

State of Wisconsin

SENATE CHAIR
Alberta Darling

317 East, State Capitol
P.O. Box 7882
Madison, WI 53707-7882
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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: June 27, 2018

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 June 27, 2018.

Please review the material and notify **Senator Darling** or **Representative Nygren** no later than **Tuesday, July 17, 2018**, 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.

Attachments

AD:JN;jm

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

Scott Walker, Governor
Daniel L. Meyer, Secretary
Telephone 608-266-2621
Toll Free 1-888-936-7463
TTY Access via relay - 711



June 26, 2018

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

JUN 27 2018
St. Finance

Dear Senator Darling and Representative Nygren:

Pursuant to s. 23.0917(6m)(a) and (dr), Wis. Stats., the Department is notifying you as co-chairs of the Committee on Joint Finance of a proposed grant of \$1,257,400.00 from the Knowles-Nelson Stewardship Program to Bayfield County for acquisition of four tracts of County Forest land. This is a request for approval to award 2018 fiscal year funds.

The proposed grant is for acquisition of 1,110 acres from Ceres Timber in the towns of Bayfield and Bell. As part of their required match, Bayfield Co. is offering an additional 3,221.25 acres in the Towns of Grandview, Hughes, Washburn and Bayfield to be incorporated into the County Forest and Stewardship programs. The project will ensure continued future forest management, provide public recreation opportunities, and safeguard wildlife habitat on 4,331.25 acres of primarily productive forest land.

The entire 4,331.25 acres will be enrolled into the County forest program and managed consistently 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,

A handwritten signature in black ink, appearing to read 'Daniel L. Meyer'.

Daniel L. Meyer
Secretary

C: Doug Haag, Administrator, Internal Services Division
Doug Brown, County Forest & Public Lands Specialist, Bureau of Forestry Field Operations

DATE: June 25, 2018

TO: Members of the Joint Committee on Finance

FROM: Daniel Meyer, Secretary

SUBJECT: Request for approval of a Fiscal Year 2018 Stewardship grant award for land acquisition north of Highway 64 and exceeding \$250,000.

Pursuant to s. 23.0917(6m)(a) and (dr), Wis. Stats., the Department of Natural Resources is notifying you of a proposed Knowles-Nelson Stewardship grant of \$1,257,400.00 to Bayfield County for acquisition of 1,110 acres from Ceres Timber. The Knowles-Nelson Stewardship program is funded under s. 20.866(2)(ta), Wis. Stats. This is a request for approval to award 2018 fiscal year funds.

PROJECT DETAILS:

Project Sponsor: Bayfield County
Grant sub-program: County Forest Acquisition
Location: Scattered tracts in Bayfield and Bell Townships

Project Description: This 1,110.00-acre acquisition is a combined four tracts ranging in size from 40 to 600 acres. All acres will be incorporated into the Stewardship and County Forest programs and managed according to the County's Forest Comprehensive Land Use Plan. Project area maps are attached as Appendix A.

Project Benefits:

Forest Management - All parcels are either completely surrounded by or adjacent to County Forest land; in many cases, these tracts are the last remaining inholdings in full section blocks of County Forest holdings. Several parcels include forest roads essential to access and management of surrounding County Forest.

The 1,110 acres are 90% productive forest. The acquisition contains: Aspen – 642 acres; Red Pine plantations – 270 acres; Red Oak – 119 acres; Northern Hardwoods – 45 acres; Jack Pine – 32 acres; Swamp Conifer – 2 acres. Some tracts are ready for management immediately; more than 950 of these acres will be ready for management in the next 0 to 15 years.

Conservation – Lands incorporated into this acquisition include some of the most rare and important conservation landscapes in the region.

Much of Parcel D is located within the *Glacial Kettles Special Management Area*, so designated to conserve superb examples of glacial kettles, a rare geological feature of steep, deep, mostly dry kettle depressions. Acquiring this parcel will bring 100% of this glacial feature into public ownership and ensure conservation of this unique landscape.

Parcel B hosts the headwaters of and nearly a mile frontage on the Sand River, a Class II, cold water trout stream, and another mile-plus of unnamed Sand River tributaries.

Included in lands offered as match, Bayfield County will bring critical sections of Bibon Swamp into both Stewardship and County Forest programs. Surrounded by DNR State Natural Area, the County Land contains the heart of this expansive and valuable wetland complex, notable for both

its extent and the host of rare and special concern species. Bibon Swamp State Natural Area is drained by and key to water quality in the White River.

Recreation - The Ceres acquisition will be open to the public year-round for hunting, fishing, trapping, hiking, cross-country skiing, snowshoeing, and biking. The Department’s analysis of the permitted nature-based outdoor activities is attached in Appendix B. Some specific recreational benefits of this proposed county purchase include:

- Bibon Swamp match lands include 2+ miles of White River frontage, campsites accessible via river for multi-day paddling, and 2.5 miles of state funded snowmobile trail connection Mason to Grandview.
- A public shooting range is maintained on county forest land adjacent to Parcel D. Acquiring this piece would provide improved functionality and ability to better manage this facility.
- Under current ownership and MFL enrollment, these lands are not open to trapping; County purchase with Stewardship funds will ensure public trapping opportunities on all 1,110 acres.
- Parcel A includes over ½ mile of a very popular snowmobile trail, which provides connection into the town of Cornucopia, a recreation/tourism destination in the county. This acquisition will secure permanent trail corridor.
- Parcel A is also located adjacent to the *Lost Creek Falls Special Management Area*, and a popular hiking trail that leads to a series of waterfalls. This addition will allow for loop trails to expand heavily-visited hiking areas and connect to the Lost Creek Falls trailhead.

Economic – County Forest ownership will ensure these productive lands will remain in contiguous blocks managed for timber products. The County analyzed the relative benefit of private v. county forest ownership of these parcels, and determined that County Forest enrollment will increase Town revenue from these parcels from a base of \$.79/acre (all acres to be purchased are enrolled in Managed Forest Law) to an estimated \$3.60/acre. The addition of these acres to the County Forest land base will deliver to the Towns of Bayfield, Bell, Grandview, Hughes, and Washburn a share of the annual County Forest stumpage revenues - which over the last three years have averaged \$5 million - annual PILT, and eligibility for town road aid programs.

PROJECT FINANCES:

A portion of cash match for this project was made possible by sales/swaps of land between Bayfield County and the Red Cliff Band of Lake Superior Chippewa under an MOU.

A. Land value: as required by s.23.0917(7)(e)1., Wis. Stats., land value of both the subject properties and lands used as match were determined by DNR-reviewed and accepted appraisals. Two appraisals were reviewed to determine value of the subject lands.

Appraisal #1	\$1,387,500.00
Appraisal #2 – accepted by DNR for grant calculation purposes	\$1,288,000.00

Pursuant to s. NR 51.962(4)(a)7 and s. NR 51.962(4)(a)6., Wis. Admin. Code, Bayfield County will incorporate 3,221.25 acres of additional land into the Stewardship Program as a portion of match required for this grant. **The grant-eligible value for four parcels used as match totals \$608,250.00.**

B. Grant Calculation

Land value	\$1,288,000.00
Grant-eligible associated costs	<u>\$10,300.00</u>
Total grant eligible project costs	\$1,298,300.00
Grant for land value	\$ 644,000.00
Grant for value of land used as match	\$608,250.00
Grant cost share for eligible related costs	<u>\$5,150.00</u>
Proposed grant award	\$1,257,400.00

Bayfield County's purchase price is \$1,312,383.00. The remaining match and difference will come from cash committed by the County Board for this purchase.

RECOMMENDED:

Terry Bay
Terry Bay, Director, Bureau of Facilities and Lands

6/25/18
Date

Doug Haag
Doug Haag, Administrator, Division of Internal Services

6/25/18
Date

Bayfield County Stewardship Grant Ceres Timber Acquisition Parcels County Match Parcels

APPENDIX A

Lake Superior

Sale to Red Cliff
80 Acres in 2018

Sale to Red Cliff
80 Acres in 2017

Purchase A: 150 Acres

Match 4: Happy Hollow Rd
17 Acres

Purchase C: 200 Acres

Purchase B: 600 Acres

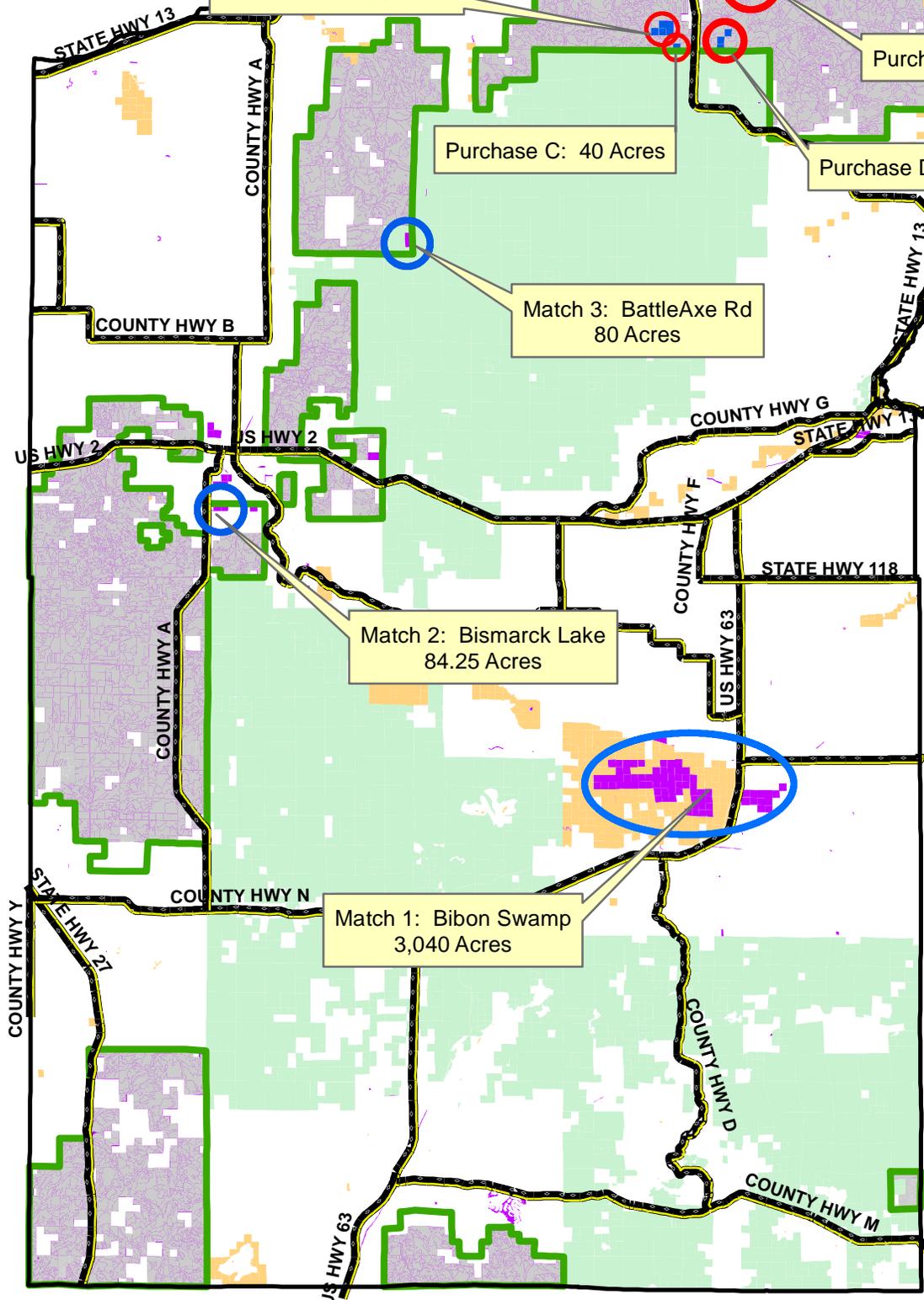
Purchase C: 40 Acres

Purchase D: 120 Acres

Match 3: BattleAxe Rd
80 Acres

Match 2: Bismarck Lake
84.25 Acres

Match 1: Bibon Swamp
3,040 Acres



Legend

- Federal, State & County Roads
- County Forest Blocking
- Reservation Boundary
- Ceres Timber Parcels
- County Match Parcels
- County Forest Lands
- State Lands
- Federal Lands

Ceres Acquisition-Bayfield County Forest

Sponsor: Bayfield County Forest

Subject A

Approximate Subject A Acreage: 150

T50N R06W Sec 03 Town of Bell

Approximate Total Project Acreage: 1,110

County: Bayfield



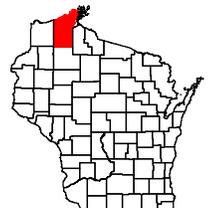
**Proposed
Stewardship Grant**

 Subject A

 County Forest Lands

 PLSS Section Lines

 Local Roads



Jun 13, 2018 jdc

Real Estate Section
Bureau of Facilities and Lands

Ceres Acquisition-Bayfield County Forest

Subject B

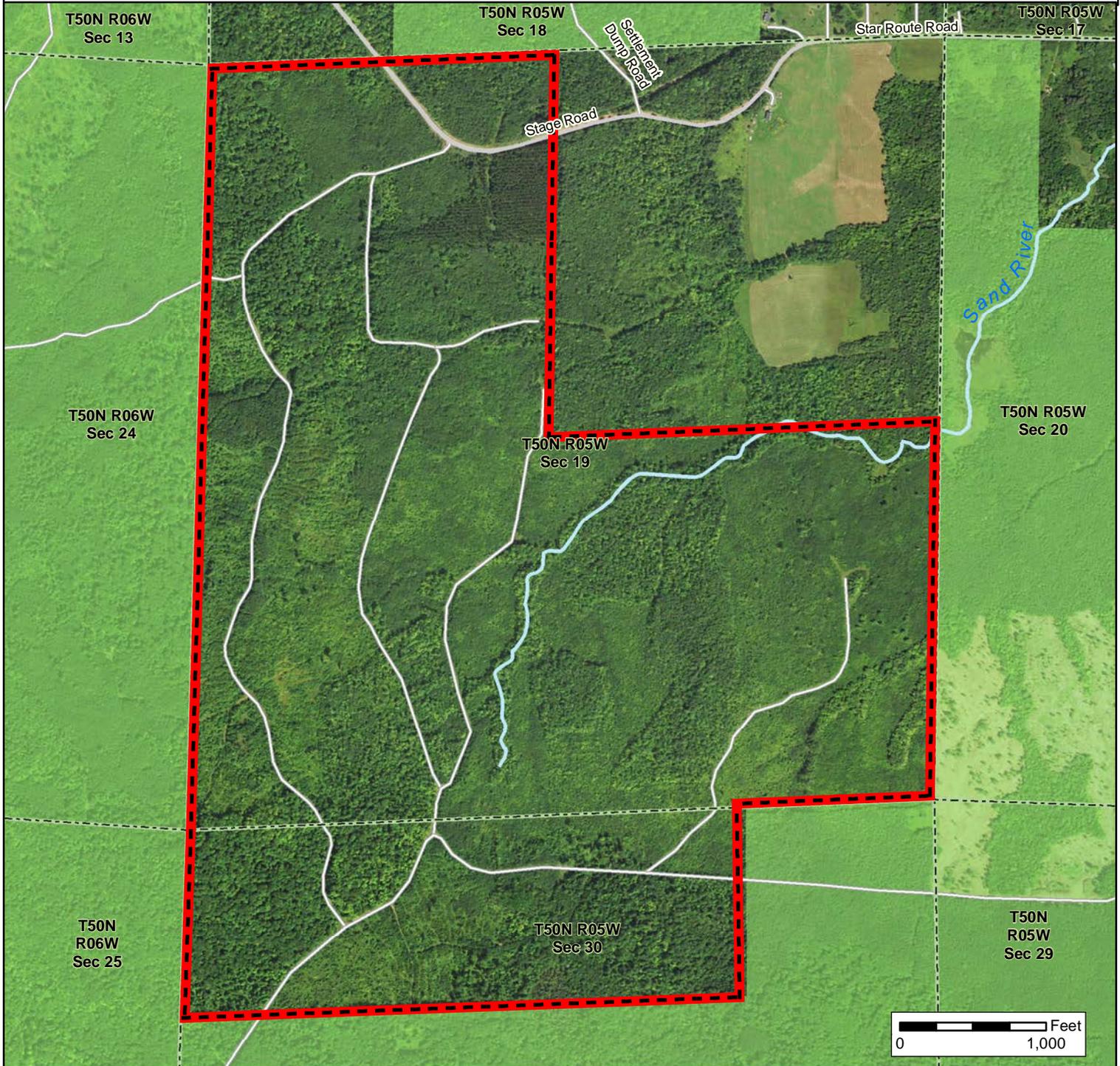
Sponsor: Bayfield County Forest

Approximate Subject B Acreage: 600

Approximate Total Project Acreage: 1,110

T50N R05W Sec 19,30 Town of Bayfield

County: Bayfield



**Proposed
Stewardship Grant**

 Subject B

 County Forest Lands

 PLSS Section Lines

 County Hwys

 Local Roads



Jun 13, 2018 jdc

Real Estate Section
Bureau of Facilities and Lands

Ceres Acquisition-Bayfield County Forest

Subject C

Sponsor: Bayfield County Forest

Approximate Subject C Acreage: 240

Approximate Total Project Acreage: 1,110

T50N R06W Sec 34 Town of Bell

County: Bayfield



**Proposed
Stewardship Grant**



Subject C

- County Forest Lands
- National Forest
- PLSS Section Lines
- Local Roads



Jun 13, 2018 jdc

Real Estate Section
Bureau of Facilities and Lands

Ceres Acquisition-Bayfield County Forest

Sponsor: Bayfield County Forest
Approximate Subject D Acreage: 120
Approximate Total Project Acreage: 1,110

Subject D

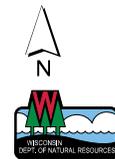
T50N R06W Sec 36 Town of Bell
County: Bayfield



**Proposed
Stewardship Grant**

 Subject D

-  County Forest Lands
-  National Forest
-  PLSS Section Lines
-  Local Roads



Jun 13, 2018 jdc

Real Estate Section
Bureau of Facilities and Lands

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Bayfield County Forest - Ceres Acquisition

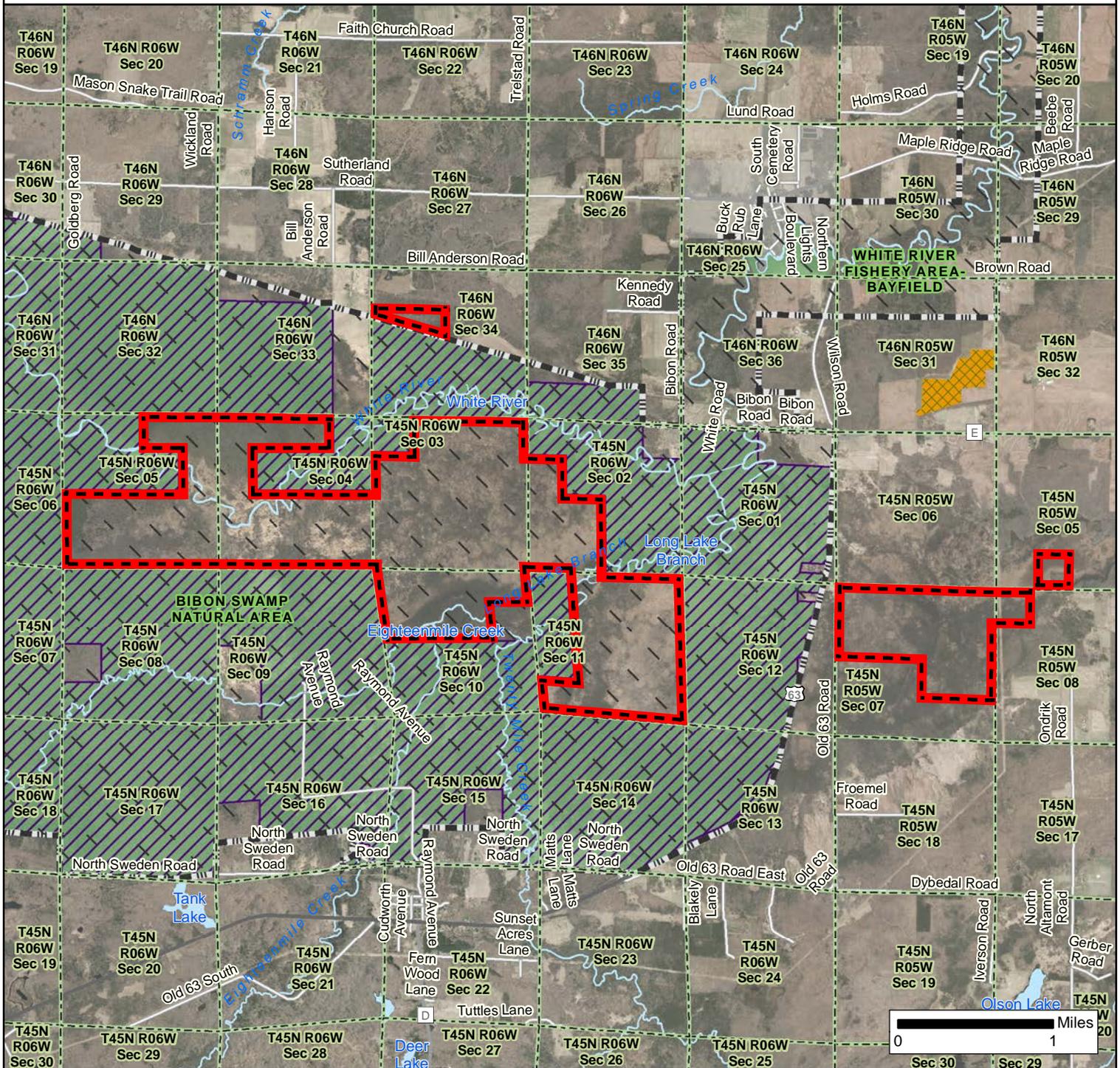
Proposed Grant: Match Parcel 1

Sponsor: Bayfield County

Approximate Total Acreage: 3,040

T45N R6W Sec 11, Town of Grandview

County: Bayfield



Proposed Stewardship Grant

 **Subject**

-  Current DNR Project Boundary
-  State Natural Area
-  DNR Fee Title Lands
-  NRCS - WRP (Wetland Reserve Program - Closed to public access)
-  PLSS Section Lines



May 03, 2018 jst

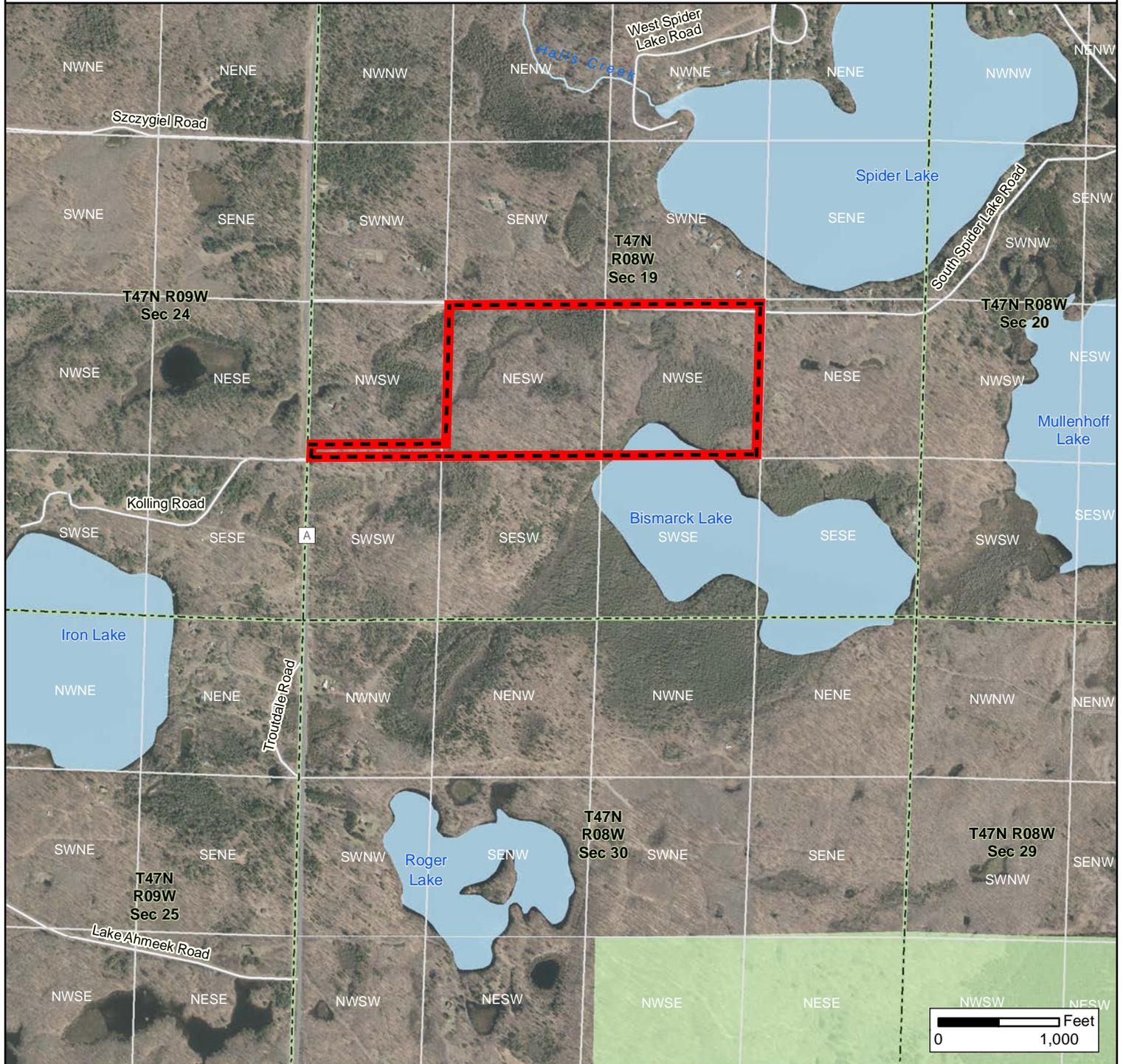
Real Estate Section
Bureau of Facilities and Lands

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Bayfield County Forest - Ceres Acquisition

Proposed Grant: Match Parcel 2
 Sponsor: Bayfield County
 Approximate Total Acreage: 84.25

T47N R8W Sec 19, Town of Hughes
 County: Bayfield



Proposed Stewardship Grant

Subject

- County Forest Lands
- PLSS Section Lines
- QQ Section Lines



May 03, 2018 jst

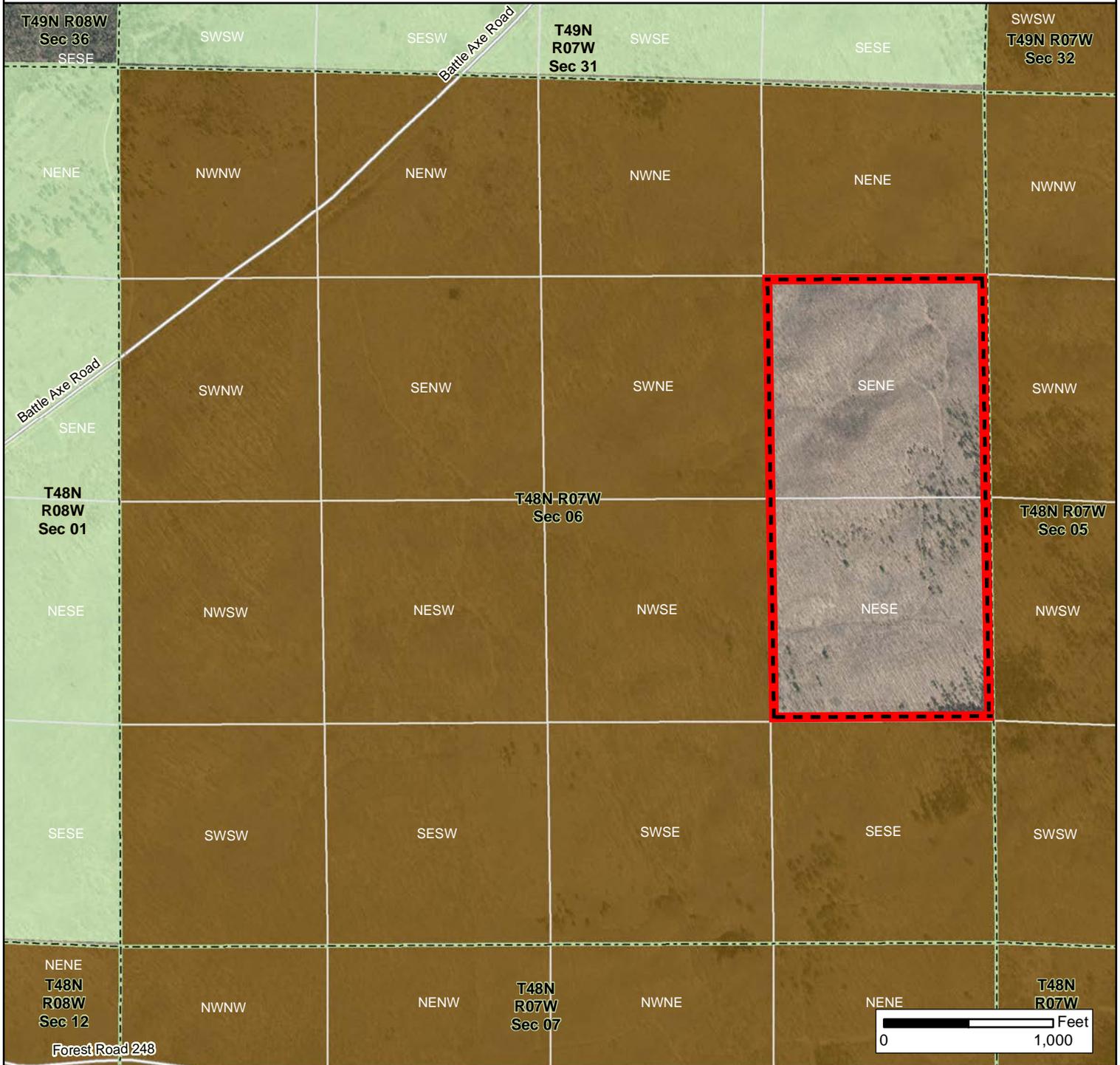
Real Estate Section
 Bureau of Facilities and Lands

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Bayfield County Forest - Ceres Acquisition

Proposed Grant: Match Parcel 3
 Sponsor: Bayfield County
 Approximate Total Acreage: 80

T48N R7W Sec 6, Town of Washburn
 County: Bayfield



Proposed Stewardship Grant

Subject

- County Forest Lands
- National Forest
- PLSS Section Lines
- QQ Section Lines



May 03, 2018 *jst*

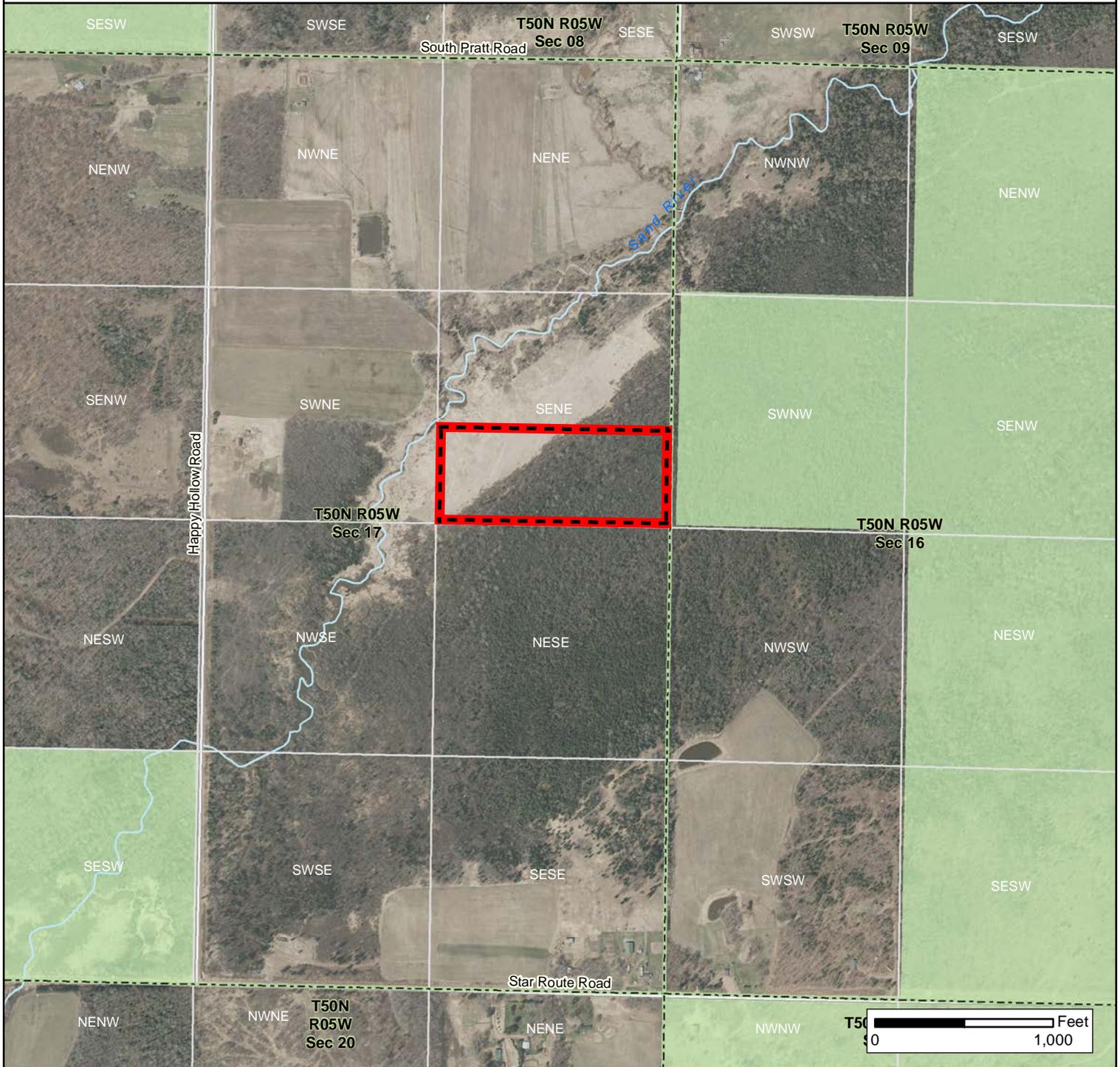
*Real Estate Section
 Bureau of Facilities and Lands*

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Bayfield County Forest - Ceres Acquisition

Proposed Grant: Match Parcel 4
 Sponsor: Bayfield County
 Approximate Total Acreage: 17

T50N R5W Sec 17, Town of Bayfield
 County: Bayfield



Proposed Stewardship Grant

Subject

- County Forest Lands
- PLSS Section Lines
- QQ Section Lines



May 03, 2018 *jst*

*Real Estate Section
 Bureau of Facilities and Lands*

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Knowles-Nelson Stewardship Grant Program



**DNR Staff Analysis of
Nature Based Outdoor Activities on
Projects Purchased with
Stewardship Grant Funds**

Rev. August 2012

NOTE TO DNR STAFF: This completed form will be attached to the NBOA notice that the DNR will publish when considering a request for Stewardship grant funding. Do not list location information for the subject property or the seller's name because WI courts have held that this information is confidential until land ownership has changed hands. In "Staff Narrative" sections below each NBOA, summarize sponsor's reason for prohibition.

Applicant/ Sponsor Bayfield Co. Forest	Year of application: 2018
--	-------------------------------------

Project name and primary purpose (after acquisition):
Multi parcel Ceres acquisition – addition to County Forest blocks in Towns of Bayfield and Bell.

Parcel size, shape and topography: Describe the size, shape, and topography of the parcel.
Varied – 90% productive timber lands; some long sections of tributary and sand river frontage; some acres of steep kettle depressions.

Plan(s) or reports identifying project area as priority:
Bayfield County Forest Comprehensive Land Use Plan

Proposed NBOA – Applicant Narrative and Checklist

HUNTING			
DNR Staff Narrative: Property will be open to hunting.			
X No prohibitions being proposed			
If a prohibition is proposed:			
Public safety factors considered, check all that apply. NA			
<input type="checkbox"/> The sponsor is within its own municipality boundary			
<input type="checkbox"/> Parcel is within 100 yards of building devoted to human occupancy			
<input type="checkbox"/> Parcel is within 50 feet of the center line of highways & roads			
<input type="checkbox"/> Parcel is within 1700 feet of school grounds, hospital, or sanatorium			
<input type="checkbox"/> Ordinance exists –			
<input type="checkbox"/> Discharge or carrying a weapon <input type="checkbox"/> Hunting within park <input type="checkbox"/> Throwing or shooting missiles, arrows, spears, etc.			
<input type="checkbox"/> Visitor's expectations of safety at the site which include user conflicts that may create public safety issues and impact one or more NBOA's activities.			
<input type="checkbox"/> Parcel is adjacent to a parcel where the NBOA's to be prohibited already exists.			
<input type="checkbox"/> Parcel is adjacent to a public waterway.			
<input type="checkbox"/> Parcel is subjected to a non-sponsor ordinance			
<input type="checkbox"/> Project will be transferred to an eligible partner sponsor with ordinance prohibiting activity.			
Unique plant and animal communities factors considered, check all that apply.			
<input type="checkbox"/> Federal listed endangered species		<input type="checkbox"/> State listed endangered species	
<input type="checkbox"/> Federal listed threatened species		<input type="checkbox"/> State listed threatened species	
<input type="checkbox"/> Federal listed species of special concern		<input type="checkbox"/> State listed species of special concern	
	Allowable species (Gun)	Allowable species (bow)	List Dates/Seasons (opening and closing)
Waterfowl	Per state regulations	Per state regulations	Per state regulations
Small Game	Per state regulations	Per state regulations	Per state regulations
Turkey	Per state regulations	Per state regulations	Per state regulations
Large Game	Per state regulations	Per state regulations	Per state regulations

TRAPPING

DNR Staff Narrative: Property will be open to trapping.

X No prohibitions being proposed

No water on site

If a prohibition is proposed:

Public safety factors considered, check all that apply. NA

- Size/shape of parcel
- The sponsor is within its own municipality boundary
- Parcel is within 100 yards of building devoted to human occupancy and per s. NR 13.(1)(b)(12), the following traps are prohibited: conibear body gripping traps (with jaws wider than 60 sq. inches) and cable restraints.
- Ordinance exists that prohibits trapping or some type of trapping.
- Visitor's expectations of safety at the site which include user conflicts that may create public safety issues and impact one or more NBOA's activities.
- Parcel is adjacent to a parcel where the NBOA's to be prohibited already exists.
- Parcel is adjacent to a public waterway.
- Parcel is subjected to a non-sponsor ordinance
- Project will be transferred to an eligible partner sponsor with ordinance prohibiting activity.

Unique plant and animal communities factors considered, check all that apply.

- Federal listed endangered species
- State listed endangered species
- Federal listed threatened species
- State listed threatened species
- Federal listed species of special concern
- State listed species of special concern

Location	Allowable Species	List Dates/Seasons (opening and closing)
Upland	Per state regulations	Per state regulations
Water	Per state regulations	Per state regulations

FISHING

DNR Staff Narrative: Properties with fishable water will be open to fishing

X No prohibitions being proposed

If a prohibition is proposed:

Public safety factors considered, check all that apply. NA

- Ordinance exists – _____.
- Visitor's expectations of safety at the site which include user conflicts that may create public safety issues and impact one or more NBOA's activities.
- Parcel is adjacent to a parcel where the NBOA's to be prohibited already exists.
- Parcel is adjacent to a public waterway.
- Parcel is subjected to a non-sponsor ordinance
- Project will be transferred to an eligible partner sponsor with ordinance prohibiting activity.

Unique plant and animal communities factors considered, check all that apply.

- Federal listed endangered species
- State listed endangered species
- Federal listed threatened species
- State listed threatened species
- Federal listed species of special concern
- State listed species of special concern

Method	Allowable Activities	List Dates/Seasons (opening and closing)
Shore	Per state regulations	Per state regulations
Boat	Per state regulations	Per state regulations

HIKING**DNR Staff Narrative:** Property will be open to hiking.**X No prohibitions being proposed****If a prohibition is proposed:****Public safety factors considered**, check all that apply. **NA**

- Visitor's expectations of safety at the site which include user conflicts that may create public safety issues and impact one or more NBOA's activities.
- Parcel is adjacent to a parcel where the NBOA's to be prohibited already exists.
- Parcel is adjacent to a public waterway.
- Parcel is subjected to a non-sponsor ordinance
- Project will be transferred to an eligible partner sponsor with ordinance prohibiting activity.

Unique plant and animal communities factors considered, check all that apply..

- Federal listed endangered species State listed endangered species
- Federal listed threatened species State listed threatened species
- Federal listed species of special concern State listed species of special concern

Location	Allowable Activities	List Dates (opening and closing)
On-Trail	Yes	Year-round
Off-Trail	Yes	Year-round

CROSS COUNTRY SKIING**DNR Staff Narrative:** Property will be open to cross country skiing.**X No prohibitions being proposed****If a prohibition is proposed:****Public safety factors considered**, check all that apply. Visitor's expectations of safety at the site which include user conflicts that may create public safety issues and impact one or more NBOA's activities.

- Parcel is adjacent to a parcel where the NBOA's to be prohibited already exists.
- Parcel is adjacent to a public waterway.
- Parcel is subjected to a non-sponsor ordinance
- Project will be transferred to an eligible partner sponsor with ordinance prohibiting activity.

Unique plant and animal communities factors considered, check all that apply.

- Federal listed endangered species State listed endangered species
- Federal listed threatened species State listed threatened species
- Federal listed species of special concern State listed species of special concern

Type of Trail	Allowable Activities	List Dates (opening and closing)
Off-Trail (un-groomed)	Yes	Snow cover
On-Trail (un-groomed)	Yes	Snow cover
On-Trail (groomed)	Grooming not anticipated	NA