



## Legislative Fiscal Bureau

One East Main, Suite 301 • Madison, WI 53703 • (608) 266-3847 • Fax: (608) 267-6873

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Joint Committee on Finance

Paper #555

### Stewardship Reauthorization (DNR -- Stewardship Program)

#### *Bill Agency*

[LFB 2007-09 Budget Summary: Page 403, #1]

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#### **CURRENT LAW**

The Warren Knowles-Gaylord Nelson Stewardship 2000 program authorizes the state to incur public debt by issuing bonds for the purposes of (a) acquiring land to expand recreational opportunities and protect environmentally sensitive areas; (b) developing outdoor recreational facilities on state lands; and (c) providing grants to local governments and non-profit conservation organizations for conservation land purchases and nature based outdoor recreational development. 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 (\$25.6 million in 2005-06), with a portion of the funding (\$13.5 million annually beginning in 2007-08) coming from the forestry account of the conservation fund.

Of the \$60 million in annual bonding authority currently authorized until 2009-10, \$45 million is dedicated to the land acquisition subprogram and \$15 million is dedicated to the property development and local assistance subprogram. Under the land acquisition subprogram, DNR may obligate moneys to acquire land for any of the purposes specified under statute (such as forests, parks, wildlife areas and natural areas). In addition, nonprofit conservation organizations (NCOs) are eligible to receive grants for land purchases. Under the current property development and local assistance program, the Department must obligate at least \$7 million on property development and may obligate up to \$8 million on local assistance annually for grants for nature-based outdoor recreation purposes. 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 (up to \$250,000 annually). 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.

**GOVERNOR**

Extend the Warren Knowles-Gaylord Nelson Stewardship 2000 program for another 10 years to fiscal year 2019-20 and increase the annual bonding authority from \$60 million to \$105 million, with \$79 million dedicated to the land acquisition subprogram and \$26 million dedicated to the property development and local assistance subprogram. This would increase the total general obligation bonding authority of the stewardship program to \$1,853,000,000 (from \$803 million currently). In addition, make a number of changes to the subprograms, beginning in 2010-11.

**DISCUSSION POINTS**

**Land ownership**

1. As of December 31, 2006, the Department of Natural Resources (DNR) owned over 1.4 million acres of land, which represents approximately 4.0% of the state's land area (34.76 million acres). In addition, the Department held easements on approximately 179,000 acres. Of the total fee title and easement acres acquired by DNR, approximately 425,000 acres were acquired under the Stewardship program. The DNR ownership represents approximately 22% of the publicly-owned conservation land in Wisconsin. The Board of Commissioners of Public Lands (BCPL) owns approximately 77,800 acres bringing total state-owned conservation land to almost 1.5 million acres. Public conservation land throughout the state of Wisconsin is estimated to include approximately 6.3 million acres (or 18% of the state's land area). The federal government holds approximately 2.3 million (or 37%) of the 6.3 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 40%) of the total. Table 1 summarizes public conservation land ownership by governmental source.

**TABLE 1**

**Estimated Public Conservation Land Ownership in Wisconsin**

<u>Land Owner</u>	<u>Acres</u>	<u>Percent</u>
County	2,530,000	7.3%
Federal	2,331,700	6.7
DNR	1,412,500	4.0
BCPL	<u>77,800</u>	<u>0.2</u>
Total	6,352,000	18.3%

2. The Department utilizes both fee title and easement purchases in its land acquisition activities. Fee title acquisition involves outright purchases of land by the Department, allowing for complete DNR management of the parcel. The Department pays aids in lieu of property taxes, from state general purpose revenue (\$3,160,100 GPR in 2005-06) and from the segregated forestry account of the conservation fund (\$4,000,000 SEG in 2005-06), on the land it owns. An easement is a permanent, perpetual agreement entered into by the landowner and DNR. The state purchases certain specifically identified rights from the landowner. The 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. With an easement, the landowner continues to pay property taxes. 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.

3. 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 over 168,000 acres (the Northern Highland/American Legion State Forest in Iron and Vilas counties). The Department has established a total acquisition goal of approximately 2,461,700 acres throughout the state. However, DNR periodically reviews and revises acreage goals or adds new acquisition projects with the approval of the Natural Resources Board. Of the current goal, over 1.5 million acres have either been purchased or protected by easement, bringing the Department to within 62% of its current goal.

4. The Department expended a total of approximately \$392 million for land acquisition between January 1, 1990 and December 31, 2006. Acquisition costs by county and DNR region are summarized in Attachment 1. In addition, the Department has issued grants to local governments and non-profit conservation organizations for property development and land acquisition totaling approximately \$143 million through December 31, 2006. Attachment 2 summarizes grants by county and DNR region. These figures include actual expenditures to date and grants awarded or encumbered but not yet paid. Finally, DNR property development expenditures totaled \$27.8 million through December 31, 2006. Attachment 3 summarizes Stewardship development expenditures by property. Table 2 summarizes stewardship expenditures by type of expenditure and by region. Some development work is done at various properties throughout the state such as statewide asbestos inspection and statewide environmental cleanup. Therefore, these expenditures are not assigned to a particular region.

**TABLE 2**

**Stewardship Expenditures by Region January 1, 1990 to December 31, 2006**

<u>Region</u>	<u>DNR Acquisition</u>	<u>Grants</u>	<u>Development</u>	<u>Regional Total</u>
North East	\$85,720,000	\$28,620,000	\$1,585,000	\$115,905,000
Northern	156,040,000	14,020,000	3,838,000	173,938,000
South Central	60,450,000	45,900,000	7,193,000	113,543,000
South East	36,810,000	37,250,000	9,887,000	83,947,000
West Central	52,820,000	17,130,000	3,938,000	73,838,000
Miscellaneous Projects	<u>0</u>	<u>0</u>	<u>1,387,000</u>	<u>1,387,000</u>
Total	\$391,840,000	\$142,920,000	\$27,828,000	\$562,558,000

**Public Access**

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

6. In response to these concerns, the Department conducted an analysis regarding public access on stewardship land. The Department found that, for land acquired by fee or easement through the land acquisition subprogram of the stewardship program from 1990 to 2006, approximately 94% of lands are open to hunting. In addition, the analysis found that, for land acquired through DNR stewardship grants to local units of government and non-profit conservation organizations, 62% are open to hunting. Table 3 shows the amount of land acquired through the stewardship program that is open to hunting.

**TABLE 3**

**Stewardship Lands Open to Hunting**

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

7. 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 statutorily prohibited at state parks, state trails and state fish hatcheries and the Department may control access to some state natural areas. In addition, section 23.092 specifies that habitat areas are designated as such in order to enhance wildlife-based recreation in Wisconsin, including hunting, fishing, nature appreciation, and the viewing of game and nongame species. Under section NR 44.06 of the administrative code, habitat areas may be managed for a wide variety of purposes including focused species production and protection. Therefore, hunting may be allowed in some habitat areas, but may be prohibited in others where it would compromise the production or protection of a particular species. The closed acreage on lands acquired under the land acquisition subprogram also includes boat access sites and ranger stations.

8. 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. "Nature-based outdoor recreation" is defined in NR 51 of the administrative code to mean "activities where the primary focus or purpose is the appreciation or enjoyment of nature". These activities may include but are not limited to hiking, bicycling, wildlife or nature observation, camping, nature study, fishing, hunting, picnicking, cross-country skiing, canoeing and multi-use trail activities. The 14,200 acres of fee title land acquired by local governments were used for municipal and county parks and trails. Hunting access on these lands is controlled by the local unit of government. However, in the CWD zones, the Department encourages deer hunting in all county

parks. For example, Dane County, which generally prohibits hunting in county parks, allows archery deer hunting by permit to assist in the CWD control effort. The 800 acres of easements acquired by local units of government were acquired to help protect existing park and public green spaces from potential adjacent land developments. This acreage is not open for public hunting; however, hunting may be allowed on some of these lands by certain individuals with the landowner's permission.

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

10. It could be argued that as long as the property is open for public nature-based recreational use, the type of public access allowed should be left to the local government or NCO (property owner) to decide. Another view would be that given the substantial state investment in purchasing these properties (the stewardship program generally pays one-half of acquisition costs), the state has an interest in ensuring broad public access. Conservation groups have been particularly concerned over the closing of some larger parcels (typically hundreds of acres) in rural settings that may have been historically available for hunting near large population centers. The Committee could consider requiring that properties purchased with stewardship grants be open for hunting, fishing and hiking unless the property owner finds, and DNR agrees, that a closure or restriction is necessary to protect public safety or native wild plants, animals, or other natural features. Further, the Natural Resources Board could be directed to develop a process, by administrative rule, to allow citizens to seek review of closure (or restrictions) and a determination on their necessity. Finally, the Committee could consider requiring DNR to submit an annual report identifying each property, or portion of a property, purchased with the use of stewardship funds (by grant or DNR purchase) that is not generally open to hunting or fishing during an open season. DNR could be required to submit the report to Joint Finance and legislative standing committees on natural resources by each November 15 for stewardship purchases or grant awards in the prior fiscal year.

## **Subprogram Changes**

### **Land Acquisition Subprogram**

11. DNR may obligate moneys under the land acquisition subprogram to acquire land for any of the purposes specified under statute (such as forests, parks, habitat areas, wildlife areas, and natural areas). In addition, nonprofit conservation organizations (NCOs) are eligible to receive grants for land acquisition under this subprogram. In obligating moneys under the land acquisition subprogram (under current law and the bill), DNR must give priority to the following purposes: (a) acquisition of land that preserves or enhances the state's water resources, including land along the

Lower Wisconsin State Riverway and land abutting wild rivers, wild lakes, 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; and (d) acquisition of land for natural areas; and (e) acquisition of land in the middle Kettle Moraine. DNR must set aside \$3 million in each fiscal year for purchases for state trails and the Ice Age Trail. Additionally, beginning in fiscal year 2006-07 and ending in fiscal year 2019-20, the Department must set aside \$2,000,000 in each fiscal year to acquire land from the Board of Commissioners of Public Lands (BCPL).

12. Under the bill, beginning in 2010-11 and ending in fiscal year 2019-20, DNR would also be required to set aside not less than \$14,500,000 in each fiscal year for matching grants that would be awarded only to NCOs. While an NCO set-aside is not statutorily required at present, the \$14.5 million level under the bill would be consistent with the \$8.25 million the Natural Resources Board has allocated under the current program. The following table illustrates how funding is allocated under the land acquisition subprogram under current law, and would be allocated under the bill.

**TABLE 4**

**Land Acquisition Subprogram**

	Current Law <u>(Through 2009-10)</u>	SB 40 <u>(Beginning in 2010-11)</u>
General DNR Acquisitions	\$31,750,000	\$59,500,000*
Grants to NCOs	8,250,000	14,500,000
BCPL Natural Areas	2,000,000	2,000,000
Ice Age and Other Trails	<u>3,000,000</u>	<u>3,000,000</u>
 Total Annual Bonding Authority	 \$45,000,000	 \$79,000,000

\*Includes county acquisition grants under the bill.

13. Currently, NCOs are eligible for funding for land acquisition under either stewardship subprogram. Under current law, these grants may be for up to 50% of the land's current fair market value plus other acquisition costs as determined in rule by DNR (generally, the costs of appraisals and closing costs, but not attorney fees). In 2004-05, approximately \$7.1 million was expended from the land acquisition subprogram for NCO land acquisition and \$545,000 was awarded from the property development and local assistance subprogram. In 2005-06, \$11.2 million was expended from land acquisition and \$1.8 million was provided from property development and local assistance for land acquisition by NCOs. DNR program staff indicate that the number of NCOs working with the Department has grown significantly since the beginning of the stewardship program. In 1994, DNR established the Stewardship Advisory Council (SAC), a group of land trusts (NCOs formed for the purpose of holding land for conservation, historic preservation, and wildlife protection), local units of government, and other environmental and conservation organizations who advise the Department on policy and administrative issues relating to the stewardship program. The

SAC, in its recommendations to the DNR Secretary regarding the possible reauthorization of the stewardship program, recommended that the Department increase partnerships with land trusts and local units of government under a reauthorized program. The SAC estimates that there are over 50 land trusts in Wisconsin with a combined membership of 45,000 individuals and a combined interest in over 200,000 acres of protected land. The SAC argues that these land trusts and local units of government not only provide matching funds to protect land, they also involve local citizens in the conservation effort. Further, specifying that at least \$14.5 million be set aside from the land acquisition subprogram could result in more grant funding being available to local governments for land acquisition or property development.

14. In addition, under the bill, grants to NCOs could be made for up to 75% of the acquisition costs of property acquired for purposes specified under either stewardship subprogram, in certain circumstances. These grants would be made from the \$14.5 million set aside for NCO land acquisition under the land acquisition subprogram if the Natural Resources Board determined 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 \$14.5 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. DNR staff indicate that requiring Natural Resources Board approval would ensure that the reduced local match is only done in limited circumstances, where the property to be obtained is uniquely valuable, such as a site that provides habitat for a particularly rare or endangered species. However, they indicate that providing 75% of grants on a broader scale would not be advisable, as it would result in fewer projects being funded overall. The 50% matching requirement was created, at least in part, to ensure that grantees were equal partners in stewardship projects. Further, if the NCO does not have the capacity to raise sufficient funding to meet the 50% purchase threshold, it may raise concerns as to whether the organization has the capacity to effectively manage a property. The minimum 50% local share could be maintained (Alternative B3). Alternatively, if the Committee wished to allow an increased level of grants to NCOs for certain unique land acquisition costs, it could require that, in addition to the determination by the Natural Resources Board, all stewardship grants to NCOs for more than 50% of property acquisition costs be reviewed by the Joint Committee on Finance under a 14-day passive review process (Alternative B2).

15. Beginning in 2010-11, the bill would create a program under the land acquisition subprogram to provide grants to counties to acquire land for nature-based outdoor recreation. The Department has defined "nature-based outdoor recreation" in rule to mean "activities where the primary focus or purpose is the appreciation or enjoyment of nature". The bill would require each county receiving a grant under this program to provide matching funds of at least 50% of land acquisition costs. Further, the bill would prohibit a county from converting the land or the rights in the land acquired using program grant money to a use that is inconsistent with the type of nature-based outdoor recreation for which the grant was awarded, without the approval of the Natural Resources Board. Grant awards would be for no more than 50% of property acquisition costs. Under the current program, counties are eligible for funding under the property development and local assistance program; the bill would extend eligibility to the land acquisition subprogram.

Administration and DNR officials indicate that these grants would be intended primarily for counties to add land to their forests to consolidate large blocs of working timberlands that may become available. Section 28.11(4) of the statutes specifies that county forests are to be open to the public for the purpose of hunting, fishing, trapping, and other recreation pursuits, subject to local restrictions. The Committee could specify that these grants be used to acquire lands for inclusion in county forests. However, DNR staff indicate that, under the bill, the Department could provide grants to counties for the acquisition of land that provides opportunities for nature-based outdoor recreation but is not acquired to be included in a county forest. Counties received approximately \$2.2 million in 2004-05 and approximately \$3.1 million in 2005-06 in grants for land acquisition and property development. Over the last three years, the three counties that received the most local assistance grants were Waukesha, Dane, and Washington. DNR staff indicate that grant requests from local units of government have exceeded available funding by between 30% and 65% over the past three years. In 2005-06, grant requests totaled approximately \$22.2 million, with 36% funded, and the Department expects to fund approximately 37% of requests in 2006-07. Expanding the eligibility for grants to counties to include the land acquisition subprogram could leave increased grant funding available for other local governmental units under the local assistance subprogram. Further, overall stewardship purchasing power could be enhanced as counties would pay 50% of acquisition costs. In addition, the state would not pay aids in lieu of property taxes on county conservation lands. However, available funds for DNR land acquisition would also be reduced.

**Property Development and Local Assistance Subprogram**

16. Of the \$15 million in annual bonding authority currently dedicated to the property development and local assistance subprogram, the Department may obligate up to \$8 million, annually, on local assistance for nature-based outdoor recreation purposes. The bill would increase the annual bonding authority dedicated to property development and local assistance to \$26 million, and would increase the maximum amount that may be obligated for local assistance to \$14 million annually (leaving at least \$12 million annually for DNR property development). The following table illustrates how funding is allocated annually under the property development and local assistance subprogram under current law and under the bill.

**TABLE 5**

**Property Development and Local Assistance Subprogram**

	Current Law <u>(Through 2009-10)</u>	SB 40 <u>(Beginning in 2010-11)</u>
Property Development (minimum)	\$7,000,000	\$12,000,000
Local Assistance Grants (maximum)	<u>8,000,000</u>	<u>14,000,000</u>
Total Annual Bonding Authority	\$15,000,000	\$26,000,000

17. Under the bill, at least \$12 million annually would be provided for property development activities. This would be approximately 11% of the overall annual bonding authority provided under the bill, which is consistent with the percentage of overall bonding authority currently allocated to property development.

18. Property development allocations may be used for: (a) property development on DNR land; (b) property development on conservation easements adjacent to DNR land (although, to date, no stewardship funding has been used for this purpose); and (c) grants to friends groups and non-profit conservation organizations (NCOs) for property development activities on DNR land. DNR may not encumber more than \$250,000 annually for grants to friends groups and NCOs for property development activities on DNR land, grants are restricted to a maximum of \$20,000 per property, and the friends group or NCO must provide matching funds of at least 50% of project costs. (This limit applies only to property development grants for NCOs; NCOs are also eligible for land acquisition grants under both stewardship subprograms.) In 2004-05, \$248,600 was awarded for grants to friends groups and NCOs and in 2005-06 \$205,400 was awarded for this purpose. DNR program staff indicate that the \$20,000 threshold per grant means that the friends group or non-profit conservation organization sometimes contribute more than 50% of the total project costs because projects may be significantly more expensive than \$40,000. For example, the Ice Age Park and Trail Foundation received grants of \$20,000 in 2004-05 and 2005-06 for trail building and rehabilitation on selected state-owned parcels of the Ice Age Trail. The total cost of these projects conducted over two years was estimated at \$155,000. An alternative could be to increase the maximum grant award per project or to eliminate the maximum grant requirement. However, increasing the annual per property amount could limit the number of grants awarded. Therefore, the \$250,000 maximum could also be increased to reflect any increase in individual award amounts.

19. Local assistance allocations may be used for grants for (a) acquisition of urban green space; (b) acquisition and development of local parks; (c) acquisition of property development rights; and (d) acquisition and development of urban rivers. Grant awards are available for up to 50% of eligible costs. Eligible recipients of these grants include: towns, villages, counties, and tribal governments. Under the bill, a maximum of \$14 million annually (13% of overall annual bonding authority) would be allocated to local assistance grants. This is consistent with the percentage of overall bonding authority currently allocated to local assistance grants. Requests for stewardship grants have greatly exceeded available funds over the past few years (over \$22 million requested in 2005-06).

### **Bonding Level**

20. Under the original stewardship program, DNR allocated \$23.1 million of general obligation bonding authority and \$1.9 million of federal land acquisition funds from various sources each fiscal year from 1990-91 to 1999-2000. The program was reauthorized in 1999 Act 9 (the 1999-01 biennial budget) as the Warren Knowles-Gaylord Nelson Stewardship 2000 program, and the annual bonding allotment was set at \$46 million, from fiscal years 2000-01 to 2009-10. The annual bonding authorization was then increased under 2001 Act 16 (the 2001-03 budget) to \$60 million annually, from 2002-03 to 2009-10, with \$45 million dedicated to land acquisition and \$15

million dedicated to property development and local assistance.

21. Under the bill, the annual bonding authority would be increased to \$105 million, with \$79 million dedicated to the land acquisition subprogram and \$26 million dedicated to the property development and local assistance subprogram. If bonding authority remains for a subprogram on June 30, 2020, DNR may expend any portion of the remaining bonding authority for that subprogram in one or more subsequent years. Further, the bill would extend the current provisions allowing DNR to obligate additional amounts (up to the total bonding authority for the land acquisition subprogram) for certain land acquisitions with the approval of the Natural Resources Board, or the Governor and Joint Committee on Finance.

22. In 1998, the Governor appointed a Blue Ribbon Task Force to evaluate the stewardship program and propose alternatives for its future. The task force released its findings and recommendations in early 1999, and its findings guided key changes in the reauthorized Stewardship 2000 program. One recommendation made by the task force was that the program should be restored to its original purchasing power. Table 6 summarizes estimated amounts necessary to match the initial funding authorization of the Stewardship program in 2006 dollars and in estimated 2010 dollars using three different measures: value of productive forest land, change in personal income, and the consumer price index. While the factors used for inflationary increases from 2007 to 2010 could be considered speculative, the estimates are based on recent trends.

**TABLE 6**

**Estimated Amount Necessary to Match Stewardship Initial Funding Authorization in 2006 and 2010 Dollars**

	<u>Initial Authorization</u>	<u>Change 1991 to 2006</u>	<u>2006 Amount</u>	<u>Change 1991 to 2010</u>	<u>2010 Amount</u>
Value of Productive Forest Land	\$23,100,000	632%	\$169,100,000	886%	\$228,000,000
Personal Income Growth	23,100,000	109	48,300,000	162	60,000,000
Consumer Price Index	23,100,000	48	34,200,000	60	37,000,000

23. Another view could be that the funding level should reflect the purchasing power of the most recent increase in annual bonding authority (the \$60 million authorized beginning in 2002-03). The following table summarizes estimated amounts necessary to match the \$60 million authorized in 2003 in 2006 and 2010 dollars using the same three measures.

**TABLE 7**

**Estimated Amount Necessary to Match Stewardship 2003  
Funding Authorization in 2006 and 2010 Dollars**

	<u>2003 Authorization</u>	<u>Change 2003 to 2006</u>	<u>2006 Amount</u>	<u>Change 2003 to 2010</u>	<u>2010 Amount</u>
Value of Productive					
Forest Land	\$60,000,000	38%	\$82,500,000	85%	\$111,000,000
Personal Income Growth	60,000,000	15	68,800,000	43	86,000,000
Consumer Price Index	60,000,000	10	66,000,000	18	71,000,000

24. As land purchased under the Stewardship program is primarily forested land (though other types of conservation land and outdoor recreational development are also funded), the change in the value of productive forest land could be considered one appropriate measure for estimating the current amount necessary to provide a level of funding necessary to purchase a similar amount of land as could have been purchased in 1991 or 2003. Land that is producing or is capable of producing commercial forest products is classified as "productive forest land" and comprises one of eight classes of real estate for property tax purposes. Each year, the Department of Revenue determines equalized values for local governments in the state. These values are used to apportion property taxes and distribute state aid among the state's local taxing jurisdictions. In determining the values, the Department quantifies the various reasons for values to change from year to year for each class of property. One such component of change is economic factors, which generally reflects appreciation and inflation. The Department develops its estimates of economic change based on an analysis of property sales. By examining each year's economic change for productive forest land on a statewide basis, the current value of property purchased in prior years can be estimated. Consequently, forest property would be expected to have a market value in 2006 that is 632% higher than the property's value in 1991, and a market value in 2010 that would be approximately 886% higher than the property's value in 1991. Using this measure, the amount needed in 2006 dollars to match the initially authorized stewardship funding would be approximately \$169 million annually, and the amount needed to match the \$60 million authorized in 2003 would be approximately \$83 million. In expected 2010 dollars, the amount needed to match \$23.1 million in 1991 would be approximately \$228 million annually, and the amount needed to match \$60 million in 2003 would be approximately \$111 million annually.

25. Another measure, relating to the purchasing power of state residents, would be to use the change in annual per capita income in Wisconsin from 1991 to 2006 or 2010. Using this measure, per capita income in Wisconsin in 2006 was 109% higher than the per capita income in 1991, and would be expected to be approximately 162% higher in 2010 than in 1991. In 2006 dollars, the amount needed to match the initial \$23.1 million authorized would be approximately \$48 million annually, and the amount needed to match the \$60 million authorized in 2003 would be approximately \$69 million. In expected 2010 dollars, the amount necessary to match \$23.1 million would be approximately \$60 million, and the amount needed to match \$60 million would be approximately \$86 million.

26. An often used measure of inflation is the consumer price index. The CPI-U (all urban consumers) is the most common measure of inflation and is based on changes in the price of food, clothing, shelter and fuels, transportation fares, charges for doctors' and dentists' services, drugs, and other goods and services that people routinely buy for personal use. The CPI-U was 48% higher in 2006 than in 1991 and is expected to be 60% higher in 2010 than in 1991. While the CPI-U could provide a general measure of the increase in the price of certain consumer goods and services due to inflation, it would not be representative of the cost of conservation land purchases. In 2006 dollars, the CPI-U would yield an amount of approximately \$34 million to match the \$23.1 million initially authorized and \$66 million to match the \$60 million authorized in 2003. In expected 2010 dollars, an amount of \$37 million would be necessary to match \$23.1 million in 1991, and \$71 million would be necessary to match \$60 million in 2003.

27. Proponents of substantially increasing stewardship annual bonding authority point to the fact that the purchase of conservation land adds a state asset that appreciates in value. Table 6 would indicate that a forested stewardship property purchased in 1991 for \$1 million may be worth over \$7 million today, while debt service costs for the purchase (over 20 years) would total approximately \$1.6 million. This would be in contrast to most state assets that depreciate over a period of years and must eventually be repaired or replaced (such as state highways). On the other hand, increasing state ownership of conservation lands also requires increased state costs for aids in lieu of property taxes, and to manage and maintain the properties for scenic enjoyment and recreational use.

28. The increasing price of conservation lands and taxpayer ability to pay are two of the factors to be considered in establishing a stewardship bonding level. Tables 6 and 7 would suggest that an annual level as low as \$60 million or as high as \$225 million could be considered. However, overall state bonding levels, the need for public nature-based recreational lands, and state and local governmental ability to manage and maintain these properties may be other factors to consider. Ultimately, the determination of an appropriate level of annual bonding authority and length of reauthorization for stewardship is a policy decision for the Legislature and Governor.

29. Table 8 shows the distribution of funds at the \$105 million annual allocation under the bill, and under current law (\$60 million). However, numerous other options could be considered. Therefore, the table shows two other potential alternatives (\$85 million or \$120 million). The table shows how annual funds could be allocated among various subprograms, based on keeping the percentage allocated to each consistent with the current program (again, other options could be considered).

**TABLE 8**

**Annual Bonding Authority Alternatives**

	<u>Current Level Alternative A2</u>	<u>Governor Alternative A1</u>	<u>Alternative A3</u>	<u>Alternative A4</u>
<b>Land Acquisition</b>				
NCO Grants	\$8,250,000	\$14,500,000	\$11,750,000	\$16,500,000
DNR and County	<u>36,750,000</u>	<u>64,500,000</u>	<u>52,250,000</u>	<u>73,500,000</u>
Subtotal	\$45,000,000	\$79,000,000	\$64,000,000	\$90,000,000
<b>Property Development and Local Assistance</b>				
Property				
Development	\$7,000,000	\$12,000,000	\$10,000,000	\$14,000,000
Local Assistance	<u>8,000,000</u>	<u>14,000,000</u>	<u>11,000,000</u>	<u>16,000,000</u>
Subtotal	\$15,000,000	\$26,000,000	\$21,000,000	\$30,000,000
Total	\$60,000,000	\$105,000,000	\$85,000,000	\$120,000,000

30. Finally, the current program is authorized through 2009-10. Therefore, reauthorization of the stewardship program could be addressed in separate legislation or the 2009-11 budget. However, the Department argues that the predictability of stewardship funding allows DNR, local governments and nonprofit organizations to make long-term land acquisition and development plans and enter into extended negotiations. Additionally, DNR argues that the changing nature of the timber industry has led to large tracts of forestland becoming available recently. The Department believes that it is important to have stewardship funding to purchase (or secure easements on) these tracts when they become available in order to avoid the potential loss of public access and forest fragmentation that could result from the sale and potential development (or splitting and resale) of these large forest blocks. Under the stewardship program, DNR may utilize funding allocated for future years for certain large and unique purchases (with either Natural Resources Board, or the Governor and Joint Committee on Finance approval). An additional alternative could be to extend the program on a more limited basis, for example, by two years to 2011-12. This would allow the Legislature to revisit the long-term reauthorization of the program in the 2009-11 budget while allowing DNR to plan land purchases through 2012.

**Debt Service**

31. Debt service for stewardship bonding is primarily funded from a sum sufficient, general purpose revenue (GPR) appropriation in DNR. However, since 1997-98 funds have also been appropriated from the forestry account of the segregated (SEG) conservation fund.

32. Under current law, \$803 million in general obligation bonding has been authorized over a 20-year period (from 1990-91 to 2009-10) for the stewardship program. Total debt retirement payments over a period of 40 or more years are expected to approach \$1.3 billion. DNR debt service payments related to the stewardship and similar predecessor programs are expected to total \$55.5

million in 2007-08 and \$61 million in 2008-09. While the majority of the debt service shown in Table 9 is related to the two stewardship programs, a portion of the payments are related to similar recreational land acquisition programs and a local dam repair and removal program. Table 9 shows state stewardship and related debt service costs since 1999-00. Debt retirement costs increased steadily through 2000-01. Costs did not increase significantly in 2001-02 and declined in 2003-04 primarily because of state debt restructuring initiatives to take advantage of lower interest rates and to reduce short-term liabilities.

**TABLE 9**

**Stewardship and Related Debt Service Costs**

<u>Fiscal Year</u>	<u>SEG</u>	<u>GPR</u>	<u>Total</u>
1999-00	3,000,000	18,744,900	21,744,900
2000-01	3,000,000	21,334,700	24,334,700
2001-02	4,901,900	19,774,000	24,675,900
2002-03	8,400,000	19,187,700	27,587,700
2003-04	10,000,000	8,649,200	18,649,200
2004-05	10,000,000	23,779,300	33,779,300
2005-06	14,100,000	25,618,900	39,718,900
2006-07*	24,100,000	21,166,000	45,266,000
2007-08*	13,500,000	42,021,100	55,521,100
2008-09*	13,500,000	47,527,600	61,027,600

\*Estimated.

33. Attachment 4 provides an estimate of debt payments to date, and what annual payments might be over the life of the current stewardship program, and over the life of a 10-year reauthorized program under the bill. The attachment assumes 20-year level-debt bond issuances. Under the stewardship program, any bonds not issued by June 30, 2010 (extended to 2020 under the bill), may be issued for the authorized purposes in subsequent fiscal years. Actual bond rates over the 20-year or longer issuance period may vary significantly and the level of bond issuance can vary substantially from year to year based on local grant awards, state acquisition and development projects, payment terms and the impact of large purchases (such as the \$33 million Wild Rivers and Forest Legacy purchase in 2006). Further, the attachment may not fully recognize the impact of certain debt restructuring initiatives the state has recently undertaken. However, the attachment may provide a useful approximation of the State's debt service commitments under the program. As shown in the attachment, total debt service payments under the current stewardship program are expected to approach \$1.3 billion. If the program were reauthorized through 2019-20, total debt service payments would approach \$3 billion at the \$105 million annual bonding level. Total debt service costs if a 10-year \$60 million per year program extension were authorized would be approximately \$2.2 billion, while if \$85 million per year were authorized, total payments of approximately \$2.6 billion would be expected, and at the \$120 million level, approximately \$3.2 billion in total payments would be expected (over a period of 50 or more years). If interest rates at

the time of bond issuance vary significantly from the approximately 5% rate assumed here, overall costs would increase or decrease accordingly.

## ALTERNATIVES TO BILL

### A. Bonding Level

1. Adopt the Governor's recommendation to extend the Warren Knowles-Gaylord Nelson Stewardship 2000 program for another 10 years to fiscal year 2019-20 and provide \$1.05 billion in general obligation bonding authority. Allocate \$105 million annually, with \$79 million dedicated to the land acquisition subprogram and \$26 million dedicated to the property development subprogram (with a maximum of \$14 million allocated to local assistance). In addition, require DNR to set aside not less than \$14,500,000 in each fiscal year from the land acquisition subprogram for matching grants that would be awarded only to nonprofit conservation organizations (NCOs).

ALT 1	Change to Bill Revenue	Change to Base Revenue
BR	\$0	\$1,050,000,000

2. Extend the stewardship program for another 10 years and provide an additional \$600 million in general obligation bonding authority. Allocate \$60 million annually with \$45 million dedicated to the land acquisition subprogram and \$15 million dedicated to the property development and local assistance subprogram (with a maximum \$8 million allocated to local assistance). In addition, require DNR to set aside not less than \$8,250,000 in each fiscal year from the land acquisition subprogram for matching grants that would be awarded to NCOs.

ALT 2	Change to Bill Revenue	Change to Base Revenue
BR	-\$450,000,000	\$600,000,000

3. Extend the stewardship program for another 10 years and provide an additional \$850 million in general obligation bonding authority. Allocate \$85 million annually with \$64 million dedicated to the land acquisition subprogram and \$21 million dedicated to the property development and local assistance subprogram (with a maximum of \$11 million allocated to local assistance). In addition, require DNR to set aside not less than \$11,750,000 in each fiscal year from the land acquisition subprogram for matching grants that would be awarded to NCOs.

ALT 3	Change to Bill Revenue	Change to Base Revenue
BR	-\$200,000,000	\$850,000,000

4. Extend the stewardship program for another 10 years and provide an additional \$1.2 billion in general obligation bonding authority. Allocate \$120 million annually with \$90 million dedicated to the land acquisition subprogram and \$30 million dedicated to the property development and local assistance subprogram (with a maximum of \$16 million allocated to local assistance). In addition, require DNR to set aside not less than \$16,500,000 in each fiscal year from the land acquisition subprogram for matching grants that would be awarded to NCOs.

<b>ALT 4</b>	<b>Change to Bill Revenue</b>	<b>Change to Base Revenue</b>
BR	\$150,000,000	\$1,200,000,000

5. Extend the stewardship program for two years and provide for one of the following:

a. \$120 million in additional general obligation bonding authority to maintain the current \$60 million annual allocation. In addition, require DNR to set aside not less than \$8,250,000 in each fiscal year from the land acquisition subprogram for matching grants that would be awarded only to NCOs.

<b>ALT 5a</b>	<b>Change to Bill Revenue</b>	<b>Change to Base Revenue</b>
BR	-\$930,000,000	\$120,000,000

b. \$170 million in additional general obligation bonding authority to provide \$85 million each year with \$64 million annually dedicated to the land acquisition subprogram and \$21 million dedicated to the property development and local assistance subprogram (with a maximum \$11 million allocated to local assistance). In addition, require DNR to set aside not less than \$11,750,000 in each fiscal year from the land acquisition subprogram for matching grants that would be awarded to NCOs.

<b>ALT 5b</b>	<b>Change to Bill Revenue</b>	<b>Change to Base Revenue</b>
BR	-\$880,000,000	\$170,000,000

6. Delete provision. (The stewardship program would be authorized through June 30, 2010).

## **B. NCO Matching Grant Requirement**

1. Adopt the Governor's recommendation to specify that stewardship grants to NCOs could be made for up to 75% of property acquisition costs 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 \$14.5 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.

2. Adopt the Governor's recommendation. In addition, specify that all stewardship grants to NCOs for more than 50% of property acquisition costs be reviewed by the Joint Committee on Finance under a 14-day passive review process.

3. Delete provision. (Stewardship grants to NCOs may be made for up to 50% of property acquisition costs).

## **C. County Land Acquisition Program**

1. Adopt the Governor's recommendation to create a program under the land acquisition subprogram to provide grants to counties to acquire land for nature-based outdoor recreation. Require each county receiving a grant under this program to provide matching funds of at least 50% of the land acquisition costs. Further, prohibit a county from converting the land or the rights in the land acquired using stewardship 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.

2. Adopt the Governor's recommendation, but limit the land acquisition grants to the purchase (or easement) of county forest lands.

3. Delete provision (counties would remain eligible for local assistance grants).

## **D. Public Access Considerations**

1. Specify that stewardship grants may only be used to purchase property that is open for hiking and for hunting and fishing during an open season, except where the property owner finds, and DNR agrees, that a closure or restriction is necessary to protect public safety or native wild plants, animals, or other natural features.

2. Adopt Alternative D.1. In addition, direct the Natural Resources Board to develop a process, by administrative rule, to allow members of the public, within a reasonable period of time,

to seek review of a finding that a property be closed, or restricted, for hiking, hunting or fishing and to make a determination on whether the closure is necessary to protect public safety or native wild plants, animals or other natural features.

3. Require DNR to submit an annual report identifying each property, or portion of a property, purchased with the use of stewardship funds that is not open for hiking, or to hunting or fishing during an open season and a summary of the reason for the closure. DNR would submit the report to the Joint Committee on Finance and legislative standing committees on natural resources by each November 15 for stewardship purchases or grant awards made in the prior fiscal year.

4. Maintain current law.

**E. Friends Group and NCO Property Development Grants**

1. Increase the maximum amount DNR may encumber per grant for grants to friends groups and non-profit conservation organizations for property development on a DNR property in a fiscal year from \$20,000 per property annually to:

- a. \$25,000;
- b. \$50,000;
- c. No limit;
- d. Maintain current law (\$20,000).

2. Increase the maximum amount the Department may encumber for total grant awards to friends groups and non-profit conservation organizations from \$250,000 to:

- a. \$300,000
- b. \$400,000
- c. \$500,000
- d. Maintain current law (\$250,000 annually).

Prepared by: Erin Rushmer  
Attachments



**ATTACHMENT 1**

**Stewardship Land Acquisition Costs by Region from July 1, 1990 to December 31, 2006**

<u>County</u>	<u>Fisheries</u>	<u>Wildlife Areas</u>	<u>Parks</u>	<u>Wild Rivers</u>	<u>Natural Areas</u>	<u>Northern Forests</u>	<u>Southern Forests</u>	<u>Other</u>	<u>Total Cost</u>
<b>North East Region</b>									
Brown	\$328,278	\$1,546,710	\$593,284	\$0	\$340,000	\$0	\$0	\$368,600	\$3,176,872
Calumet	351,500	2,006,470	78,811	0	71,500	0	0	7,600	2,515,881
Door	998,000	717,200	1,338,500	0	5,859,844	0	0	80,900	8,994,444
Fond Du Lac	67,850	6,428,862	626,700	0	85,000	0	187,200	61,835	7,457,447
Green Lake	456,225	421,218	0	0	95,600	0	0	0	973,042
Kewaunee	0	107,700	616,594	0	0	0	0	0	724,294
Manitowoc	0	455,313	1,550,000	0	0	0	0	521,857	2,527,170
Marquette	579,000	510,724	3,598,815	3,700,404	731,200	23,940,052	0	321,501	33,381,695
Marquette	1,018,986	1,159,446	0	0	216,775	0	0	0	2,395,207
Menominee	0	0	0	0	0	0	0	0	0
Ontonio	969,012	653,901	77,321	0	0	1,244,040	0	0	2,944,274
Outagamie	229,100	3,115,197	488,369	0	33,800	0	0	6,000	3,872,466
Shawano	52,051	701,913	458,406	0	530,000	0	0	0	1,742,370
Waupaca	1,376,190	1,145,711	515,225	0	1,571,630	0	0	0	4,608,756
Waushara	3,975,923	411,875	1,083,753	0	531,531	0	0	0	6,003,082
Winnebago	41,000	4,287,356	70,314	0	0	0	0	3,400	4,402,070
Subtotal	\$10,443,114	\$23,669,595	\$11,096,093	\$3,700,404	\$10,066,880	\$25,184,092	\$187,200	\$1,371,693	\$85,719,071
<b>Northern Region</b>									
Ashland	\$300,900	\$125,000	\$411,100	\$0	\$0	\$0	\$0	\$0	\$837,000
Barron	31,201	877,201	65,177	0	0	0	0	5,500	979,079
Bayfield	1,788,425	77,600	0	0	1,735,024	0	0	0	3,601,049
Burnett	308,502	1,135,825	86,517	0	0	731,750	0	0	2,262,594
Douglas	1,001,350	0	692,290	0	115,000	954,827	0	0	2,763,467
Florence	12,600	0	0	15,172,701	3,336,265	0	0	0	18,521,566
Forest	21,000	24,000	142,536	0	0	18,853,094	0	0	19,040,630
Iron	0	2,411,021	0	17,063,995	1,922,778	2,126,861	0	0	23,524,656
Langlade	1,960,366	6,500	300,465	0	228,000	9,180,629	0	36,400	11,712,360
Lincoln	899,229	3,633,395	2,059,580	1,215,413	62,184	4,076,452	0	242,101	12,188,354
Oneida	0	3,191,254	335,407	18,956,034	1,013,931	11,158,787	0	3,642,300	38,297,712
Polk	101,000	2,856,101	10,107,695	0	0	623,900	0	47,570	13,736,266
Price	0	113,500	0	0	0	59,000	0	87,525	260,025
Rusk	46,500	0	0	0	0	94,700	0	0	141,200
Sawyer	415,116	0	60,551	954,990	0	158,542	0	40,101	1,629,300
Taylor	153,600	433,250	31,960	0	688,006	0	0	0	1,306,816
Vilas	157,000	0	0	0	399,900	2,763,293	0	0	3,320,193
Washburn	290,251	1,494,875	122,765	0	4,500	0	0	3,900	1,916,291
Subtotal	\$7,487,040	\$16,379,522	\$14,416,043	\$53,363,134	\$9,505,587	\$50,781,835	\$0	\$4,105,397	\$156,038,558

County	Fisheries	Wildlife Areas	Parks	Wild Rivers	Natural Areas	Northern Forests	Southern Forests	Other	Total Cost
<b>South Central Region</b>									
Columbia	\$472,230	\$3,096,986	\$400,000	\$228,605	\$809,321	\$0	\$0	\$53,000	\$5,060,141
Dane	5,682,339	3,172,086	6,024,417	1,738,642	400,200	0	0	1,813,234	18,830,918
Dodge	30,950	1,833,905	121,850	0	0	0	0	150,200	2,136,905
Grant	1,296,687	0	0	2,432,816	852,261	186,982	0	90,900	4,859,646
Green	177,055	741,400	137,820	0	342,000	0	0	0	1,398,275
Iowa	1,039,264	0	429,100	3,812,555	939,700	0	0	0	6,220,619
Jefferson	33,001	1,953,012	191,342	0	1	0	1,367,966	0	3,545,322
Lafayette	181,990	20,000	506,338	0	212,900	0	0	0	921,228
Richland	1,096,703	0	0	3,084,833	0	0	0	0	4,181,536
Rock	267,000	1,172,081	0	56,199	249,815	0	0	0	1,745,095
Sauk	505,985	741,000	8,140,677	1,854,892	284,500	0	0	24,000	11,551,054
Subtotal	\$10,783,204	\$12,730,470	\$15,951,544	\$13,208,542	\$4,090,698	\$186,982	\$1,367,966	\$2,131,334	\$60,450,740
<b>Southeast Region</b>									
Kenosha	\$141,775	\$280,000	\$0	\$0	\$1,121,324	\$0	\$0	\$0	\$1,543,099
Milwaukee	0	0	2	0	0	0	249,000	0	249,002
Ozaukee	303,037	1,668,500	80,000	0	97,208	0	0	42,700	2,191,445
Racine	332,600	140,000	203,000	0	0	0	0	0	675,600
Sheboygan	3,274,370	1,301,600	87,200	0	73,500	0	1,836,243	42,000	6,614,913
Walworth	81,900	1,421,201	227,700	0	1,719,000	0	3,218,219	0	6,668,020
Washington	1,370,161	1,502,326	3,606,900	0	0	0	2,235,750	49,554	8,764,691
Waukesha	1,760,500	2,206,326	48,000	0	881,275	0	5,205,200	0	10,101,301
Subtotal	\$7,264,343	\$8,519,953	\$4,252,802	\$0	\$3,892,306	\$0	\$12,744,412	\$134,254	\$36,808,071
<b>West Central Region</b>									
Adams	\$422,300	\$469,500	\$101,700	\$0	\$4,552,590	\$0	\$0	\$18,000	\$5,564,090
Buffalo	339,000	689,580	65,500	0	315,900	0	0	0	1,409,980
Chippewa	290,932	747,360	1,502,828	0	0	0	0	5,400	2,546,520
Clark	0	0	0	0	0	467,147	0	0	467,147
Crawford	799,279	1,143,366	0	3,504,013	2,018,382	0	0	0	7,465,039
Dunn	137,425	1,097,480	200,000	0	1,218,356	0	0	0	2,653,261
Eau Claire	240,500	0	24,000	0	581,400	0	0	1,550,000	2,395,900
Jackson	585,445	390,300	0	0	459,400	1,554,557	0	0	2,989,702
Juneau	401,591	1,642,512	795,102	0	1,841,100	0	0	0	4,680,304
La Crosse	327,600	64,120	16,386	0	0	0	0	0	408,106
Marathon	77,000	1,326,358	1,514,497	0	0	280,391	0	0	3,198,246
Monroe	1,178,421	0	197,300	0	0	0	0	0	1,375,721
Pepin	53,600	193,001	0	0	1,542,752	0	0	0	1,789,353
Pierce	601,918	93,565	0	0	102,000	0	0	0	797,483
Portage	840,000	2,913,295	894,800	0	0	0	0	0	4,769,495
St. Croix	1,211,688	3,687,214	356,500	0	529,100	0	0	121,400	5,934,501
Trempealeau	245,551	710,626	500	0	0	0	0	0	956,677
Vernon	1,064,113	85,800	77,910	0	523,073	0	0	0	1,750,896
Wood	989,100	511,400	0	0	28,000	57,000	0	81,600	1,667,100
Subtotal	\$9,805,463	\$15,765,477	\$5,747,023	\$3,504,013	\$13,712,052	\$2,359,095	\$0	\$1,926,400	\$52,819,523
Total Cost	\$45,783,164	\$77,065,017	\$51,463,504	\$73,776,092	\$41,267,524	\$78,512,004	\$14,299,578	\$9,669,078	\$391,835,963

Source: Wisconsin Department of Natural Resources, Land Records Database, The data in this table is current as of 12/31/2006.

## ATTACHMENT 2

### Stewardship Grants By Region

<u>County</u>	<u>Local Units of Government</u>	<u>Nonprofit Conservation Organizations</u>	<u>Total Grant Awards</u>
<b>North Eastern Region</b>			
Brown	\$5,087,855	\$380,768	\$5,468,623
Calumet	479,254	113,407	592,661
Door	1,473,996	9,544,650	11,018,646
Fond Du Lac	1,123,465	6,800	1,130,265
Green Lake	137,164	0	137,164
Kewaunee	445,362	10,400	455,762
Manitowoc	1,927,443	272,009	2,199,452
Marinette	130,584	0	130,584
Marquette	45,101	174,449	219,550
Menominee	0	0	0
Oconto	281,246	0	281,246
Outagamie	1,634,925	8,935	1,643,859
Shawano	821,815	52,050	873,865
Waupaca	1,278,175	56,478	1,334,653
Waushara	192,030	727,500	919,530
Winnebago	<u>1,997,626</u>	<u>220,900</u>	<u>2,218,526</u>
Subtotal	\$17,056,041	\$11,568,346	\$28,624,386
<b>Northern Region</b>			
Ashland	\$124,383	\$325,750	\$450,133
Barron	92,452	0	92,452
Bayfield	396,479	394,434	790,914
Burnett	113,540	89,695	203,235
Douglas	476,562	583,000	1,059,562
Florence	141,906	0	141,906
Forest	58,345	0	58,345
Iron	117,911	0	117,911
Langlade	362,788	0	362,788
Lincoln	789,471	0	789,471
Oneida	586,533	0	586,533
Polk	790,964	2,055,500	2,846,464
Price	548,138	0	548,138
Rusk	469,223	0	469,223
Sawyer	195,124	0	195,124
Taylor	198,330	11,075	209,405
Vilas	645,801	4,103,013	4,748,814
Washburn	<u>344,717</u>	<u>0</u>	<u>344,717</u>
Subtotal	\$6,452,668	\$7,562,467	\$14,015,135

<u>County</u>	<u>Local Units of Government</u>	<u>Nonprofit Conservation Organizations</u>	<u>Total Grant Awards</u>
<b>South Central Region</b>			
Columbia	\$582,392	\$1,657,541	\$2,239,933
Dane	14,876,690	10,756,584	25,633,274
Dodge	1,429,008	310,900	1,739,908
Grant	430,651	273,783	704,433
Green	250,330	148,150	398,480
Iowa	134,995	2,547,771	2,682,766
Jefferson	1,691,760	3,844,115	5,535,875
Lafayette	475,788	0	475,788
Richland	221,438	0	221,438
Rock	1,972,221	472,300	2,444,521
Sauk	<u>950,088</u>	<u>2,867,098</u>	<u>3,817,186</u>
Subtotal	\$23,015,360	\$22,878,241	\$45,893,601
<b>South Eastern Region</b>			
Kenosha	\$1,795,779	\$350,766	\$2,146,545
Milwaukee	2,577,464	303,520	2,880,984
Ozaukee	2,191,339	2,638,851	4,830,190
Racine	2,487,089	162,500	2,649,589
Sheboygan	1,419,299	271,065	1,690,365
Walworth	1,178,825	992,881	2,171,705
Washington	3,166,893	4,483,707	7,650,600
Waukesha	<u>11,099,678</u>	<u>2,134,588</u>	<u>13,234,265</u>
Subtotal	\$25,916,365	\$11,337,877	\$37,254,242
<b>West Central Region</b>			
Adams	\$218,682	\$347,101	\$565,782
Buffalo	186,890	158,077	344,967
Chippewa	714,768	763,902	1,478,670
Clark	637,698	0	637,698
Crawford	238,331	316,434	554,765
Dunn	455,761	233,274	689,034
Eau Claire	1,370,049	6,600	1,376,649
Jackson	478,817	22,500	501,317
Juneau	299,810	159,058	458,868
La Crosse	826,044	1,147,395	1,973,439
Marathon	1,167,547	166,740	1,334,288
Monroe	730,822	10,000	740,822
Pepin	23,501	645,000	668,501
Pierce	284,715	745,060	1,029,775
Portage	974,866	389,080	1,363,946
St. Croix	898,552	534,546	1,433,098
Trempealeau	58,964	14,445	73,409
Vernon	586,091	55,103	641,194
Wood	<u>984,511</u>	<u>277,428</u>	<u>1,261,939</u>
Subtotal	\$11,136,421	\$5,991,740	\$17,128,161
Total Cost	\$83,576,854	\$59,338,670	\$142,915,525

### ATTACHMENT 3

#### Stewardship Development Expenditures by State Property 1990 through December 31, 2006

<u>Property</u>	<u>Expenditures</u>	<u>Property</u>	<u>Expenditures</u>
400 State Trail	\$78,700	Lake Kegonsa State Park	\$111,600
Amnicon Falls SP	38,500	Lake Wissota SP	500
Badger State Trail	1,584,300	Lakeshore SP	5,309,000
Baraboo Hills	2,672,400	Lapham Peak SF	930,000
Bearskin Trail	900	Loew's Lake	29,200
Big Bay SP	27,700	Lower Wisconsin State Riverway	39,400
Big Foot Beach State Park	43,200	Mead WA	103,900
Black River State Forest	500	Merrick State Park	53,700
Blue Mounds SP	47,000	Military Ridge State Trail	200,900
Bong Rec Area SF	1,405,700	Mirror Lake SP	454,400
Brooklyn WA	19,300	Moose Lake NA	14,300
Brule River Forest	9,500	Nelson Dewey SP	57,900
Buckhorn SP	54,200	New Glarus SP	20,000
Buffalo River State Trail	208,600	Newport SP	15,800
Cadiz Recreation Area	54,000	Northern Highland/ American Legion State Forest	237,500
Central Wisconsin Projects	123,700	Pattison SP	1,042,100
Chippewa River Trail	9,600	Peninsula SP	211,300
Copper Falls SP	68,600	Perrot State Park	265,500
Council Grounds SP	1,200	Pike Lake SF	145,700
Crex Meadows WA	112,800	Point Beach SF	997,300
Devils Lake SP	1,178,900	Red Cedar Trail	81,900
Door County WA	5,400	Rib Mountain SP	1,849,700
Drumlin Trail	69,900	Roche-a-Cri State Park	72,900
Elroy Sparta Trail	311,600	Rock Island SP	13,900
Glacial Drumlin Trail	135,200	Rocky Arbor SP	112,800
Gov Thompson SP	12,100	Straight River WA	6,700
Governor Dodge SP	104,400	Tower Hill SP	37,500
Governor Knowles Forest	34,500	Tuscobia Trail	105,700
Governor Nelson SP	205,900	Wildcat Mountain SP	27,400
Great River Trail	97,100	Willow Flowage	16,400
Hank Aaron Trail	18,900	Willow River SP	121,400
Harrington Beach SP	138,200	Wyalusing SP	45,000
Havenwoods SF	76,300	Yellowstone SP	33,200
High Cliff SP	329,400	Miscellaneous Projects	<u>1,386,900</u>
Interstate SP	216,300		
Kettle Moraine North Unit	876,900	Total	\$27,827,700
Kettle Moraine South Unit	591,500		
Kickapoo Valley Visitor Ctr	2,370,000	WA = Wildlife Area	
Kohler Andrae SP	308,400	SP = State Park	
LaCrosse River Trail	35,000	SF = Southern Forest	
		NA = Natural Area	



## ATTACHMENT 4

### Approximate Debt Repayment Schedule Associated with Bonds Authorized for the Stewardship Program (\$ in Millions)

<u>Fiscal Year</u>	<u>Current Stewardship Program</u>		<u>Current and Reauthorized Program (SB 40)</u>	
	<u>Bonds Issued</u>	<u>Debt Payments</u>	<u>Bonds Issued</u>	<u>Debt Payments</u>
Through 2006	\$489	\$199.0	\$489	\$199.0
2007	75	40.4	75	40.4
2008	45	47.7	45	47.7
2009	60	52.0	60	52.0
2010	60	56.3	60	56.3
2011	40	60.5	105	60.5
2012	20	61.9	105	65.3
2013	14	62.9	105	72.6
2014		61.9	105	78.7
2015		60.3	105	85.2
2016		58.5	105	91.8
2017		56.7	105	98.4
2018		55.1	105	105.2
2019		53.0	105	111.6
2020		51.3	105	118.3
2021		47.4	40	122.8
2022		44.3	20	124.7
2023		38.5	14	121.1
2024		33.1		117.0
2025		31.5		115.8
2026		24.0		108.3
2027		24.0		108.3
2028		18.5		102.8
2029		14.9		99.2
2030		10.2		94.5
2031		5.5		89.8
2032		2.4		84.0
2033		0.8		76.4
2034				68.6
2035				60.7
2036				52.3
2037				43.9
2038				35.4
2039				27.0
2040				18.6
2041				10.2
2042				4.3
2043				1.9
2044				0.6
<b>Total</b>	<b>\$803.0</b>	<b>\$1,272.6</b>	<b>\$1,853.0</b>	<b>\$2,970.8</b>