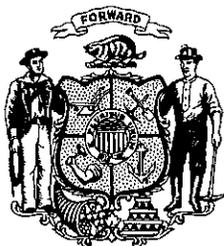


State of Wisconsin

SENATE CHAIR
Alberta Darling

317 East, State Capitol
P.O. Box 7882
Madison, WI 53707-7882
Phone: (608) 266-5830



ASSEMBLY CHAIR
John Nygren

309 East, State Capitol
P.O. Box 8593
Madison, WI 53708-8953
Phone: (608) 266-2343

Joint Committee on Finance

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Alberta Darling
Representative John Nygren

Date: May 26, 2015

Re: 14-Day Passive Review Approval – DNR

Pursuant to s. 23.0917(6m), Stats., attached is a 14-day passive review request from the Department of Natural Resources, received on May 26, 2015.

Please review the material and notify **Senator Darling** or **Representative Nygren** no later than **Friday, June 12, 2015**, if you have any concerns about the request or if you would like the Committee to meet formally to consider it.

Also, please contact us if you need further information.

Attachment

AD:JN:jm

State of Wisconsin
DEPARTMENT OF NATURAL RESOURCES
101 S. Webster Street
Box 7921
Madison WI 53707-7921

Scott Walker, Governor
Cathy Stepp, Secretary
Telephone 608-266-2621
FAX 608-267-3579
TTY Access via relay - 711



May 20, 2015

The Honorable Alberta Darling, Co-Chair
Committee on Joint Finance
Room 317 East
State Capitol
PO Box 7882
Madison WI 53707-7882

The Honorable John Nygren, Co-Chair
Committee on Joint Finance
Room 309 East
State Capitol
PO Box 8953
Madison, WI 53707-53708

Dear Senator Darling and Representative Nygren:

Pursuant to s. 23.0917(6m), Wis. Stats., the Department is notifying you as co-chairs of the Committee on Joint Finance of a proposed acquisition grant for the Bayfield County – Lyme Acquisition, using grant funds in the amount of \$568,420.00 from the Knowles-Nelson Stewardship Program. The parcels in this proposed acquisition are located in the Township of Barnes, Bayfield County.

The Lyme project will acquire 463.00 acres in the Township of Barnes, and as their required match, an additional 160.00 acres of land in the Township of Barnes will be incorporated into the County Forest and Stewardship Programs. The overall project will ensure future forest management, provide public recreation opportunities, and safeguard wildlife habitat on 623.00 acres of productive forest land. The project will block in a significant amount of existing private inholdings in the Bayfield County Forest, which will greatly improve management efficiency, and will permanently protect and provide access to approximately ¾ mile of Williamson Creek.

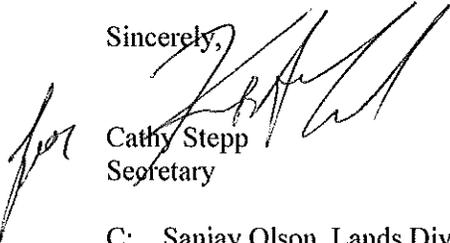
The entire 623.00 acres will be enrolled into the County Forest program and managed consistent with s. 28.11 Wis. Stats., which ensures that the land will be managed for optimum production of forest products together with recreational opportunities, wildlife, and watershed protection.

There are no prohibitions of nature-based outdoor activities, as defined in s. 23.0916(1)(b), Wis. Stats.

As provided in s. 23.0917(6m)(a), Wis. Stats., if the Department does not receive notification of the scheduling of a hearing from either of the Joint Committee on Finance co-chairpersons within 14 working days from today, the Department will award this grant.

Thank you for your consideration.

Sincerely,


Cathy Stepp
Secretary

C: Sanjay Olson, Lands Division Administrator
Steve Miller, Director, Lands and Facilities Bureau
Joe Schwantes, Forest Management Bureau
Lavane Hessler, Lands and Facilities Bureau

CORRESPONDENCE/MEMORANDUM

DATE: May 20, 2015
TO: Members of the Joint Committee on Finance
FROM: Cathy Stepp, Secretary

SUBJECT: REQUEST FOR APPROVAL OF STEWARDSHIP ACQUISITION GRANT FOR FUNDING GREATER THAN \$250,000

Pursuant to s. 23.0917(6m)(a) and (c), Wis. Stats., the Department of Natural Resources is notifying you of a proposed Knowles-Nelson Stewardship Program grant in the amount of \$568,420.00 to Bayfield County for the acquisition of 5 parcels, containing 623.00 acres in total, known as the Lyme project. The Knowles-Nelson Stewardship program is funded under s. 20.866(2)(ta), Wis. Stats.

I. PROJECT DETAILS:

Project Sponsor: Bayfield County
Grant sub-program: County Forest

Location: The 623.00 acre grant project consists of 5 parcels. The four parcels being purchased with Stewardship grant assistance, the 463.0 acre Lyme property is located in the Township of Barnes, Bayfield County.

Properties incorporated into County Forest as match for this award:

- 160.00 acres (1 parcel) in the Township of Barnes, Bayfield County

Project Description: The 463 acre Lyme property acquisition will improve Bayfield County's forest management efficiency and will protect and ensure future forest management of a significant acreage of highly productive forest land. The primary cover types on the parcels are red pine (245 acres) and jack pine (155 acres), with small amounts of oak, maple, and aspen and a receding 15 acre kettle lake. Approximately 120 acres of the acquisition area are located in the Bayfield County Barnes Barrens Management Area, which is being managed to develop and perpetually maintain large block Pine Barrens habitat. These parcels would get incorporated into the plan and become part of the larger management scheme. Pine Barrens are classified as imperiled in Wisconsin, as well as globally. All of these parcels will provide valuable public recreation opportunities, with easy access from town roads and a well-developed network of woods roads, along with excellent wildlife habitat.

As a portion of the match required for this grant, and pursuant to s. NR 51.962(4)(a)(6), Wis. Admin. Code, Bayfield County will incorporate 160 acres of additional land into the Stewardship Program.

- The 160.00 acre parcel is forested, containing mostly mature northern hardwoods. Approximately $\frac{3}{4}$ mile of Williamson Creek bisects the property and numerous important wetland areas associated with the creek can also be found within the area.

All 623 acres will be incorporate into the Stewardship and County Forest programs and managed according to the *Bayfield County Forest Comprehensive Land Use Plan*.

Project area maps are attached as Appendix A.

Project Goals: The Lyme project meets the following goals:

- Provides significant additional forest land for public nature-based outdoor recreation.
- Protects and ensures future forest management of a large amount of highly productive forest land.
- Protects a significant acreage from potential development and maintains forested habitats important to a variety of wildlife species, including globally imperiled Pine Barrens.
- Provides additional acreage that will be managed as Bayfield County Forest for optimum production of forest products together with recreational opportunities, wildlife, and watershed protection.
- Provides Bayfield County with a significant additional acreage of highly productive timberlands that will be harvested sustainably and consequently contribute to the important local wood products based economy. This will provide needed forest products and contribute to steady local revenue.
- Ensures public access to and protects approximately ¾ mile of Williamson Creek.

Public Uses: The Lyme project properties will be open to the public year-round for hunting, fishing, trapping, hiking, cross-country skiing, snowshoeing, wildlife viewing, and many other nature-based recreational activities. These parcels offer excellent recreational opportunities and consequently will be enjoyed by many visitors annually. The public will be able to access the parcels from a variety of town roads and well developed woods roads. The Department's analysis of the permitted nature-based outdoor activities is attached in Appendix B.

Property Management: All 623.00 acres will be enrolled into the County Forest Program and managed consistent with s. 28.11 Wis. Stats., which ensures that the land will be managed for optimum production of forest products together with recreational opportunities, wildlife, and watershed protection. Management will occur according to the *Bayfield County Forest Comprehensive Land Use Plan*, as approved by the Department.

Timetable: Pending grant approval Bayfield County intends to close on this property during 2015.

II. PROJECT FINANCES:

A. Partnerships:

- Bayfield County: Provides matching funds and is responsible for forest management, development, operation, and maintenance according to the *Bayfield County Forest Comprehensive Land Use Plan*.
- The Lyme Timber Company, seller.
- Department of Natural Resources: Provides financial grant assistance and works with Bayfield County to implement the *Bayfield County Forest Comprehensive Land Use Plan*.

B. Appraisals:

As required by s. 23.0917(7)(e)1., Wis. Stats., two appraisals were used to determine the fair market value of the Lyme parcels (463.00 acres).

| | |
|--------------------------------------|-------------------|
| Appraisal #1 | \$ 556,000 |
| Appraisal #2 | \$ 510,000 |
| Value Certified by Department | \$ 556,000 |

C. Grant Calculation

| | |
|---|----------------------|
| DNR approved land value | \$ 556,000.00 |
| Grant-eligible associated costs | \$ 12,420.00 |
| Total grant eligible project costs | \$ 568,420.00 |
| DNR Stewardship grant funding <i>(50% of grant eligible costs)</i> | \$ 284,210.00 |
| Value of land used as match* <i>(See note below on Sponsor Match)</i> | \$ 284,210.00 |

D. *Sponsor Match

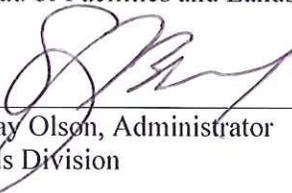
As described above, pursuant to s. NR 51.962(4)(a)6 Wis. Admin. Code, Bayfield County will incorporate 160.0 acres of additional land into the Stewardship Program as a portion of match required for this grant. The value of those lands was determined by DNR reviewed appraisals.

D. RECOMMENDED:



Steve Miller, Director
Bureau of Facilities and Lands

5-20-15
Date



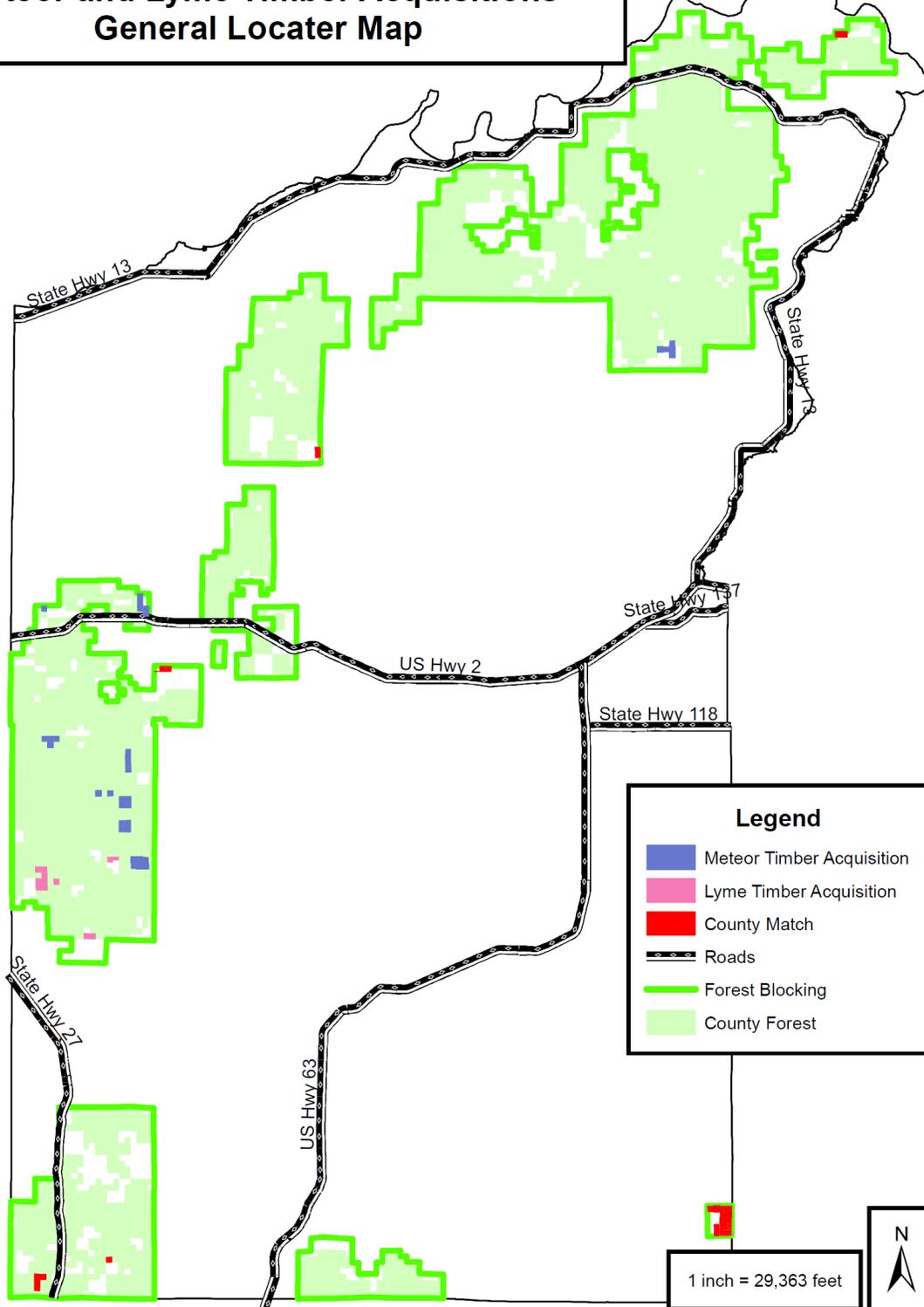
Sanjay Olson, Administrator
Lands Division

5-24-15
Date

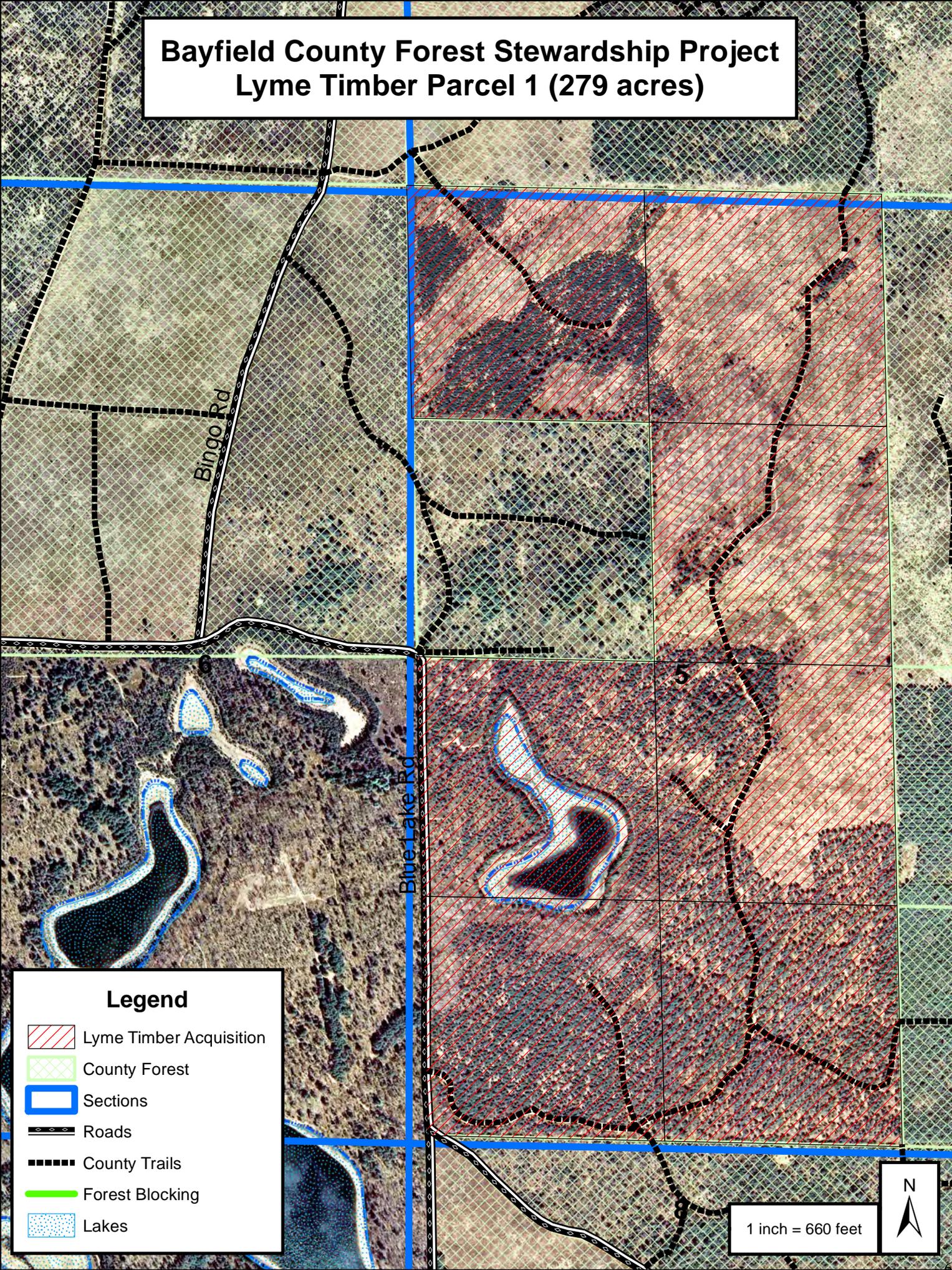
Attachments: Appendix A – Project Area Maps
Appendix B – NBOA Staff Analysis

Bayfield County Forest Stewardship Project Meteor and Lyme Timber Acquisitions General Locater Map

Exhibit B



Bayfield County Forest Stewardship Project Lyme Timber Parcel 1 (279 acres)



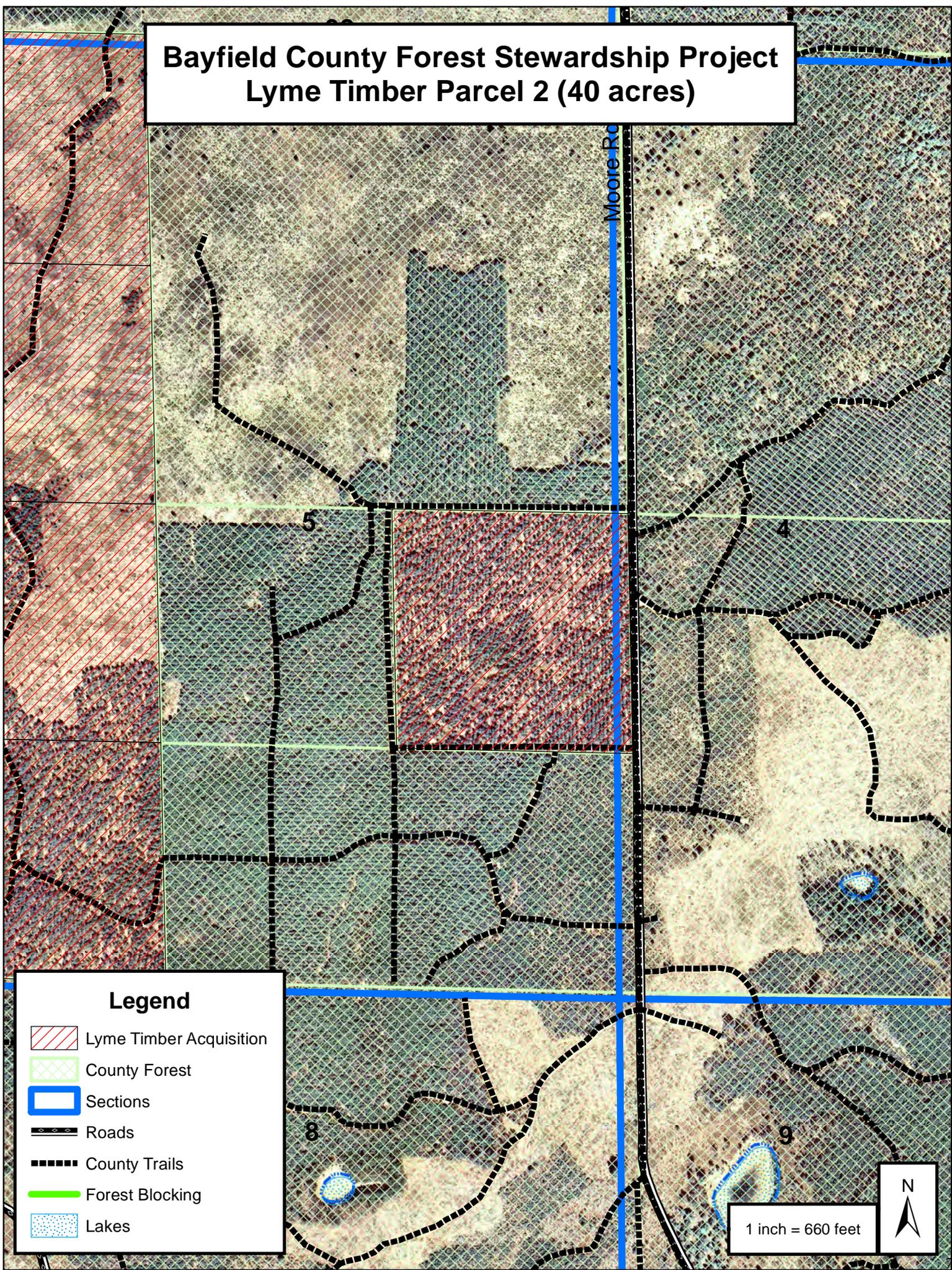
Legend

-  Lyme Timber Acquisition
-  County Forest
-  Sections
-  Roads
-  County Trails
-  Forest Blocking
-  Lakes

1 inch = 660 feet



Bayfield County Forest Stewardship Project Lyme Timber Parcel 2 (40 acres)



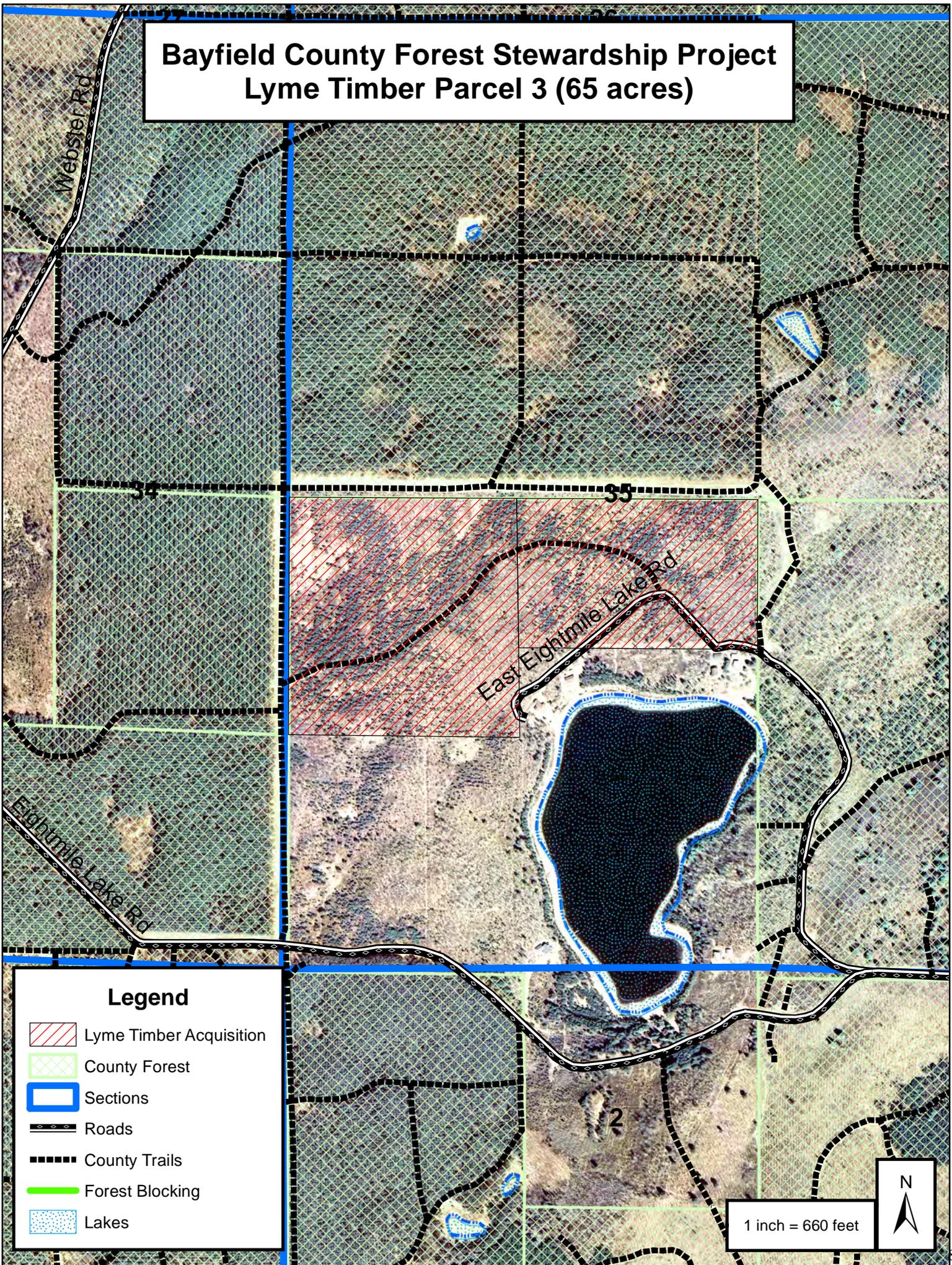
Legend

-  Lyme Timber Acquisition
-  County Forest
-  Sections
-  Roads
-  County Trails
-  Forest Blocking
-  Lakes

1 inch = 660 feet



Bayfield County Forest Stewardship Project Lyme Timber Parcel 3 (65 acres)



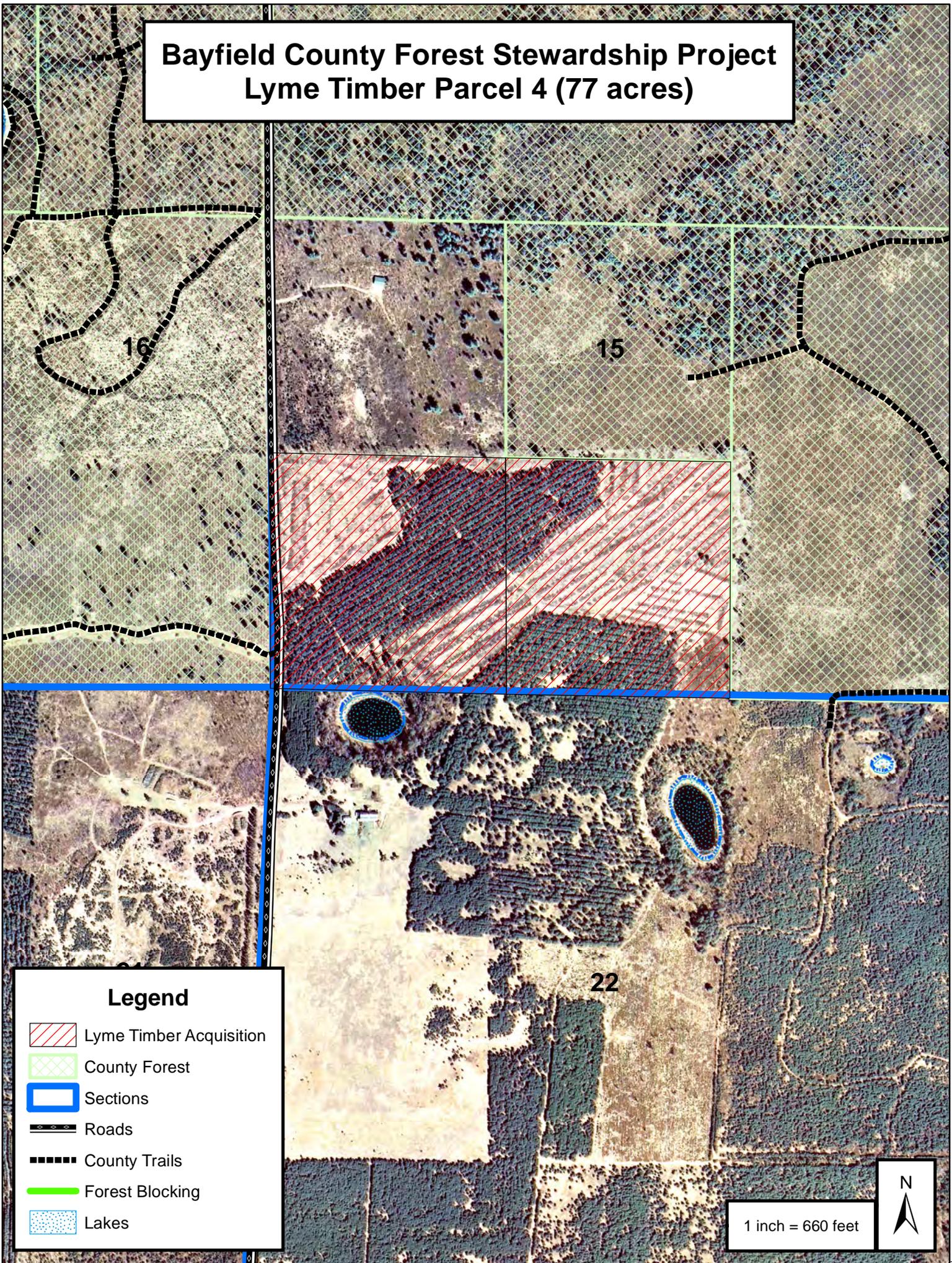
Legend

-  Lyme Timber Acquisition
-  County Forest
-  Sections
-  Roads
-  County Trails
-  Forest Blocking
-  Lakes

1 inch = 660 feet



Bayfield County Forest Stewardship Project Lyme Timber Parcel 4 (77 acres)



Legend

-  Lyme Timber Acquisition
-  County Forest
-  Sections
-  Roads
-  County Trails
-  Forest Blocking
-  Lakes

1 inch = 660 feet

N



Bayfield County Forest Stewardship Project County Match Parcel 1 (157 acres)

30

31

32

Legend

- County Trails
- Roads
- Forest Blocking
- Sections
- Lakes
- Streams
- County Forest
- County Match Lyme

1 inch = 660 feet



