

2705

**(Base) Agency:** DNR - Stewardship  
Bluff Protection Subprogram

**Recommendations:**

**Paper No. 264:** Shibilski Motion

**Comments:** The resolution of papers 261 through 266 should be taken care of with the omnibus Shibilski motion. Possibly, papers 267 and 268 might also be rolled into the package.

I think it's fine to earmark money for bluff protection, but just don't include the Panzer/Hoven Ozaukee County earmark - make them compete for it like anyone else. I don't know if Shibilski is including this earmark in his proposal, but I doubt it - unless Cowles makes him. He probably just lists bluff protection as an eligible use of funds.

If Shibilski's motion fails, I recommend either Alternative 2, or Alternative 4(b), or Alternative 5 (a, b or c).

prepared by: Barry



## Legislative Fiscal Bureau

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June 7, 1999

Joint Committee on Finance

Paper #264

### **Bluff Protection Subprogram (DNR -- Stewardship)**

[LFB 1999-01 Budget Summary: Page 472-4, #6]

#### **CURRENT LAW**

While the Department of Natural Resources does not have explicit statutory authority to acquire bluff land, such land may be purchased within the boundaries established by the Natural Resources Board for other authorized acquisition projects, such as state parks, natural areas, wildlife areas or the Lower Wisconsin State Riverway.

#### **BUILDING COMMISSION**

Allocate \$500,000 annually from 2000-01 to 2003-04 under the Stewardship 2000 program for a bluff protection subprogram. Under this subprogram, allow DNR to acquire bluff land or interests in bluff land and award grants to municipalities and nonprofit conservation organizations (NCOs) to acquire these lands or interests.

Require that DNR transfer \$750,000 from the land acquisition subprogram and \$650,000 from the property development subprogram to the bluff protection subprogram in 2000-01. Require that the \$1.4 million transferred be used only for a pilot project under which the Department may award grants to municipalities to acquire bluff land or interests in bluff land along Lake Michigan in Ozaukee County (townships nine through 12 north) for protection purposes.

Specify that a grant awarded for bluff protection may not exceed 50% of the cost of acquisition. Require DNR to promulgate rules to administer and implement the bluff protection subprogram and pilot program. Require the rules to include standards for awarding bluff protection grants and a definition of "bluff land."

Specify that if the total amount obligated for the bluff protection subprogram on June 30, 2004, is less than \$3,400,000, that the Department allocate 75% of the unobligated amount to the land acquisition subprogram and 25% to the property development subprogram.

## DISCUSSION POINTS

1. As passed by the Legislature, the 1997-99 biennial budget would have created a bluff protection program under the Warren Knowles-Gaylord Nelson stewardship program, funded at \$500,000 annually, to allow cities, villages, towns, counties and NCOs to receive grants of up to 50% of the cost of acquiring bluff land for environmental protection and management. DNR would have been required to promulgate rules to define a bluff and determine standards for awarding grants under the program. The Governor item-vetoed the provision, noting that the bluff protection category should be considered by his Blue Ribbon Task Force on the Stewardship Program as part of a reauthorized program.
2. The Task Force did not recommend creation of a separate category for bluff protection efforts. Rather, the Task Force included Great Lakes bluffs as a purpose for which DNR, local units of government and NCOs could acquire land and land rights as part of the proposed Land Heritage Fund in a reauthorized stewardship program.
3. As proposed to the Building Commission by the administration, \$500,000 would have been allocated annually from 2000-01 to 2003-04 for the acquisition of bluff land or easements to protect bluff land by DNR, local units of governments or NCOs. The Building Commission added the provision transferring \$1.4 million in the first year of the program for the Ozaukee County bluff protection pilot program.
4. The use of stewardship program funding for bluff protection could be viewed as an appropriate way to help stem the erosion and recession of shorelines and bluffs in the state and along Lake Michigan. State funding for the purchase of bluffs could aid the restoration and preservation of bluffs through planning and erosion prevention and bluff stabilization efforts. Further, such purchases may prevent land uses on those properties which may accelerate natural bluff erosion.
5. If the Committee wishes to utilize stewardship funding for bluff protection purposes, there are several alternatives for doing so. The Committee could choose to allocate only the \$1.4 million for the pilot project in Ozaukee County in the Building Commission recommendation. The results of the pilot project could then be used to help decide whether a larger program should be undertaken on the statewide level, which could be undertaken through subsequent legislation.
6. Another alternative would be to approve the original recommendation to the Building Commission for bluff protection (a \$500,000 annual allocation over four fiscal years). This would enable a statewide approach to bluff protection to be undertaken, with the need for additional funding for the program also able to be evaluated in subsequent biennia.

7. Bluff protection could also be added to the list of statutorily-allowable purposes for which the Department can acquire land. This would allow the Department to acquire bluff land for protection purposes outside of existing project boundaries without allocating funding from other program purposes to do so. In addition, the Committee could specify that local units of government and NCOs could receive matching grants from the Department for 50% of the costs of acquiring bluff land.

8. On the other hand, some argue that the bluff protection subprogram may not be effective in the long-term. Given the naturally fluctuating water levels, the steep pitch of some bluffs, the natural wave action and the runoff from storms, bluff recession along the state's major lake and river shorelines may be inevitable. While structures can be built to funnel runoff from the bluff face and vegetation can be added to limit erosion, such measures would impose an additional cost and may only slow, not prevent, recession.

9. Under the Building Commission recommendation, bluff protection funding is made available only for acquisition, not for recession mitigation efforts. Funding from the property development and local assistance subprograms could be made available for these purposes. The Committee could also choose to make recession mitigation an allowable use of any bluff protection funding provided.

10. The stewardship program was designed to provide a long-term funding source for certain conservation and recreation activities. Under the program, categories are generally designed to be funded over the entire ten years of the program. Given that funding for the bluff protection subprogram would only be provided in the first four years of the program, it could be argued that it should be established outside of the stewardship program. This would maintain funding for traditional stewardship purposes, but still allow for pilot programs or other short-term activities to be undertaken.

## **ALTERNATIVES TO BASE**

1. Approve the Building Commission's recommendation to allocate \$500,000 annually from 2000-01 to 2003-04 under the Stewardship 2000 program for a bluff protection subprogram. Under this subprogram, allow DNR to acquire bluff land or interests in bluff land and award grants to municipalities and nonprofit conservation organizations to acquire these lands or interests. In addition, require that DNR transfer \$1.4 million from the land acquisition and property development subprograms in 2000-01 to be used only for a pilot project under which the Department may award grants to municipalities to acquire bluff land or interests in bluff land along Lake Michigan in Ozaukee County (townships nine through 12 north) for protection purposes.

2. Approve only the Building Commission's recommendation to allocate \$500,000 annually from 2000-01 to 2003-04 under the stewardship program for a bluff protection subprogram. (The Ozaukee County pilot would not be approved.)

3. Approve only the Building Commission's recommendation to require that DNR

transfer \$1.4 million from the land acquisition and property development subprograms in 2000-01 to be used only for a pilot project for grants to municipalities to acquire bluff land along Lake Michigan in Ozaukee County. (The allocation for general bluff acquisition would not be approved.)

4. Instead of funding bluff protection through the stewardship program, create a separate bonding appropriation outside of the stewardship program for bluff protection purposes. Provide one of the following amounts.

a. \$3.4 million, with \$500,000 annually for four years available for general bluff acquisition and \$1.4 million for Ozaukee County bluff protection.

<b>Alternative 4a</b>	<b>BR</b>
1999-01 BONDING (Change to Base)	\$3,400,000
<i>[Change to Bill]</i>	<i>\$3,400,000]</i>

b. \$2 million (\$500,000 annually for four years) for general bluff acquisition only.

<b>Alternative 4b</b>	<b>BR</b>
1999-01 BONDING (Change to Base)	\$2,000,000
<i>[Change to Bill]</i>	<i>\$2,000,000]</i>

c. \$1.4 million for Ozaukee County bluff protection only.

<b>Alternative 4c</b>	<b>BR</b>
1999-01 BONDING (Change to Base)	\$1,400,000
<i>[Change to Bill]</i>	<i>\$1,400,000]</i>

5. Specify any of the following in lieu of allocating funding for a separate bluff protection category:

a. That the allowable uses of moneys under the land acquisition program include acquisition of Great Lakes bluff land, consistent with the Task Force recommendation;

b. That the allowable uses of moneys under the land acquisition program include acquisition of bluff land;

c. That the allowable uses of moneys under the local assistance subprogram include providing grants for the acquisition of bluff land.

6. In addition to any of the above alternatives, specify that bluff recession mitigation efforts are an allowable use of funding provided.

7. Take no action. (No stewardship funding would be made available for bluff land purchases outside of established project boundaries.)

Prepared by: Russ Kava