashland	384	2,551	2,935	211,700	3,489,100	3,700,800
Barron	36	940	976	18,000	1,099,200	1,117,200
Bayfield	14	12,821	12,835	1,988,396	7,801,200	9,789,596
Brown	274	1,779	2,053	499,421	3,225,400	3,724,821
Buffalo	1	1,937	1,938	19,200	1,366,100	1,385,300
Burnett	12	5,428	5,440	1,639,116	3,283,600	4,922,716
Calumet	19	1,806	1,825	57,660	2,869,700	2,927,360
Chippewa	298	6,741	7,039	713,597	5,546,500	6,260,097
Clark	0	224	224	0	476,300	476,300
Columbia	974	3,876	4,850	1,302,041	7,377,200	8,679,241
Crawford	954	9,834	10,788	188,540	9,562,400	9,750,940
Dane	2,340	6,863	9,203	1,617,512	24,084,800	25,702,312
Dodge	714	1,650	2,364	1,001,857	2,485,300	3,487,157
Door	2,544	2,287	4,831	3,084,527	7,598,000	10,682,527
Douglas	47,308	16,221	63,529	911,750	22,108,200	23,019,950
Dunn	938	4,204	5,142	456,978	3,849,800	4,306,778
Eau Claire	108	738	846	497,600	2,398,200	2,895,800
Florence	1,959	14,085	16,044	2	19,955,900	19,955,902
Fond Du Lac	1,908	6,112	8,020	3,445,792	5,014,000	8,459,792
Forest	62,780	845	63,625	0	27,628,300	27,628,300
Grant	1,267	4,643	5,910	422,701	6,020,000	6,442,701
Green	424	848	1,272	543,174	1,910,600	2,453,774
Green Lake	13	1,596	1,609	57,000	1,863,200	1,920,200
Iowa	1,492	5,789	7,281	72,868	10,234,300	10,307,168
Iron	3,114	45,464	48,578	623,859	26,583,400	27,207,259
Jackson	4	4,509	4,513	176,205	4,995,500	5,171,705
Jefferson	249	7,605	7,854	160,884	5,503,500	5,664,384
Juneau	463	6,296	6,759	1,048,881	8,219,500	9,268,381
Kenosha	178	461	639	644,005	2,297,800	2,941,805
Kewaunee	88	875	963	587,650	2,222,900	2,810,550
La Crosse	217	427	644	30,148	853,800	883,948
Lafayette	336	2,834	3,170	0	2,660,600	2,660,600
Langlade	18,846	2,502	21,348	3,421,050	8,658,800	12,079,850
Lincoln	20,777	8,289	29,066	3,608,827	9,318,400	12,927,227
Manitowoc	1,490	519	2,009	109,275	2,885,200	2,994,475
Marathon	1,427	3,932	5,359	1,159,821	6,436,900	7,596,721
Marinette	14,716	23,286	38,002	5,035,869	40,628,100	45,663,969
Marquette	903	2,594	3,497	330,112	2,210,700	2,540,812
Milwaukee	77	227	304	0	4,833,200	4,833,200

APPENDIX II (continued)

DNR Land Acquisitions Under Stewardship by County as of June 30, 2014

County	Easement Acres	Fee Acres	Total Acres	Federal Expenditures	Stewardship Expenditures	Total Expenditures
Monroe	634	1,308	1,942	\$566,756	\$1,456,300	\$2,023,056
Oconto	227	2,548	2,775	322,992	3,028,800	3,351,792
Oneida	14,266	37,415	51,681	2,018,602	47,828,800	49,847,402
Outagamie	24	6,118	6,142	709,500	8,490,700	9,200,200
Ozaukee	1,065	637	1,702	1,410,582	3,757,300	5,167,882
Pepin	297	2,294	2,591	319,500	2,247,300	2,566,800
Pierce	115	1,310	1,425	459,375	830,100	1,289,475
Polk	1,119	6,184	7,303	1,112,650	15,738,200	16,850,850
Portage	181	9,945	10,126	538,429	11,820,600	12,359,029
Price	37	491	528	0	445,400	445,400
Racine	131	900	1,031	347,497	2,450,300	2,797,797
Richland	766	4,925	5,691	242,386	5,323,400	5,565,786
Rock	802	2,720	3,522	1,069,082	2,395,700	3,464,782
Rusk	2	222	224	23,250	298,700	321,950
Sauk	4,602	9,413	14,015	2,537,083	17,691,300	20,228,383
Sawyer	18,235	2,424	20,659	4,111,170	10,117,800	14,228,970
Shawano	28	2,057	2,085	6,650	3,362,900	3,369,550
Sheboygan	969	3,767	4,736	1,131,835	9,912,900	11,044,735
St. Croix	203	3,554	3,757	563,244	6,293,100	6,856,344
Taylor	23	1,905	1,928	80,990	2,977,500	3,058,490
Trempealeau	136	1,519	1,655	136,283	884,400	1,020,683
Vernon	448	1,682	2,130	146,679	2,572,800	2,719,479
Vilas	2,607	7,436	10,043	65,500	12,910,800	12,976,300
Walworth	1,078	4,334	5,412	562,702	10,168,900	10,731,602
Washburn	182	3,829	4,011	0	6,264,900	6,264,900
Washington	760	2,537	3,297	3,307,500	11,223,000	14,530,500
Waukesha	405	5,680	6,085	392,951	29,626,900	30,019,851
Waupaca	706	2,712	3,418	1,090,307	4,364,600	5,454,907
Waushara	274	5,114	5,388	1,014,243	7,677,300	8,691,543
Winnebago	2,841	4,579	7,420	1,452,450	4,928,100	6,380,550
Wood	<u>28</u>	<u>1,455</u>	<u>1,483</u>	<u>87,900</u>	<u>2,138,400</u>	<u>2,226,300</u>
Total	253,639	373,960	627,599	\$68,651,394	\$568,002,800	\$636,654,194

APPENDIX III

Stewardship Program Transactions Over \$5 Million, or Where Acres Acquired Exceeded 10,000

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 (\$39.7 million project)	\$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
2012	Lyme St. Croix Forest Company	Bayfield, Burnett, Douglas, and Washburn	Phase I: Brule-St. Croix Legacy Forest Easement (\$17 million potential total project cost)	\$11,265,400	44,679	The property will be managed using sustainable forest practices and provide public access for nature-based outdoor recreational activities including hunting, trapping, fishing, hiking, and cross-country skiing. If completed, phase II, would add approximately 21,300 acres to the easement. The entire project includes 110 water bodies, almost 17 miles of stream frontage, 47 miles of snowmobile trails, and rare pine barrens habitat that supports the endangered Kirtland Warbler and the sharp-tailed grouse.	\$252

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 the 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 a 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 project)	\$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 Timberlands	Langlade	Wolf River Forest Legacy Easement (\$9.2 million project)	\$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 is managed using sustainable forest practices and provides public access for nature-based outdoor recreational activities including hunting, fishing, trapping, hiking, and cross-country skiing.	\$450
2011 and 2012	Plum Creek Timberlands	Sawyer	Big Chip Buffer Easement (\$8.2 million project)	\$4,219,300	18,179	\$8.2 million conservation easement acquired in two phases including federal forest legacy funds of \$4 million. Provides buffers for the Chippewa Flowage, Wisconsin's largest semi-wilderness body of water and the Chequamegon National Forest. The forestland is managed using sustainable forestry and provides recreational opportunities for hunting, fishing, trapping, cross-country skiing, and hiking, among others.	\$232
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 Easement (\$7.2 million project)	\$2,244,000	35,337	First Wisconsin easement under the federal Forest Legacy Program (\$7.2 million purchase, including \$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, permanently protected hunting and other public access rights on land previously open under the managed forest law program.	\$1,038

Fiscal Year	Seller	County	Property	State Amount	Acres	Description	State Cost Per Acre
2014	The Conservation Fund and RMK Timberlands	Iron	Twin Lakes Working Forest Easement	\$4,499,800	13,692	Approved by the Joint Committee on Finance in June, 2014. Purchased as part of the state's forest legacy program. In the townships of Knight and Mercer, adjacent to county-owned land. The Twin Lakes include two adjoining lakes encompassing 52 acres with 8,700 feet of shoreline, which will provide fishing opportunities for bass and panfish (easement also includes four other small lakes covering 19 acres with 9,900 feet of frontage and there are also several trout streams on the property). Parcel is 89% forested, and the area contains important habitat for American marten (the only state listed endangered mammal). The Twin Lakes area also provides habitat for deer, wolves, bear, bobcat, and possibly lynx and the easement will be open to hunting, fishing, trapping, hiking, and cross-country skiing.	\$329

APPENDIX IV

DNR Grant Program Activity Under Stewardship by County as of June 30, 2014

County	Grants to Local Units of Government	Grants to Nonprofit Conservation Organizations	County Forest Grants	Total Grant Expenditures
Adams	\$240,900	\$490,000	\$0	\$730,900
Ashland	734,800	325,800	0	1,060,600
Barron	410,100	0	284,300	694,300
Bayfield	2,117,600	2,302,000	0	4,419,700
Brown	8,695,800	944,000	0	9,639,800
Buffalo	331,100	461,400	0	792,500
Burnett	183,000	558,800	83,200	824,900
Calumet	1,228,100	241,700	0	1,469,800
Chippewa	1,581,600	2,341,900	364,600	4,288,100
Clark	599,900	0	952,300	1,552,200
Columbia	702,600	2,718,100	0	3,420,800
Crawford	494,300	1,382,100	0	1,876,400
Dane	23,562,100	23,204,900	0	46,767,100
Dodge	2,025,900	354,800	0	2,380,700
Door	6,819,000	19,398,700	0	26,217,700
Douglas	457,600	3,210,200	619,400	4,287,200
Dunn	487,400	914,300	0	1,401,700
Eau Claire	1,856,500	6,600	215,700	2,078,900
Florence	142,200	0	0	142,200
Fond Du Lac	1,564,400	109,500	0	1,673,900
Forest	480,600	0	2,411,400	2,892,100
Grant	570,200	2,328,700	0	2,899,000
Green	538,800	145,000	0	683,800
Green Lake	618,300	29,700	0	648,000
Iowa	67,200	6,241,800	0	6,309,000
Iron	654,400	0	0	654,400
Jackson	433,200	24,000	686,600	1,143,800
Jefferson	3,013,400	4,313,500	0	7,326,900
Juneau	945,000	898,400	0	1,843,300
Kenosha	4,485,300	695,600	0	5,180,800
Kewaunee	1,067,900	26,100	0	1,094,000
La Crosse	1,725,100	5,551,900	0	7,277,000
Lafayette	664,500	210,300	0	874,800
Langlade	963,300	99,600	2,720,400	3,783,300
Lincoln	826,800	53,600	0	880,500
Manitowoc	3,473,300	367,800	0	3,841,100
Marathon	1,991,300	334,400	182,000	2,507,700
Marinette	519,000	4,000	160,200	683,200
Marquette	247,000	584,700	0	831,700
Menominee	0	0	0	0

APPENDIX IV (continued)

DNR Grant Program Activity Under Stewardship by County as of June 30, 2014

County	Grants to Local Units of Government	Grants to Nonprofit Conservation Organizations	County Forest Grants	Total Grant Expenditures
Milwaukee	\$3,860,600	\$4,068,800	\$0	\$7,929,400
Monroe	783,100	10,000	0	793,100
Oconto	433,800	0	56,500	490,300
Oneida	706,700	0	0	706,700
Outagamie	2,534,100	39,300	0	2,573,400
Ozaukee	3,654,800	8,069,600	0	11,724,300
Pepin	30,000	469,400	0	499,400
Pierce	559,100	2,032,600	0	2,591,700
Polk	1,313,400	3,081,300	0	4,394,700
Portage	1,445,100	521,900	0	1,966,900
Price	629,100	0	0	629,100
Racine	6,947,300	298,900	0	7,246,100
Richland	194,600	0	0	194,600
Rock	2,537,300	1,291,800	0	3,829,200
Rusk	605,800	0	436,300	1,042,000
Sauk	2,582,200	10,329,300	0	12,911,500
Sawyer	414,400	42,600	0	457,000
Shawano	1,356,500	130,400	0	1,486,900
Sheboygan	1,910,600	486,300	0	2,396,900
St. Croix	1,045,100	2,363,700	0	3,408,800
Taylor	169,900	308,400	37,700	516,000
Trempealeau	123,700	68,400	0	192,200
Vernon	1,413,800	254,400	0	1,668,200
Vilas	1,398,500	4,360,200	48,900	5,807,600
Walworth	3,084,400	1,908,700	0	4,993,100
Washburn	501,700	842,300	0	1,344,000
Washington	4,046,800	8,629,500	0	12,676,300
Waukesha	15,656,100	5,138,800	0	20,794,900
Waupaca	2,198,900	312,200	0	2,511,100
Waushara	430,400	951,500	0	1,381,900
Winnebago	6,792,700	849,500	0	7,642,200
Wood	<u>2,319,500</u>	<u>97,600</u>	<u>0</u>	<u>2,417,100</u>
Total	\$149,199,500	\$137,831,300	\$9,259,500	\$296,290,400

APPENDIX V

Stewardship Major Development Projects Active as of June 30, 2014

Project Name	Budgeted	Expended	Encumbered	Balance
Amnicon Falls State Park Visitor Contact Station	\$643,600	\$33,600	\$22,100	\$587,900
Badger State Trail Resurface and Construct Drain	497,000	369,100	0	127,900
Bearskin State Trail Surface Connection Between Bearskin & Hiawatha	73,800	61,400	0	12,400
Bearskin State Trail Surfacing Northern Segment	50,000	4,600	43,200	2,200
Big Foot Beach State Park Construct New Toilet/Shower Building	625,300	132,600	385,900	106,800
Black River State Forest Park Entrance and Visitor Station	756,400	749,700	0	6,700
Blue Mound State Park Pool Preliminary Design	249,800	44,400	13,700	191,661
Blue Mound State Park Entrance and Visitor Station	925,900	863,400	0	62,493
Brillion Wildlife Area Establish Parking Lots, Gates, & Large Signage	106,500	500	0	106,000
Buckhorn State Park Family Campground Phase I	2,365,300	1,971,200	112,300	281,800
Buffalo River State Trail Base Course Phase 6, 7, & 8	96,000	100	0	95,900
Devil's Lake State Park Electrify Campsites	468,700	451,900	0	16,800
Devil's Lake State Park Infrastructure Repair	812,200	37,600	33,800	740,800
Devil's Lake State Park New Sewage Pump Stations	1,014,000	882,900	22,200	108,900
Devil's Lake State Park Quartzite Shower Building Replacement	1,689,200	105,700	47,800	1,535,700
Devil's Lake State Park Repair Retaining Wall	152,900	132,300	0	20,600
Devil's Lake State Park Shoreline Improvements	170,000	0	0	170,000
Drumlin State Trail Hwy TT Underpass	62,400	6,500	0	55,900
Flambeau River State Forest Headquarters Building Replacement	2,000,000	271,400	1,062,400	666,200
Flambeau River State Park Repair Access Roads	100,500	31,900	0	68,600
Glacial Drumlin State Trail Bridge Redecking & Repair	84,900	82,800	2,000	50
Governor Thompson State Park Caldron Falls Beach Area Improvements	661,000	7,600	0	653,400
Governor Thompson State Park Entrance and Visitor Station, Campgrounds, and Storage	6,306,500	6,255,100	2,700	48,665
Great River State Trail Extension	496,100	213,100	0	283,000
Hank Aaron State Trail Developments	3,712,000	3,590,100	0	121,938

Project Name	Budgeted	Expended	Encumbered	Balance
Hartman Creek State Park Cold Storage Building	\$82,800	\$64,000	\$0	\$18,800
Havenwoods State Forest Garage/Service Building	205,800	76,200	0	129,600
High Cliff State Park Butterfly Pond Trail Resurfacing	57,200	600	2,200	54,400
Horicon Marsh International Education Center Displays for Exhibit Hall	925,000	181,800	739,700	3,500
Horicon Marsh International Education Center Install Additional Visitor Parking	131,300	0	0	131,250
Horicon Marsh Education Center Picnic Shelter and Unheated Storage Building	113,000	103,300	2,600	7,100
Horicon Service Center Education Center Remodel	200,000	200,000	0	0
Interstate State Park Bury Power Line	119,500	85,700	0	33,800
Interstate State Park Replace Windows and Doors at Ice Age Center Building	101,800	81,800	19,400	600
Kettle Moraine State Forest Northern Unit Upgrade Campsites	386,200	378,600	0	7,600
Kettle Moraine State Forest Southern Unit Toilet/Shower Buildings	847,700	837,800	0	9,900
Lake Butte Des Morts Terrell's Island Breakwall Trail	90,800	83,400	0	7,350
Lake Kegonsa State Park Entrance and Visitor Station	855,400	852,400	0	3,000
Lake Mills Wildlife Area Improve and Develop New Roadways in Zeloski Marsh	182,000	124,600	0	57,400
Lake Wisconsin Moon Valley Boat Launch Repair/Improvement	140,800	83,300	5,300	52,200
Lapham Peak Ski Trail Light Poles and Fixtures	92,500	86,300	200	6,000
Lapham Peak State Park Nature/Conference Center	1,490,000	1,489,600	0	410
Lower Wisconsin State Riverway Storage Facility	164,200	9,100	128,400	26,700
Montello Dam Reconstruct Dam	5,300,000	3,063,400	498,300	1,738,300
Northern Highland American Legion State Forest Bike Trail to Link 3 Campgrounds	452,700	6,500	0	446,200
Pecatonica State Trail Surface Trail	249,000	249,000	0	0
Peninsula State Park Electrify Campsites	774,200	773,000	0	1,200
Peninsula State Park Renovate Boat Launch	111,500	106,700	3,800	1,000
Penninsula State Park Nicolet Bay Showers	498,500	488,000	500	10,000
Pine/Popple Wildlife Areas Repair Access Roads	131,800	500	0	131,250
Potawatomi State Park Dump Station Septic Re-Construction	104,000	500	13,900	89,600
Potawatomi State Park Solar Conversion Picnic Shelter & Water Well	85,900	62,500	0	23,400
Poynette State Game Farm Brooder Barn Roof Painting	251,200	108,700	55,300	87,200
Rib Mountain State Park Convert Campsites to Day Use - Phase II	740,700	95,400	50,000	595,300
Rib Mountain State Park Entrance and Visitor Station	914,800	840,900	8,200	65,700
Rib Mountain State Park Sewer and Water	5,202,100	5,195,200	0	6,900
Richard Bong State Recreation Area Vern Wolf Lake Dam Repair	284,400	25,800	17,900	240,700
Roche-A-Cri State Park Reconstruct Landmark Stairway	354,600	318,600	0	36,000

Project Name	Budgeted	Expended	Encumbered	Balance
Sandhill Wildlife Area Replace West Pole Shed	238,300	0	0	238,300
St. Croix Riverway Reconstruct Boat Launch	240,500	237,600	0	2,900
Statewide - Act 168 Hunting Property Access Signs	\$180,700	\$113,300	\$29,400	\$38,000
Statewide Construct 15 Toilets	1,191,500	1,074,600	0	116,900
Statewide Construct Vault Toilets	971,400	970,800	0	600
Statewide Environmental Remediation	49,000	41,700	7,300	0
Straight Lake State Park Dam Evaluation	379,500	352,100	6,700	20,700
Straight Lake State Park Development Phase I	1,258,100	136,900	99,700	1,021,500
White River Construct Accessible Fishing Pier	111,100	110,200	0	900
Willow River State Park Beach Restrooms & Shelter Building	462,400	39,100	12,400	410,900
Willow River State Park Pedestrian Bridge	368,700	351,300	4,500	12,900
Wyalusing State Park Homestead Toilet Shower Building	495,000	44,300	27,100	423,600
Wyalusing State Park Replace Indoor Group Camp Septic System	180,400	5,100	22,000	153,300
Yellowstone Lake State Park Dam Gate Repair	<u>77,100</u>	<u>0</u>	<u>0</u>	<u>77,100</u>
Major Projects Subtotal	\$51,965,100	\$35,849,700	\$3,502,900	\$12,612,500
Various Small Projects	<u>4,801,000</u>	<u>1,544,900</u>	<u>356,400</u>	<u>2,899,700</u>
Total	\$56,766,100	\$37,394,600	\$3,859,300	\$15,512,200

APPENDIX VI

Stewardship Development Commitments by State Property, 1990 through June 30, 2014

10 Mile Creek Wildlife Area	\$18,500	Glacial Drumlin Trail	\$940,600
400 State Trail	755,600	Glacial Habitat Restoration Area	317,200
Ahnapee/Casco Bridge	19,500	Governor Dodge State Park	912,200
Ahnapee Trail	8,400	Governor Knowles State Forest	671,600
Amnicon Falls State Park	107,700	Governor Nelson State Park	205,100
Aztalan State Park	4,000	Governor Thompson State Park	7,153,800
Badger Trail	2,010,600	Grand River Marsh Wildlife Area	88,400
Baraboo Hills	2,357,400	Great River State Trail	352,300
Bearskin-Hiawatha State Trail	324,700	Green Bay West Shores	49,600
Besadny Wildlife Area	39,700	Green Circle State Trail	7,700
Big Bay State Park	524,600	Hank Aaron State Trail	4,029,200
Big Foot Beach State Park	305,600	Harrington Beach State Park	4,034,700
Black River State Forest	909,600	Hartman Creek State Park	198,200
Blue Mounds State Park	1,123,900	Havenwoods State Forest	219,000
Bong Recreation Area	1,282,400	Heritage Hill State Park	43,200
Brillion Wildlife Area	49,700	High Cliff State Park	1,249,000
Brule River State Forest	411,900	Hoffman Hills State Park	18,400
Brunet Island State Park	889,100	Horicon Service Center	680,500
Buckhorn State Park	2,274,100	Ice Age State Trail	126,200
Buffalo River State Trail	269,900	Interstate State Park	889,200
Burlington to Kansasville Trail	50,000	Jackson Marsh Wildlife Area	500
Cadiz Springs Recreation Area	10,100	Joel Marsh Wildlife Area	11,000
Chippewa Moraine Rec Area	83,700	Kettle Moraine State Forest-Northern Unit	2,767,600
Chippewa River State Trail	383,700	Kettle Moraine State Forest-Southern Unit	3,913,000
Chiwaukee Prairie Natural Area	60,000	Kickapoo Valley Visitor Center	2,370,000
Collins Marsh Wildlife Area	27,600	Kimberly Clark Wildlife Area	62,200
Copper Falls State Park	651,000	Kinnickinnic State Park	169,500
Council Grounds State Park	1,179,400	Kohler-Andrae State Park	1,102,300
Crex Meadows	323,500	Lacrosse River State Trail	419,200
Devil's Lake State Park	4,144,000	Lake Butte Des Morts	83,400
Dodgeville Service Center	99,600	Lake Kegonsa State Park	1,150,600
Door County State Natural Area	50,700	Lake Wisconsin	83,300
Eisenbahn State Trail	30,000	Lake Wissota State Park	133,200
Eldorado Wildlife Area	64,300	Lakeshore State Park	5,000,500
Elroy-Sparta State Trail	996,200	Lapham Peak	3,508,000
Flambeau Mine Trail	97,500	Loew's Lake	19,500
Flambeau River State Forest	536,900	Lower Wisconsin State Riverway	592,500
Fox River Trail	162,700	MacKenzie Creek Wildlife Area	5,200
Friendship Trail	6,600	MacKenzie Environmental Education Center	362,400
Gandy Dancer Trail	58,500	Mead Wildlife Area	257,000

Meadow Valley Wildlife Area	\$179,500	Statewide-Engineering	\$214,000
Menominee River State Natural Area	72,700	Statewide-Environmental Cleanup	131,600
Merrick State Park	52,800	Statewide-Miscellaneous	80,500
Military Ridge State Trail	423,400	Statewide-Old Closed Projects	696,900
Mill Bluff State Park	27,800	Statewide-Parks	628,800
Mirror Lake State Park	1,769,200	Statewide-Parks Electric Sites	761,800
Miscellaneous Projects	272,500	Statewide-Parks Handicap Access	158,700
Montello/Fox River Locks	3,063,400	Statewide-Parks Playground Equip	167,100
Mountain Bay State Trail	24,500	Statewide-Parks Toilet/Shower Bldgs	2,035,400
Mud Lake Wildlife Area	93,700	Statewide-Parks Trails	136,500
Namekgaon Wildlife Area	29,500	Statewide-Parks Vault/Pit Toilets	1,598,000
Navarino Wildlife Area	225,000	Statewide-Parks/ Wildlife Areas	
Nelson Dewey State Park	172,700	Roads and Lots	1,061,700
NE Region Headquarters	13,500	Statewide-Signs	394,800
New Glarus Woods State Park	39,400	Straight Lake State Park	72,200
Newport State Park	488,100	Straight Lake Wildlife Area	444,400
Northern Highland/American Legion	2,481,500	Sugar River State Trail	734,800
North Bend Bottoms Wildlife Area	69,000	Theresa Marsh State Wildlife Area	39,700
Old Abe State Trail	635,000	Tower Hill State Park	43,200
Parks Falls Area	30,100	Turtle/Flambeau Flowage	399,500
Pattison State Park	1,548,600	Tussock State Trail	278,000
Pecatonica State Trail	258,900	Upper Fox Headwater	19,700
Peninsula State Park	3,382,400	Van Loon Wildlife Area	132,500
Perrot State Park	578,300	Washington Creek Wildlife Area	4,200
Pershing Wildlife Area	98,000	Weirgor Springs Wildlife Area	20,000
Pestigo River State Forest	135,700	White River Marsh Wildlife Area	141,600
Pike Lake	202,500	Whitefish Dunes State Park	327,500
Pike Wild River	500	Wildcat Mountain State Park	3,113,100
Point Beach State Forest	980,200	Wildlife Habitat Restoration	40,700
Polk County Trails	4,700	Willow Flowage	240,700
Potawatomi State Park	653,200	Willow River State Park	4,209,800
Poynette State Game Farm	108,700	Wilson Nursery	37,300
Red Banks	10,000	Woodburo Wildlife Area	34,400
Red Cedar State Trail	563,800	Wyalusing State Park	1,027,000
Rib Mountain Chalet	995,000	Yellowstone Lake State Park	410,400
Rib Mountain State Park	6,564,900	Yellowstone Lake Wildlife Area	<u>56,100</u>
Roche-a-Cri State Park	429,900	Total Expenditures	\$114,568,500
Rock Island State Park	838,100	Open Balances Total-Large Projects	16,115,300
Rocky Arbor State Park	36,000	Open Balances Total-Small Projects	<u>3,256,500</u>
Rush Lake Wildlife Area	1,900	Total Committed	\$133,940,300
Shaw Marsh Wildlife Area	28,800		
Spread Eagle Barrens	110,200		
State Fair Park	15,500		
Statewide-Asbestos	61,200		
Statewide-Bridge Inspections	5,700		

