

Informational Paper 60

Warren Knowles-Gaylord Nelson
Stewardship Program

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Warren Knowles-Gaylord Nelson Stewardship Program

Introduction

Wisconsin's first stewardship program was created in 1989 Act 31 for the purpose of acquiring land to expand recreational opportunities and protect environmentally sensitive areas. In that act, the Legislature authorized \$250 million of general obligation bonding (reduced to \$231 million in 1995 Act 27 to recognize \$19 million in anticipated federal funding) for this purpose over a 10-year period, ending in fiscal year 1999-2000. The law allocated funding among twelve categories of land acquisition and development programs. Some were extensions of land acquisition activities that existed prior to the stewardship initiative and others were newly-created programs. 1993 Act 343 renamed the stewardship program the Warren Knowles-Gaylord Nelson stewardship program.

The stewardship program was reauthorized in 1999 Act 9 (the 1999-01 biennial budget) as the Warren Knowles-Gaylord Nelson Stewardship 2000 program. Under that act, the state would be able to contract public debt in an amount not to exceed \$460 million. The annual bonding allotment under the program was set at \$46 million, from fiscal years 2000-01 to 2009-10. Under 2001 Act 16, the bonding authorization was increased from \$46 million to \$60 million annually, beginning in fiscal year 2002-03 and continuing through the remainder of the program (2009-10). This increased the total general obligation bonding authority of the reauthorized program to \$572 million (\$803 million in total bonding is authorized for the 20-year program).

As of June 30, 2006, the Department of Natural Resources (DNR) owned 1.4 million acres of land,

which represents approximately 4.0% of the state's land area (34.76 million acres). 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. In addition to the 1.4 million acres owned by DNR, the Department held easements on an additional 133,900 acres on June 30, 2006. Table 1 summarizes public conservation land ownership by governmental source.

Table 1: Estimated Public Conservation Land Ownership in Wisconsin

Land Owner	Acres	Percent
County	2,530,000	7.3%
Federal	2,331,700	6.7
DNR	1,404,200	4.0
BCPL	<u>77,800</u>	<u>0.2</u>
Total	6,343,700	18.3%
State Land Area	34,758,500	

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, primarily 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 land owner 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.

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.

In 1994, DNR established the Stewardship Advisory Council and solicited membership from a wide range of organizations that have an interest in the stewardship program. The Council continues to periodically meet to advise DNR on policy and administrative issues relating to the program and to determine ways the Department, nonprofit groups and local units of government can improve communication and work more effectively to-

gether.

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 (as discussed later).

Program Funding and General Requirements

Under the original stewardship program, DNR allocated \$23.1 million of general obligation bonding authority and \$1.9 million of federal land acquisition funds from various sources, including the Land and Water Conservation Act, the Sport Fish Restoration Act, and the Wildlife Restoration Act in order to reach an annual expenditure authority of \$25 million.

Currently, the Department utilizes several federal grant programs to fund land acquisition including: North American Wetlands Conservation Act Grants (NAWCA); Habitat Conservation Planning Grants (Endangered Species); National Coastal Wetlands Conservation Grants; and National Fish and Wildlife Foundation Grants. However, while the Department continues to use federal funds for land acquisition, the amount of the annual allocation is uncertain. Therefore, the bulk of land acquisition purchases are made using stewardship bonding authority.

Table 2 provides a summary of the annual general fund-supported bonding authorized for the original stewardship program ending June 30, 2000. During the 1990-91 and 1991-92 fiscal years, the general land acquisition program was funded at a level of \$8,600,000. In 1992-93, the urban rivers grant program was created at a level of \$1,900,000 and the general land acquisition program was reduced to \$6,700,000.

**Table 2: Annual Bonding Authorization
1992-93 through 1999-2000**

Program	Amount
General Land Acquisition	\$6,700,000
General Property Development	3,500,000
Local Park Aids	2,250,000
Lower Wisconsin State Riverway	2,000,000
Urban Rivers	1,900,000
Habitat Areas	1,500,000
Natural Areas Acquisition	1,500,000
Stream Bank Protection	1,000,000
Trails	1,000,000
Urban Green Spaces	750,000
Natural Areas Heritage Program	500,000
Ice Age Trail	<u>500,000</u>
Total	\$23,100,000

Stewardship allotments, by component for the initial 10-year program are summarized in Table 3.

**Table 3: Stewardship Program Allotments
From Initial Program Authorizations**

	Total Allotment (10 Years)
General Obligation Bonding	
General Land Acquisition	\$70,800,000
General Property Development	35,000,000
Local Park Aids	22,500,000
Lower Wisconsin State Riverway	20,000,000
Habitat Areas	15,000,000
Natural Areas Acquisition	15,000,000
Urban Rivers	15,200,000
Stream Bank Protection	10,000,000
Trails	10,000,000
Urban Green Spaces	7,500,000
Natural Areas Heritage	5,000,000
Ice Age Trail	<u>5,000,000</u>
Bonding Subtotal	\$231,000,000
Federal Land Acquisition	<u>19,000,000</u>
Total	\$250,00,000

For comparison, Table 4 shows how the \$572 million of bonding authority for the Stewardship 2000 program is allocated by fiscal year. The main body of the program consists of two funding categories, (a) land acquisition and (b) property development and local assistance. Out of the first year

Table 4: Stewardship 2000 Allocation

Subprogram	Bonding Authority (In Millions)
2000-01	
Land Acquisition	\$28.5
Property Development and Local Assistance	11.5
Baraboo Hills	5.0
Bluff Protection	<u>1.0</u>
Total	\$46.0
2001-02	
Land Acquisition	\$34.5
Property Development and Local Assistance	<u>11.5</u>
Total	\$46.0
2002-03 through 2009-10	
Land Acquisition	\$45.0
Property Development and Local Assistance	<u>15.0</u>
Total	\$60.0

allotment only, programs for purchases related to the Baraboo Hills and bluff protection were added.

As passed by the Legislature, the 2003-05 biennial budget would have reduced the total authorized bonding authority of the Stewardship 2000 program by \$245 million, to \$327 million over 10 years. Bonding authority would have been reduced to \$15 million in 2003-04, to \$10 million in 2004-05, and to \$30 million annually in subsequent years for the remainder of the authorized program. However, the Governor item vetoed this provision.

As a means of encouraging private conservation groups to cooperate with the state in the acquisition of lands for conservation and nature-based outdoor recreational purposes, the stewardship program authorizes DNR to award grants to non-profit conservation organizations (NCOs) to acquire property. Grants may be awarded for up to 50% of the land's current fair market value plus other acquisition costs as determined in rule by the DNR. Table 5 shows the amounts provided for this purpose from the land acquisition subprogram since 2000-01. In 2005-06 NCO applications totaled \$12.7 million. In October,

Table 5: Land Acquisition Allotments for Non-Profit Conservation Organizations

Fiscal Year	Total Allotment	Available for Land Acquisition	Available for NCOs	Percentage of Funds Allocated to NCOs
2000-01	\$28,500,000	\$22,500,000	\$6,000,000	21.1%
2001-02	34,500,000	27,250,000	7,250,000	21.0
2002-03	45,000,000	37,750,000	7,250,000	16.1
2003-04	45,000,000	37,000,000	8,000,000	17.7
2004-05	45,000,000	36,750,000	8,250,000	18.3
2005-06	45,000,000	36,750,000	8,250,000	18.3
2006-07	45,000,000	36,750,000	8,250,000	18.3

2006, the Stewardship Advisory Council (SAC) voted to request a larger allocation for NCOs if applications continued to exceed funds available. However, the final allocation decision is made by the DNR Secretary and the Natural Resources Board (NRB).

The Department had expended a total of \$228.4 million for land acquisition between January 1, 2000 and June 30, 2006. Acquisitions by component are summarized in Table 6. The table does not include the land acquisition funds used for grants to non-profit conservation organizations (NCOs). Table 6 reflects transactions entered into by June 30, 2006.

Table 6: DNR General Land Acquisition and Commitments January 1, 2000 through June 30, 2006

Category	Estimated Allotment	Total Cost	Acres Purchased
Fisheries, Streambank	\$27,230,000	\$24,279,038	11,369
Parks & Southern Forests	45,891,000	45,737,332	18,208
Northern Forests*	49,950,000	49,666,232	70,515
Wild Rivers & Resources	48,180,000	48,177,415	69,045
Wildlife & Habitat	39,500,000	37,396,400	30,828
Natural Areas	18,650,000	17,966,367	19,072
Other	<u>5,250,000</u>	<u>5,217,200</u>	<u>1,769</u>
Total**	\$234,651,000	\$228,439,957	220,806

*Northern Forests was grouped with Parks & Southern Forests for fiscal year 2000-01, and was separated out into its own function beginning in fiscal year 2001-02.

**Includes \$33 million from FY07 and FY08 allotments for acquisition of the Wild Rivers Forest Legacy property.

As of January 1, 2007, \$64.9 million had been expended and an additional \$14.0 million encumbered from the property development and local assistance subprogram for a total of \$78.9 million in committed funds since the reauthorization of the stewardship program. Of this amount, \$28.8 million has gone to support property development activities and \$50.1 million to fund local assistance efforts.

As of June 30, 2006, the stewardship program has allowed DNR to purchase, or acquire easements on, 420,900 acres. These acres include those acquired through all sources, including acres donated to the DNR or purchased or acquired using federal grant funding, since 1990 (the Stewardship program began in July, 1990). Table 7 provides a summary of the acreage acquired by program area. The table includes 372,200 acres in actual purchases (including 97,600 acres in easements) and 48,700 acres that were pending closing on June 30, 2006.

DNR has 17.5 positions in the agency funded from general program operations appropriations that are involved in various aspects of the stewardship program. These 17.5 positions are assigned to the following Bureaus: (a) 10.0 positions in Facilities and Lands; (b) 1.5 positions in Community Financial Assistance; (c) 2.0 positions in Wildlife Management; (d) 2.0 positions in Parks; and (e) 1.0

Table 7: Cumulative DNR Purchases, January 1, 1990 through June 30, 2006

Program	Acres
General Land Acquisition:	
Fisheries Management and Streambank Protection	36,443
Northern Forests	76,801
Southern Forests	5,079
Parks, Trails, and Recreation Areas	28,026
Wild Rivers and Resource areas	136,972
Wildlife Management	82,368
Natural Areas	50,374
Other	<u>4,825</u>
Total	420,888

position each in Fisheries Management and Legal Services. Staff in the Bureau of Facilities and Lands process approximately 200 to 250 real estate transactions per year, ranging from less than one acre to hundreds or thousands of acres per parcel.

Unless otherwise noted, an annual funding level has been established for each subprogram within the stewardship initiative for fiscal years 2000-01 through 2009-2010. Statutes provide the Department with some flexibility with respect to the annual bonding authority amounts for the subprograms. If the amount of funding obligated by DNR under the land acquisition and property development and local assistance subprograms in a given fiscal year is less than the annual bonding authority for a subprogram, the Department can carry over the unobligated amount to the next fiscal year. If there is any remaining bonding authority under either subprogram on June 30, 2010, DNR would have the authority to expend that funding for the same purposes in subsequent fiscal years.

The Department may not acquire land using funding from the Warren Knowles-Gaylord Nelson Stewardship 2000 program without the prior approval of a majority of the members-elect of the county board of supervisors of a county in which the land is located if at least 66% of the land in the county is owned or under the jurisdiction of the state, the federal government or a local governmental unit.

Before determining whether to approve the acquisition, the county in which the land is located must post notices that inform the residents of the community surrounding the land of the possible acquisition. While no county is currently subject to this provision, Forest County is closest with approximately 57% of its total land area under public ownership.

As passed by the Legislature, the 2005-07 biennial budget act would have prohibited DNR from acquiring land in a township in which 35% or more

of the land is under public ownership unless the Department received prior approval from a majority of the town board. However, the Governor item vetoed this provision.

Under 2001 Act 16, DNR is required to provide the appraisals of any property acquired using stewardship funds to the clerk and the assessor of the local unit of government where the property is located within 30 days of acquiring the property. In addition, assessors are directed to include the information in the appraisals (including comparable sales) when setting land values.

Also, DNR may not obligate funding from the Warren Knowles-Gaylord Nelson Stewardship 2000 program for: (a) the acquisition of land for golf courses or for the development of golf courses; or (b) the acquisition by a municipality of land that is outside the boundaries of the municipality unless the municipality acquiring the land and the municipality in which the land is located approve the acquisition; or (c) for the acquisition or development of land by a county or other local unit of government if the land involved would be acquired by condemnation. Further, under 2001 Act 16, the use of stewardship funds for the acquisition or development of land by a county or other local unit of government was prohibited if the land was acquired through condemnation.

For the purpose of awarding grants under stewardship, the acquisition costs equal the sum of the land's current fair market value and other acquisition costs, as defined in rule by DNR. For land that has been owned by the current owner for less than three years, the acquisition costs of the land for grant purposes equals the owner's acquisition price plus an annual adjustment increase of 5% per full year of ownership. Prior to 2000-01, for any land for which stewardship funding was proposed to be obligated to provide a grant to a local governmental unit or an NCO, the locality or organization was required to submit two appraisals to DNR if the Department estimated that the fair market value of the land is greater

than \$200,000. However, under 2001 Act 109, this requirement was modified to instead require grant applicants to pay for and submit one appraisal, and to require DNR to independently obtain a second appraisal. DNR is allowed to require a third appraisal from the applicant. However, the additional appraisal would be considered an eligible expense under the grant program, requiring DNR to pay for up to 50% of the cost of the additional appraisal if the grant is awarded.

Stewardship Program Oversight

A heightened review procedure for stewardship projects was enacted in 1995 in order to provide an increased level of legislative scrutiny for major expenditures under the stewardship program. The stewardship program is a considerable commitment of state funds with \$803 million in general obligation bonds authorized. Debt service payments (principal repayment and interest) could total approximately \$1.3 billion over the life of the program bonds (about a 40-year period).

Prior to the passage of 2003 Act 33 (the 2003-05 biennial budget), DNR was prohibited from obligating any funding from the Warren Knowles-Gaylord Nelson Stewardship program for any project or activity that exceeded \$250,000 unless the Department first notified the Joint Committee on Finance in writing of the proposal. If the Co-Chairpersons of the Committee did not notify DNR within 14 working days after the date of the Department's notification that the Committee had scheduled a meeting to review the proposal, the Department was permitted to obligate the moneys. If, within 14 working days after the date of the notification by DNR, the Co-Chairpersons of the Committee notified the Department that the Committee had scheduled a meeting to review the proposal, DNR could only obligate the funding upon approval of the Committee.

Prior to July 26, 2003, 109 projects had been submitted to the Committee. Of these, 48 were reviewed by the full Committee. All but four were approved. Three projects were denied, and one project was deferred. In addition, a \$350,000 grant to the City of Green Bay to fund a portion of the cost of the acquisition of 34.2 acres of land in the Bairds Creek Parkway was scheduled for Committee review in December, 1998, but was withdrawn by DNR. The Department then reduced the amount of the grant below the \$250,000 threshold for Joint Finance review.

During the deliberations on the 2003-05 biennial budget, the Legislature proposed lowering the threshold of the Joint Committee on Finance review of stewardship land acquisition and property development projects from \$250,000 to zero. As passed by the Legislature, all land acquisition and property development activities under stewardship would have been reviewed by Joint Finance under the 14-day passive review process. The \$250,000 threshold of review by the Committee would have been maintained for local assistance or non-profit conservation (NCO) grants provided under the stewardship program.

The Governor, in his partial vetoes of 2003 Act 33, deleted this provision. Further, the partial veto repealed all passive review requirements for land acquisition, property development, and grant activities supported by funding from an annual stewardship program allocation. The repeal was accomplished by completely vetoing the sections in Senate Bill 44 (the bill passed by the Legislature) relating to this item, with the exception of Section 802m, which read: "23.0917 (6)(b) of the statutes is repealed" (this provision would have repealed the \$250,000 review threshold on stewardship projects). The Governor deleted the "(b)", thereby repealing all of 23.0917 (6), which provided for the review of stewardship projects by the Joint Committee on Finance.

As passed by the Legislature, the 2005-07 budget would have restored the authority of the

Joint Finance Committee to review projects under the Stewardship 2000 program through a 14-day passive review process, but would have increased the threshold of projects requiring review to \$300,000. Further, it would have specified that if the Joint Finance Committee did not meet within 75 days of notice to DNR that a meeting would be scheduled, DNR would have been able to proceed with the project. However, the Governor vetoed these provisions.

Non-legislative review procedures remain in place, however. Under DNR administrative rule, the following land transactions require the approval of the Natural Resources Board: (a) acquisitions where the purchase price is \$150,000 or more; (b) acquisitions where more than 40 acres are outside of an established project boundary; (c) acquisitions where the purchase price exceeds the highest appraised value; (d) acquisitions where improvement values exceed 35% of the total appraised value; (e) acquisitions of short tenure with substantial increased value; and (f) sales of state land that are no longer needed for conservation purposes where the value exceeds \$50,000 or where the acreage exceeds 40 acres.

In addition, building projects over \$500,000 in costs are required to be specifically enumerated in state law. For example, 1999 Act 9 enumerates a \$690,000 stewardship project for a nature and conference center at Lapham Peak State Forest. The Legislature typically enumerates these projects in the state budget. Also, any state-funded development project in excess of \$150,000 but less than \$500,000 must be reviewed by the State Building Commission for approval prior to bidding.

Further, all land acquisition projects, proposals for the sale of any DNR managed land, and any development projects over \$60,000 are submitted to the Governor for review, and are subject to his approval.

While grants to local governments and NCOs

go through an internal DNR review and scoring process, they generally are not subject to review by the Natural Resources Board. However, after the Governor vetoed the Joint Finance Committee review process in 2003, he appointed a committee to review projects using more than \$250,000 of Stewardship Program funds. The Governor's review committee consists of the Secretaries of DNR, Tourism, and Revenue. The committee meets periodically and makes recommendations to the Governor. The Governor makes the final decision of whether to approve the project.

Stewardship Debt Service

The state generally issues 20-year tax-exempt general obligation bonds to support stewardship purchases and grants. Debt service for stewardship bonding is primarily funded from a sum sufficient, general purpose revenue (GPR) appropriation in DNR. 1997 Act 27 created two additional appropriations to offset a portion of the GPR payment of stewardship debt service from the segregated conservation fund. Annual debt service payments of over \$8.9 million from the conservation fund (\$8.7 million from the forestry account and \$225,000 from the water resources account) were authorized in 1997-98 and 1998-99 for the payment of principal and interest related to the acquisition and development of state forests and recreational boating-related properties under the stewardship program. These appropriations sunset on June 30, 1999.

Under the Stewardship 2000 program, debt service is again funded from a sum sufficient, GPR appropriation in DNR. In addition, since 1999-00 funds have been appropriated from the forestry account of the segregated conservation fund. This shift was specified to be one-time only in each biennia from 1999-01 through 2003-05. However, under 2005 Act 25, \$13.5 million SEG beginning in 2006-07 is provided on an ongoing basis from the forestry account. While the majority of the debt

service shown in the following table is related to the two stewardship programs, a portion of the payments are related to bonding mostly authorized prior to the creation of the first stewardship program for several similar recreational land acquisition programs and a local dam repair and removal grant program. Table 8 shows state stewardship related debt services costs over the past ten years. Costs did not increase significantly in 2001-02 and declined in 2003-04 primarily because of a state debt refinancing initiative to take advantage of lower interest rates and reduce short-term liabilities.

Table 8: Stewardship Debt Repayments

<u>Fiscal Year</u>	<u>SEG</u>	<u>GPR</u>	<u>Total</u>
1996-97	\$0	\$16,034,000	\$16,034,000
1997-98	8,925,000	9,517,800	18,442,800
1998-99	8,925,000	10,130,100	19,055,100
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*	13,500,000	34,480,000	47,980,000

*Budgeted.

Stewardship 2000

In 1998, the Governor appointed a Blue Ribbon Task Force on the Stewardship Program to evaluate the program and propose alternatives for its future. Among the issues the task force was required to address under the Governor's executive order were: (a) the effectiveness of the stewardship program in preserving, protecting, and providing opportunities for the enjoyment of the state's natural resources; (b) identification of long-term natural resource needs; and (c) funding alternatives for any reauthorization of the stewardship program. The task force was composed of legislators, current and

former state and local government officials, and representatives from the University of Wisconsin, business and environmental groups. The task force released its findings and recommendations in early 1999. Several key components of the task force's recommendations were incorporated into the Stewardship 2000 reauthorization in the 1999-01 biennial budget, including increasing the bonding authority, reducing the number of designated sub-programs, facilitating increased small-group participation, and providing greater flexibility for DNR to transfer funding between fiscal years. This last provision was intended to facilitate the Department's efforts to take advantage of unique opportunities to acquire and preserve larger blocks of unfragmented habitat as it became available. Some task force recommendations were addressed outside of the reauthorized stewardship program, including efforts to facilitate the involvement of smaller groups through a capacity-building grant component that was funded through the conservation fund. The task force also recommended that DNR be designated as the agency responsible for managing State Public Trust Lands, that a separate state initiative should be created to permanently protect farmland through easements, that user fees should be employed to a greater extent, and that the DNR should have the authority to develop administrative rules providing incentives to local units of government to submit projects that are consistent with a local or regional land use plan and zoning.

The budget language reauthorizing the stewardship program removed some of the direction and restrictions of the original program. The Warren Knowles-Gaylord Nelson Stewardship 2000 program created four subprograms, and allowed DNR (upon review by the Joint Committee on Finance and the Governor) to reallocate spending authority across fiscal years.

As of December, 2006, the Stewardship Advisory Council was in the process of developing recommendations for the re-authorization of the Stewardship program. The program is currently authorized through 2009-10.

Land Acquisition Subprogram

DNR may obligate moneys under this subprogram to acquire land for any of the purposes specified under statute (such as forests, parks, wildlife areas and natural areas). In addition, nonprofit conservation organizations (NCOs) are eligible to receive grants for land purchases. In obligating funding under this subprogram for land acquisition, DNR is required to set aside \$3 million in each fiscal year for purchases and grants for state trails and the Ice Age Trail. Additionally, 2005 Wisconsin Act 352 requires that, beginning in fiscal year 2006-07 and ending in fiscal year 2009-10, the department set aside \$2,000,000 in each fiscal year to acquire land from the Board of Commissioners of Public Lands.

In obligating moneys under this subprogram, DNR must give priority to the following purposes: (a) acquisition of land that preserves or enhances the state's water resources, including land in and for 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; (d) acquisition of land for natural areas; and (e) acquisition of land in the middle Kettle Moraine. The Department has defined "wild lake" in administrative rule to mean "a lake or flowage of at least five acres, or significant points thereof, identified in the Wisconsin register of waterbodies, where human influence, such as structural development of its shorelands, is not significant or can be removed at costs deemed warranted by the department. If the waterbody is not found in the Wisconsin register of waterbodies database, department staff will make a determination on whether to add the waterbody to the register as a lake or flowage."

Use Of Future Bonding Authority For Certain Land Acquisitions. Beginning in fiscal year 1999-00, DNR may obligate under the land acquisition subprogram any amount not in excess of the total

bonding authority for that subprogram for the acquisition of land, subject to the approval of the Governor and the Joint Committee on Finance (the requirement of Joint Finance review of these transactions was cast in some doubt by the Governor's item vetoes in 2003 Act 33). For such transactions, the Department must sell a portion of the acquired land. All proceeds from such sales, up to the amount obligated for the original purchase, are credited to a program revenue appropriation for the payment of principal and interest associated with such purchases. Any resale proceeds in excess of the amount originally obligated are deposited in the general fund.

For bonds that are retired from the proceeds of the sale of the acquired land within three years after the date on which the land was acquired by DNR, the Department must adjust the available bonding authority for the land acquisition subprogram by increasing the available bonding authority for the fiscal year in which the bonds are retired by an amount equal to the total amount of the bonds issued for the sale that have been retired in that fiscal year. For bonds that are not retired from the proceeds of the sale of the acquired land within three years after the date on which the land was acquired, DNR must adjust the available bonding authority for the land acquisition subprogram by decreasing the available bonding authority for the next fiscal year, beginning after the end of that three-year period, by an amount equal to the total amount of the bonds that have not been retired from such proceeds in that fiscal year. Further, if necessary, the Department shall decrease for each subsequent fiscal year the available bonding authority in an amount equal to that available bonding authority or equal to the amount still needed to equal the total amount of the bonds that have not been retired from such proceeds, whichever is less, until the available bonding authority has been decreased by an amount equal to the total of the bonds that have not been retired.

Lands acquired using these provisions do not

have to be for conservation or recreational purposes. The Department of Administration is required to monitor all transactions under these provisions to ensure compliance with federal law and to ensure that interest on the bonds is tax-exempt for the holders of the bonds.

The Department requested authority to use this provision in September of 1999 to finance the \$25 million "Great Addition" purchase of approximately 32,000 acres in Iron, Lincoln, Oneida, and Vilas Counties from Packaging Corporation of America. The purchase included 42 miles of river and stream frontage and all or part of 20 lakes with 6.3 miles of frontage. Further, 924 acres of scenic and trail easements were purchased.

Portions of the Great Addition purchase were resold or traded for other parcels. The state sold 190 acres of the Great Addition purchase to Vilas County for \$148,200 and 1,390 acres to the Lac du Flambeau tribe for \$1,080,400. In addition, DNR entered into a three-way agreement with the Board of Commissioners of Public Lands and the United States Forest Service in June, 2002, to exchange and resell parcels of land totaling 2,134 acres acquired under the Great Addition for \$997,000 and conservation easement rights. The Department had originally anticipated reselling up to 7,000 acres from this purchase. However, no sales have occurred since 2004 and it appears that further sales of land from the Great Addition to counties or local units of government are unlikely to occur. Department officials cite the appeal of the payment in lieu of property taxes that DNR makes to local governments with stewardship land within their boundaries and the cost of developing recreational property for public use as key reasons for a lack of interest by counties in purchasing additional property from DNR. The agency allotted the \$25 million purchase price over three years beginning in fiscal year 2001-02.

The Department used this authority again in December, 2001, to purchase 9,239 acres of land and acquire easements on an additional 383 acres

from Wisconsin Public Service Commission (WPSC) for the Peshtigo River State Forest in Marinette and Oconto Counties for \$25 million. The acquisition took place in four phases over three years, concluding in December, 2004. As a result of the purchase, DNR acquired land surrounding Caldron Falls, High Falls, Johnson Falls, Sandstone Rapids, and Potato Rapids. The Department anticipates selling or trading some excess property from the purchase to municipalities and the United States Forest Service, but has not yet done so.

Under another provision, DNR is permitted to, for a given fiscal year, in addition to obligating the amount of the annual bonding authority for a subprogram, obligate up to 100% of the annual bonding authority for that subprogram for that given fiscal year for a project or activity. Therefore, the Department could obligate bonding authority up to double the annual allotment for a subprogram in a given year. In order for the Department to use this provision, the Natural Resources Board must determine that: (a) any land involved in the project or activity covers a large area or the land is uniquely valuable in conserving the natural resources of the state and (b) delaying or deferring all or part of the cost to a subsequent fiscal year is not reasonably possible.

Under this provision, in April, 2006, the Natural Resources Board approved the purchase of 5,629 acres and to acquire a conservation easement on 44,433 acres in Florence, Forest, and Marinette Counties referred to as the Wild Rivers and Forest Legacy purchase. The Board approved the Department's request to utilize \$16.5 million in 2007-08 authority to complete the transaction in 2006-07.

The Department has set additional priorities for the acquisition of recreational land in administrative rule. DNR places principal emphasis on the acquisition of lands in the heavily populated areas of the state and in places readily accessible to such areas. The Department undertakes projects based

on various criteria. The top priority for acquisition is for the consolidation and completion of existing projects.

The next priority is on new acquisition projects based on the following criteria, listed in descending order of priority: (a) land to protect rare and threatened natural resources, genetic and biological diversity and critical fish and wildlife habitat; (b) unique, one-of-a-kind opportunities involving projects of special scenic quality of sufficient size to provide immediate and significant results in meeting program goals; (c) water-based resources, including land for protecting and improving surface and ground water quality and land for recreation along streams, rivers, lakes and flowages; (d) lands for natural resource-based outdoor recreation and state recreational trails; (e) land within 40 miles of Wisconsin's 12 largest cities (Appleton, Eau Claire, Green Bay, Janesville, Kenosha, La Crosse, Madison, Milwaukee, Oshkosh, Racine, Waukesha, and West Allis); and (f) protection of scenic lands that meet the preceding priorities. All new projects are subject to Natural Resources Board approval.

Proposed new projects which fall within the following criteria are given lower priority (the criteria are not listed in rank order): (a) wetland projects acquired primarily to provide additional protection beyond regulation and zoning that do not meet other recreational, water quality or resource management needs; (b) projects to protect and preserve natural resources not threatened with incompatible use; (c) projects not part of large, broad-based integrated management efforts to provide multiple, outdoor-recreational opportunities; (d) timber production areas that do not meet other recreational, water quality or resource management needs; and (e) lands owned by another unit of government and not threatened with sale or incompatible use.

In conjunction with these established priorities, the Department developed a fifty-year land acquisition plan. The Wisconsin Land Legacy report was released by the Department in January, 2006, and

provides a guideline for applying acquisition criteria and priorities to specific land areas statewide. A copy of this extensive report may be obtained from DNR. Building on the Legacy report, Department staff currently are working on data sets to develop land protection goals in specific areas of the state to facilitate partnerships between public and private agencies.

When a state park, forest, wildlife area or recreation area is planned, a map showing the desired borders for the whole project is drawn. Usually, not all of the land proposed for the project is for sale at that time. Under the land acquisition plan, DNR purchases property that is available within the mapped boundaries and then purchases additional parcels as they come onto the market to fill out the project borders.

Recent Major Acquisitions

Fiscal Year 2003-04

In May, 2004, DNR acquired 5,875 acres from the Wisconsin Valley Improvement company for \$7.95 million in Oneida and Vilas Counties to expand state land ownership within the Rainbow Flowage. The purchase included undeveloped forest land, 63 miles of frontage on the Rainbow Flowage and Pickerel Lake, 10 islands, and seven boat access sites. Both Rainbow Flowage and Pickerel Lake are noted for their productive fishery, including walleye, northern pike, and panfish. Resident wildlife include deer, bear, ruffed grouse, woodcock, osprey, and nesting bald eagles. The property provides opportunities for fishing, hunting, hiking, boating, and nature appreciation.

Fiscal Year 2004-05

In August, 2004, DNR purchased 46.7 acres for \$528,000 for the Mirror Lake State Park in Sauk County and 332 acres for \$612,000 for the Lower Wisconsin State Riverway in Iowa County from the Riverland Conservancy. Located about four miles

south of the Wisconsin Dells, the 46.7 acre tract provided Mirror Lake State Park additional campsites and hiking trails. It also allowed the Department of Transportation (DOT) to utilize 12.29 acres of state park land for State Highway 23 (DOT contributed \$139,953 toward the purchase). The 332 acres in Iowa County provide a prairie habitat for the ornate box turtle, an endangered species.

In December, 2004, DNR acquired 223 acres in Washington County for \$1,450,000. Located two miles southeast of the Village of Kewaskum, the parcel contains one mile of frontage along the Milwaukee River.

In April, 2005, the Department completed phase one of the Straight Lake Wilderness State Park acquisition, acquiring 2,779 acres for \$10.6 million. The property contains a combination of upland forest, marsh and bog, lake and river, and a glacial tunnel channel. The parcel also contains Straight Lake, a 107-acre undeveloped lake, which provides habitat for bald eagles and trumpeter swans. A segment of the property is managed for game and non-game species, and a 3.5 mile segment of the property is dedicated to the Ice Age Trail.

Fiscal Year 2005-06

In September, 2005, the Department completed phase II of the Straight Lake Wilderness project, acquiring an additional 1,197 acres for \$3.8 million.

In October, 2005, DNR acquired a forest legacy easement on 18,513 acres in Langlade County for \$9.2 million. The tract includes 23,000 feet of river frontage as well as 15 acres of lake frontage, allowing for permanent public access and sustainable forestry practices in the previously privately owned forest area.

Fiscal Year 2006-07

In July, 2006, DNR acquired fee title on

5,629 acres and a conservation easement on 44,433 acres in Florence, Forest, and Marinette Counties for \$33 million for the Wild Rivers Forest Legacy acquisition. The Nature Conservancy also provided funding for the project allowing the protection of a total of almost 65,000 acres. The area includes more than 48 lakes and ponds, and more than 70 miles of rivers and streams. It is a working forest that also provides habitat for migratory waterfowl, trout, and many other wildlife. The property offers a variety of recreational opportunities including hiking, hunting, fishing, kayaking, cross-country skiing, and snowmobiling.

Property Development and Local Assistance Subprogram

Of the \$15 million in annual bonding authority for this subprogram, the Department must obligate at least \$7 million on property development and may obligate up to \$8 million on local assistance annually for nature-based outdoor recreation purposes. Although these two categories are components of the same subprogram, they serve different purposes. The property development component addresses property development on DNR-owned land, while the local assistance program uses funding to award grants to local governments to acquire land and to develop local recreational land. Table 9 lists allotments and expenditures from the property development and local assistance subprogram as of June 30, 2006.

Table 9: Stewardship 2000 Property Development and Local Assistance Subprogram Expenditures as of June 30, 2006

Category	Allotment	Cost as of 06/30/06*	Unencumbered Balance
Local Assistance Grants	\$43,630,000	\$38,890,400	\$4,739,600
DNR Property Development	35,093,200	12,381,900	22,711,300
State Fair Park Construction	2,000,000	2,000,000	0
Kickapoo Valley Reserve			
Visitor Center	2,370,000	2,267,200	102,800
Grants to Friends Groups	<u>1,114,500</u>	<u>905,900</u>	<u>208,600</u>
Total	\$84,207,700	\$56,445,400	\$27,762,300

*Includes funds encumbered to pay costs incurred or legally obligated.

Funding obligated for property development is used for: (a) property development on DNR land; (b) property development on conservation easements adjacent to DNR land; and (c) grants to friends groups and non-profit conservation organizations for property development activities on DNR land. Under statute, DNR (similar to other state agencies) is required to submit a six-year facility plan to the Division of State Facilities in the Department of Administration listing the facilities development needs of the agency and setting a preliminary timeline for their completion.

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. Administrative rule NR 51 further addresses administration of these grant programs.

Under 1999 Act 9, moneys obligated under the property development and local assistance sub-program may only be used for nature-based outdoor recreation. The Department has defined "nature-based outdoor recreation" in administrative rule to mean: "Activities where the primary focus or purpose is the appreciation or enjoyment of nature." These activities may include but are not limited to hiking, bicycling, wildlife or nature observation, camping, nature study, fishing, hunting, picnicking, cross-country skiing, canoeing, and multi-use trail activities. Support facilities for these activities may include but are not limited to access roads, parking areas, utility and sanitation systems, sanitary and shelter buildings, signs, interpretive items, and other features that enhance nature-based outdoor recreation or improve disabled accessibility. Ineligible activities include, but are not limited to, sports that require extensively developed open space such as dedicated sports fields, swimming pools, and tennis courts. The Department's decisions as to whether a particular project or activity qualifies as a "nature-based outdoor recreation activity" are made on a case by case basis.

An October, 2000, review of the original stewardship program by the Legislative Audit Bureau (LAB) noted that some concerns have been raised regarding development activities paid for with aid to local parks grants. The report noted that under the original stewardship program, the aids to local parks category was allocated the most funding of any grant category (\$2.25 million annually) and was the only category allowing for local development activities. The LAB found that for 119 local development grants reviewed, over one-third included the development of sport facilities and playground equipment. These facilities would generally be prohibited under Stewardship 2000 grants. However, the LAB noted that by using the term "primary focus or purpose" being the enjoyment of nature it was unclear to what extent sport facilities or playground equipment might be eligible if they were not the "primary focus" of the project. Further for land acquisition grants it may be unclear under the DNR administrative rule whether sports fields or facilities may be sited on property purchased with Stewardship 2000 grants. The Department has not clarified the rule definition of nature-based outdoor recreation. However, agency officials state they require projects to be 100% for nature-based outdoor recreation.

Baraboo Hills Subprogram

Under this subprogram, DNR could provide up to \$5 million in funding to match the value of land acquisitions that are certified by the Department as qualifying under the following conditions: (a) the land is being acquired for conservation purposes; (b) the land is being acquired by the federal government, a local governmental unit or NCO; and (c) any federal moneys being used for the acquisition are federal non-transportation moneys.

The DNR is prohibited from obligating more than \$5 million under this subprogram. Funds that remained unassigned were required to be transferred to the land acquisition subprogram by January 1, 2006. DNR indicates that the entire \$5 million

has been assigned. As of January 1, 2007, DNR had expended \$3,509,300 from the program. Among its acquisitions are a conservation easement to prevent further development on 267 acres in Columbia County, purchase of 102 acres of land adjacent to Devil's Lake State Park in Sauk County, 70 acres adjacent to Natural Bridge State Park, and 56.7 acres in the western end of the Baraboo Hills, within one mile of Natural Bridge State Park.

Bluff Protection Subprogram

In 2000-01, \$1 million in bonding was allocated for a bluff protection program. No money may be obligated for the bluff protection subprogram after June 30, 2004. One grant totaling \$454,700 was awarded to the Ozaukee Washington Land Trust in 2001-02 under this subprogram to assist in the acquisition of 77 acres of bluff land ("Lion's Den Gorge") along the Lake Michigan shore in Ozaukee County.

Grants to Nonprofit Conservation Organizations

As a means of encouraging private conservation groups to cooperate with the state in the acquisition and development of recreational lands, the stewardship program authorizes DNR to award grants to nonprofit conservation organizations (NCOs) to acquire property. The Department may award grants under any of the subprograms.

Grants to NCOs and local governments for land acquisition may be for up to 50% of the land's current fair market value plus other acquisition costs as determined in rule by DNR. Previously, this 50% match requirement for NCOs and local governments was dictated by DNR administrative rule only. Prior to receiving a grant, an NCO must enter into a contract with DNR. The contract must: (a) specify standards for the management of the property to be acquired; (b) prohibit use of the

property as security for any debt, unless DNR approves; and (c) prohibit the property to be acquired from being closed to the public, unless DNR determines it is necessary to protect wild animals, plants or other natural features. In addition, the contract must specify that any subsequent sale or transfer of the property by the NCO may be made only with the approval of the Department and only if the potential owner enters into a new contract with DNR. If the NCO violates any essential provision of the contract, title to the acquired property will vest in the state.

Under 1993 Act 343, DNR was instructed to provide a one-time grant of \$75,000 from the water resources account of the conservation fund, to a Wisconsin-based nonstock, nonprofit corporation. The nonprofit corporation was required to meet all of the following requirements to be eligible for the grant: (a) have an exemption from the federal income tax; (b) provide support to NCOs; (c) have a board of directors that has a majority of members who are representatives of NCOs; and (d) provide \$25,000 to be used with the grant.

This grant was awarded to Gathering Waters, Inc., in January, 1995. According to their mission statement, Gathering Waters is formed to serve as an informational clearinghouse and technical assistance center to aid individuals and NCOs in preserving, protecting, and enhancing the ecological integrity of Wisconsin's land and water. In accordance with statute, the group: (a) assists in establishing new NCOs; (b) sponsors conferences and other educational programs; (c) publishes a newsletter; and (d) provides technical assistance on such issues as incorporation, organizational development, real estate transactions, and land protection options.

1995 Act 459 instructed DNR to provide a similar grant of \$75,000 in 1996-97 and annually thereafter to Gathering Waters. This aspect of the original stewardship program was continued under the reauthorized Stewardship 2000 initiative. Also included in 1999 Act 9 were provisions and

funding for similar groups to support urban land conservation, the Ice Age trail, and to encourage and assist private conservation activities. These grants were likewise funded by the conservation fund.

Small groups that do not qualify as a nonprofit organization may enter into a partnership with a qualified NCO in order to apply for a one-time stewardship grant of up to \$20,000 for habitat restoration and land acquisition. Under this provision the qualified NCO would act as the fiscal agent for the grant and would retain title to the land.

As of September 30, 2006, 54 NCOs (not including friends groups) have been awarded 326 grants totaling over \$55 million under ten of the stewardship components, as follows: (a) 118 grants for natural areas; (b) 100 habitat areas grants; (c) 35 for the Ice Age Trail; (d) 22 grants under the stream bank protection program; (e) 11 grants for urban green space; (f) 10 grants under the acquisition of development rights component; (g) 8 grants for local park aids; (h) 6 grants under urban rivers; (i) 4 grants under state trails, and (j) 3 in the Baraboo Hills program. In addition, one grant was awarded in recreational areas, and another 8 grants were awarded through a mixture of funds from the multiple components listed above. Among the nonprofit conservation organizations that have received multiple grants under Stewardship are the Nature Conservancy, the Ice Age Park and Trail Foundation, the Waukesha County Land Trust, Door County Land Trust, Natural Heritage Land Trust, West Wisconsin Land Trust, Ozaukee-Washington Land Trust, and the Madison Audubon Society.

NCOs are eligible to apply for grants under both of the major Stewardship 2000 subprograms. Since DNR and local governments draw from these programs as well, it can become a competitive process. Funds received as grants under the land acquisition subprogram are used to acquire land for a variety of purposes in accordance with the

statutorily enumerated priorities for land acquisition funding.

Partnerships with NCOs have increased the Department's ability to protect land in more densely populated areas. For example, the "Polk Kames/Kettle Hills Project" is located in the southeastern region of the state where open land is scarce and land values are higher than other regions of the state. For the project, \$1.45 million in Department land acquisition funds and \$1.89 million in NCO grant acquisition funds were paired with the National Park Service's Land and Water Conservation Fund (LWCF) as well as private funds of over \$5 million to protect over 550 acres in Washington and Waukesha counties. Since, 2000, this multiple partner project collaboration has resulted in an additional 43 miles of Ice Age National Scenic Trail and the purchase of 7,332 acres of habitat and recreation land.

Funds under the property development and local assistance subprogram may be used for a variety of purposes, including property development on land owned by the Department and the purchase of conservation easements on property adjacent to DNR owned lands. The DNR may obligate funding for property development as well as provide matching grants to NCOs for this purpose. Matching grants may also be given to either local government or NCOs for acquisition of urban green space, local parks, and urban rivers areas, and for the purchase of development rights (easements) for conservation purposes. In addition, local governments can receive matching grants for the development of local parks and shoreline enhancements of urban rivers. As mentioned previously, all funds expended under this subprogram must be used for nature-based outdoor recreational purposes.

The DNR may provide up to \$250,000 each year in matching grants to friends groups and NCOs for property development activities on Department owned property, with no more than \$20,000 in grants for any property in a given fiscal year.

Friends groups have first option on available funds.

As of January 1, 2007, DNR had expended or encumbered approximately \$86.2 million for grant requests under Stewardship 2000. This total includes \$36.1 under the land acquisition subprogram and \$50.1 under the property development and local assistance subprogram.

In fiscal year 2007, there will be \$15 million available to be divided between the Department's capital development budget and local assistance grants. Statutorily, at least \$3.5 million must go toward property development, with no more than \$8 million devoted to local assistance grants. The Natural Resources Board allocated \$7 million to the capital development budget, with \$250,000 set aside for Friends' Group development grants. This left the full \$8 million in grant funds for local assistance. Table 10 illustrates the expenditure plan approved by the Natural Resources Board for fiscal year 2006-07.

Conservation Reserve Enhancement Program

While not a stewardship program, the 1999-01 biennial budget authorized \$40 million in general fund supported bonding for the Department of Agriculture, Trade and Consumer Protection to participate in the Conservation Reserve Enhancement Program (CREP). Under the federal land retirement conservation program, the state provides at least a 20% match to federal funds to provide financial incentives for farmers and ranchers who enroll in a minimum of 14-year conservation easements (permanent easements are allowed).

Under these easements, land is removed from agricultural production to improve water quality, erosion control, and wildlife habitat in specific geographical areas. The U.S. Department of Agriculture has authorized \$200 million in federal

Table 10: Stewardship 2006-07 Expenditure Plan

Subprogram	2006-07
Land Acquisition	
Department Acquisitions	\$18,250,000
Grants to NCOs	8,250,000
BCPL Natural Areas	2,000,000
Wild Rivers Forest Legacy Adjustment	16,500,000
Property Development and Local Assistance	
DNR Property Development	6,750,000
Grants to Friends Groups and NCOs	250,000
Local Assistance Grants	
Local Units of Government and NCOs	<u>8,000,000</u>
Total	\$60,000,000

funds for Wisconsin to enroll up to 100,000 acres in CREP. Through October 1, 2006, nearly 35,300 acres of land have been enrolled in CREP (29,800 acres in 15-year easements and 5,500 acres in perpetual easements).

The Farm Service Agency (FSA) projects that total federal payments associated with these 35,300 acres over their CREP contracts (generally 15 years, unless a permanent easement is granted) will total about \$71 million. In addition, through October 1, 2006, the state had expended about \$10.2 million on incentive payments to enroll this land into the program and on cost-share grants to landowners for the installation of conservation practices. As a result, expenditures of approximately \$81.2 million (out of the total \$240 million available) are expected over the life of the CREP contracts (generally 15 years) for the 35,300 acres enrolled in CREP as of October 1, 2006. Under the current agreement with the USDA, state landowners are allowed to participate in CREP provided they have signed a federal contract by December 31, 2007.

Appraised Versus Assessed Value

Assessors and appraisers generally determine

the value of property based on the property's highest and best use, which is that use which will produce the greatest net return to the property owner over a reasonable period of time. Three methods are generally accepted in determining the value of property.

- Under the sales comparison method, value is determined by analyzing recent sales of property that are similar in size, age, use, location and other factors.

- Under the cost method, the value of the land is estimated and added to the cost of replacing any attached structures.

- Under the income method, the present value of the property is determined from the estimated future income derived from the property. While all three approaches are accepted, the sales method is the approach most commonly used.

Commonly-accepted definitions of highest and best use utilized by appraisers generally take into account four different factors when making the determination:

- Physical possibility, taking into account the size, terrain, soil composition and utility availability for the parcel that may limit the use of the land;

- Legal permissibility, including applicable zoning regulations (including rezoning prospects), building codes, deed restrictions, historic district controls and environmental regulations;

- Financial feasibility, meaning any use that produces a positive rate of return based on the characteristics of the property; and

- Maximum productivity, under which no other use of the land would provide a greater net return to the owner based on land costs, physical characteristics, legal constraints and the economic

characteristics of the surrounding area.

For a particular piece of property, there may be some difference of opinion among those doing the property valuation relating to any of these factors. The physically possible uses of the parcel, for example, would be influenced by the proximity of a sewer line to the parcel. The legally permissible uses of a parcel of land could be affected by current zoning designations and a particular municipality's history of approving zoning changes that affect the ability of land in the municipality to be developed. In these cases, assessors and appraisers (and potential buyers) must make certain assumptions related to these factors to be able to determine a value for the property.

For example, the stewardship grant to the Trust for Public Land for \$1,555,400 for the acquisition of 86.2 acres for Ellison Bluff County Park in Door County that was considered by the Joint Committee on Finance in May, 2000, involved property that was zoned to allow for minimum residential lot sizes of either 3.5 or five acres. The three appraisals that were accepted by DNR for grant determination all judged the highest and best use as residential development. These appraisers then estimated values based on development scenarios that would be allowable under current zoning. In the case of the proposed DNR grant to the Ice Age Park and Trail Foundation for \$993,600 for the acquisition of 93 acres for the trail in Dane County that was considered by the Joint Committee on Finance in March, 1998, however, the land was zoned A-3 agricultural. That designation is intended to preserve those lands near developed areas in the County for agricultural and open space uses for an unspecified period of time, but where urban expansion is expected. While city officials indicated at the time that at least some portions of the land would be maintained as green space in the absence of the purchase by the Foundation, residential development had occurred up to the border of the property on at least one side and a sewer line ran through the property. The appraisers believed that absent purchase by a governmental body or nonprofit

conservation organization (NCO) for green space, the property would be annexed by the City of Madison and developed. The two appraisals that were accepted by the Department for grant determination both judged the highest and best use of the property as residential development.

Providing less than the fair market value for land could be considered a taking without just compensation in violation of the Fifth and Fourteenth Amendment to the U.S. Constitution. Further, under Wisconsin Statutes s. 32.09(5)(b), any increase or decrease in the fair market value of a property caused by any public improvement for which property is acquired, or the likelihood that the property would be acquired for such an improvement, may not be taken into account in determining just compensation for the property.

Questions were sometimes raised about parcels of land proposed for acquisition where the appraised value was significantly greater than the assessed value. Assessed value is the value placed on a property by the local unit of government for property tax purposes. Most assessors value property at some fraction of market value, despite a statutory requirement that property be assessed at full value. A series of court cases, dating back to the nineteenth century, has interpreted statutes to allow assessed values at a fraction of market value, provided the same fraction applies to all property in the taxation district. As a result, local assessors can assess property at a level below market value without violating the state constitution's requirement of uniform taxation.

DNR, local governments, and NCOs hire private real estate appraisers to determine the fair market value of prospective land purchases. A large disparity between assessed and appraised value may result from local assessors significantly undervaluing all property, not having updated assessments, or as a result of local land use policies. If open space that could be preserved is likely to otherwise be developed, it is often within the power of localities to zone the land in such a way as to maintain it in a relatively undeveloped

state, if that is the preferred local option. In addition, a significant contributor to the rapidly escalating value of some properties may be a municipality's history of rezoning agricultural or open space land to allow residential or commercial development.

The power of zoning as a tool for land preservation, however, is limited by the willingness of the locality to maintain land in an undeveloped state. Further, zoning ordinances must allow a reasonable use of the property by the owner to avoid a taking of private property for public use.

Aids in Lieu of Property Taxes

The difference between assessed and appraised values also has an effect on payments made by the state in lieu of property taxes. Since 1992, when DNR acquires land, the Department pays aids in lieu of property taxes on the land to the city, village or town in which the land is located in an amount equal to the tax that would be due on the estimated value of the property at the time it was purchased (generally the purchase price), adjusted annually to reflect changes in the equalized valuation of all land, excluding improvements, in the taxation district. The municipality then pays each taxing jurisdiction (including the county and school district) a proportionate share of the payment, based on its levy. To the extent that the purchase price paid by DNR for land is based on appraised values and to the extent that appraised values exceed assessed values, the resulting aids in lieu payments made under state ownership of land are greater than the property taxes that would be paid if the property remained under private ownership. Further, in some cases, lands purchased by the state were fully or partially exempted from property taxation before purchase (such as managed forest lands, railroad rights-of-way or properties owned by certain tax-exempt corporations).

Aids in lieu payments are made primarily from a

sum sufficient, GPR appropriation. However, beginning in 2003-04, a portion of the payments are made from the forestry account of the conservation fund (\$2 million in 2004-05 and \$4 million beginning in 2005-06). Table 11 shows aids in lieu of property tax payments for the past 10 years.

Table 11: Aids in Lieu of Property Tax Payments

Fiscal Year	GPR	SEG	Total
1996-97	\$1,735,600	\$0	\$1,735,600
1997-98	1,873,000	0	1,873,000
1998-99	2,374,200	0	2,374,200
1999-00	2,537,900	0	2,537,900
2000-01	3,393,500	0	3,393,500
2001-02	3,906,100	0	3,906,100
2002-03	4,755,400	0	4,755,400
2003-04	4,349,000	1,000,000	5,349,000
2004-05	4,133,000	2,000,000	6,133,000
2005-06	3,160,100	4,000,000	7,160,100

Although the formula for calculating aids in lieu of taxes is intended to produce a state payment that is equivalent to what is paid in property taxes, in practice, state payments typically exceed the property taxes that would have been paid on the property because the purchase price of conservation land has routinely exceeded the property's assessed value. In October of 2000, the Legislative Audit Bureau (LAB) released an evaluation of the Warren Knowles-Gaylord Nelson Stewardship program. The report found that within a sample of 74 property acquisition grants, the average appraised value per acre of the property was more than double (120% greater than) the average assessed value per acre. When adjustments were made to make comparisons on a per-property rather than a per acre basis, the average difference increased to 305%. The Legislative Audit Bureau noted that the sample was specifically selected to include large grants. Since it was not a random sample, the result could not be projected to all grants. While these wide discrepancies in appraised and assessed valuations have raised questions by some about the fair market value of stewardship properties, the report also notes that infrequent updates in assessed values also raise

questions about fairness in local property taxes.

When the DNR property being purchased (a) is exempt from local property taxes (such as when owned by certain nonprofits or public utilities), (b) is subject to preferential tax treatment (such as under the managed forest law or agricultural use value), or (c) has a purchase price that exceeds the local assessed value, transferring the property to DNR results in a net gain in revenues for the affected local governments.

Table 12 compares the estimated aids in lieu of taxes payment due on a sample of 32 properties acquired by DNR under the stewardship program to the amount paid in taxes for the year prior to the state acquiring the property. Examples were selected based on an August, 2001 expiration date of the state's option to purchase. In some cases, agricultural properties benefited from use value assessment, which would result in a lower than expected tax bill in the previous year. In cases where the property acquired was a fraction of a larger parcel, the tax attributed to the smaller parcel is estimated. While only a very limited sample was reviewed, on average, local payments more than tripled under state ownership for the 32 parcels.

In most cases, the aids in lieu payment to municipalities exceeds revenues previously generated by property taxes. The Department indicates that the current formula has led to a reduction in the number of local objections to state acquisition of land. Conversely, the intent of the formula was to establish a fair level of compensation, rather than to create a financial incentive, for municipalities to cooperate with state land acquisition.

As passed by the Legislature, the 2003-05 biennial budget would have changed the formula by which aids in lieu payments are calculated for lands purchased from the effective date of the bill forward. The modified formula would have defined the estimated value of the property to

Table 12: Selected 2001 State Land Purchases

Property Category	County	Purchase Price	2000 Taxes	Aids in Lieu Estimation*	% Change
North Fish Creek Fishing Area	Bayfield	\$40,000	\$130	\$845	550%
South Shore Lake Superior Fish and Wildlife Area	Bayfield	30,000	254	662	161
Statewide Natural Area	Buffalo	260,100	2,400	6,240	160
Ludwig Woods Natural Area	Calumet	43,000	68	832	1,124
Statewide Natural Area	Calumet	28,500	167	551	230
Chippewa Moraine State Recreation Area	Chippewa	26,000	418	463	11
Tom Lawin Wildlife Area	Chippewa	130,000	308	1,963	537
Kickapoo Wildlife Area	Crawford	345,000	1,675	7,887	371
Rush Creek State Natural Area	Crawford	57,000	869	1,320	52
Statewide Natural Area	Crawford	400,000	37**	9500	25,576
Ice Age Trail	Dane	557,460	2,400	11,300	371
North County Trail	Douglas	28,000	65	415	539
Statewide Natural Area	Green Lake	64,500	806	1,195	48
White River Wildlife Area	Green Lake	18,000	109	325	198
Governor Dodge State Park	Iowa	335,000	3,375	8,499	152
Streambank Protection	Iowa	100,000	977	2,537	160
Waterloo Wildlife Area	Jefferson	30,400	96	582	506
Newwood Wildlife Area	Lincoln	198,000	237	3,683	1,454
Statewide Spring Ponds	Marathon	6,000	51**	119	132
Lower Chippewa State Natural Area	Pepin	308,275	5,460	7,765	42
Nine Mile Island State Natural Area	Pepin	280,000	1,715	5,508	221
Western Prairie Habitat Restoration Area	Polk	288,000	1,400	5,011	258
Dewey Marsh Wildlife Area	Portage	26,700	360	473	31
Paul Olson Wildlife Area	Portage	135,200	964	2,373	146
Willow Creek Fishing Area	Richland	57,800	770	1,400	82
Navarino Wildlife Area	Shawano	11,710	216	228	6
Onion River Streambank Protection	Sheboygan	615,000	4,100	9,900	141
Western Prairie Habitat Restoration Area	St. Croix	374,500	3,075**	5,917	92
Kettle Moraine State Forest	Waukesha	569,913	1,100	11,300	927
Statewide Habitat Areas	Waupaca	126,000	1,026	2,727	166
Glacial Habitat Area	Winnebago	252,000	1,286	5,133	299
Rat River Wildlife Area	Winnebago	56,700	310	987	218
Total		\$5,798,758	\$36,224	\$117,640	225%

*Aids in lieu estimation is calculated using the purchase price multiplied by the effective tax rate of the taxing district for 2000.

**Property enrolled in forest crop law or subject to use value assessment.

mean the lower of the equalized value of the property prior to purchase by DNR or the purchase price (instead of the purchase price, as currently provided in statute). In cases where the property had previously been tax-exempt, the last recorded equalized value would be used, or a payment of \$1 per acre would be made, whichever amount was greater. The amount determined under this formula would continue to be adjusted annually to reflect changes in the equalized valuation of all

land, excluding improvements, in the taxation district. Under this formula, aids in lieu of property tax payments would be expected to decline by between one-half and two-thirds for future purchases. The Governor item vetoed this provision in 2003 Act 33. The 2005-07 budget, as passed by the Legislature, again included this provision. However, the Governor also item vetoed the provision in 2005 Act 25.

Appendices

Following are five appendices which provide additional information about the Warren Knowles-Gaylord Nelson stewardship 2000 program. Appendix I provides a summary of expenditures under the stewardship 2000 program for fiscal years 2000-01 through 2005-06. Appendix II summarizes DNR land acquisitions funded from the stewardship program (original and reauthorized) by county, including the number of

acres in each county for which an easement has been purchased, the number of acres acquired by fee title purchase and total expenditures made by DNR for both fee title and easement purchases in the county. Appendix III summarizes DNR grant program activity by county under stewardship, based on the location of the property involved, to local units of government and nonprofit conservation organizations. Appendix IV provides information on recent major property development projects, and Appendix V shows the amount of stewardship funding spent on DNR properties since 1990.

APPENDIX I

**Warren Knowles-Gaylord Nelson Stewardship 2000 Program
Expenditures by Fiscal Year**

Category	2000-01	2001-02	2002-03	2003-04	2004-05	2005-06	Total
General Land Acquisition	\$21,203,800	\$35,583,100	\$37,841,200	\$40,682,600	\$41,750,000	\$25,106,700	\$202,167,400
Property Development	0	2,275,800	2,182,700	1,629,300	2,749,500	3,718,600	12,555,900
Local Assistance	1,153,600	3,320,800	5,005,800	7,501,900	12,496,200	19,467,100	48,945,400
Baraboo Hills	0	0	128,100	986,500	366,400	1,191,400	2,672,400
Bluff Protection	<u>0</u>	<u>450,000</u>	<u>4,700</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>454,700</u>
Total	\$22,357,400	\$41,629,700	\$45,162,500	\$50,800,300	\$57,362,100	\$49,483,800	\$266,795,800

APPENDIX II

DNR Land Acquisitions Under Stewardship by County as of December, 31, 2005

County	Easement Acres	Fee Acres	Federal Expenditures	Stewardship Expenditures	Total Expenditures
Adams	1,673	6,001	\$286,650	\$5,277,440	\$5,564,090
Ashland	20	1,373	25,500	714,600	740,100
Barron	22	762	15,100	963,979	979,079
Bayfield	8	8,276	386,013	1,904,286	2,290,299
Brown	110	13,116	1,600,000	1,576,872	3,176,872
Buffalo	1	1,811	19,200	1,051,780	1,070,980
Burnett	11	2,597	667,891	1,594,703	2,262,594
Calumet	19	1,757	43,560	2,472,321	2,515,881
Chippewa	66	4,413	674,547	1,866,573	2,541,120
Clark	0	224	0	469,647	469,647
Columbia	666	2,559	335,938	3,989,553	4,325,491
Crawford	817	7,931	97,065	6,870,444	6,967,509
Dane	1,532	5,107	1,142,428	16,683,841	17,826,268
Dodge	524	1,273	328,800	1,765,105	2,093,905
Door	1,471	1,383	2,904,765	5,591,736	8,496,501
Douglas	87	9,000	161,200	2,444,267	2,605,467
Dunn	925	2,798	150,000	2,270,761	2,420,761
Eau Claire	108	150	0	1,814,500	1,814,500
Florence	1,800	6,537	0	4,058,866	4,058,866
Fond du Lac	1,844	5,561	214,500	6,949,895	7,164,395
Forest	0	544	0	187,536	187,536
Grant	1,039	4,001	152,787	4,190,694	4,343,481
Green	189	713	240,124	1,158,151	1,398,275
Green Lake	9	1,083	125,000	848,042	973,042
Iowa	1,093	4,262	59,029	5,201,290	5,260,319
Iron	5,704	40,209	1,151,880	22,306,576	23,458,456
Jackson	4	3,523	66,205	2,795,997	2,862,202
Jefferson	28	5,281	24,084	2,724,738	2,748,822
Juneau	462	4,891	188,400	4,339,404	4,527,804
Kenosha	86	195	444,765	1,080,234	1,524,999
Kewaunee	14	498	0	724,294	724,294
La Crosse	136	153	28,748	365,858	394,606
Lafayette	270	357	0	772,228	772,228
Langlade	18,844	2,174	3,316,900	8,219,460	11,536,360
Lincoln	20,753	8,014	3,557,977	8,630,377	12,188,354
Manitowoc	1,263	622	11,022	2,516,148	2,527,170
Marathon	1,368	2,016	1,047,891	1,757,094	2,804,985
Marinette	123	19,856	1,025,993	27,000,897	28,026,890
Marquette	450	1,849	290,712	1,949,125	2,239,837
Menominee	0	0	0	0	0

APPENDIX II (continued)

DNR Land Acquisitions Under Stewardship by County as of December, 31, 2005

County	Easement Acres	Fee Acres	Federal Expenditures	Stewardship Expenditures	Total Expenditures
Milwaukee	60	117	\$0	\$249,002	\$249,002
Monroe	617	921	85,256	1,209,895	1,295,151
Oconto	4	2,054	689,848	2,009,426	2,699,274
Oneida	18,807	28,806	46,602	37,985,110	38,031,712
Outagamie	8	2,844	288,000	3,584,466	3,872,466
Ozaukee	192	240	120,000	719,620	839,620
Pepin	403	1,908	268,000	1,521,353	1,789,353
Pierce	61	816	15,700	700,715	716,415
Polk	245	4,656	1,554,450	11,861,816	13,416,266
Portage	21	4,571	427,882	3,821,513	4,249,395
Price	1	102	0	68,125	68,125
Racine	1	268	59,000	601,600	660,600
Richland	521	4,470	241,385	3,793,851	4,035,236
Rock	2	1,189	0	1,473,596	1,473,596
Rusk	1	92	23,250	117,950	141,200
Sauk	3,365	3,798	1,798,129	8,028,026	9,826,154
Sawyer	51	1,212	160,170	964,140	1,124,310
Shawano	27	1,381	477,150	735,220	1,212,370
Sheboygan	408	2,590	507,555	5,236,508	5,774,063
St Croix	169	2,651	64,144	5,272,670	5,336,814
Taylor	23	798	68,880	1,136,936	1,205,816
Trempealeau	136	1,466	74,400	882,277	956,677
Vernon	231	1,361	111,341	1,438,637	1,549,978
Vilas	2,603	3,601	61,500	3,258,693	3,320,193
Walworth	712	3,460	127,750	6,269,370	6,397,120
Washburn	170	1,114	0	1,770,391	1,770,391
Washington	439	1,787	1,026,450	7,738,241	8,764,691
Waukesha	66	2,069	364,181	9,177,120	9,541,301
Waupaca	332	2,402	1,902,680	2,605,389	4,508,069
Waushara	267	4,060	738,962	4,958,220	5,697,182
Winnebago	2,991	2,680	592,900	3,488,393	4,081,293
Wood	<u>28</u>	<u>1,032</u>	<u>23,900</u>	<u>1,551,300</u>	<u>1,575,200</u>
Total	97,170	262,788	\$32,704,138	\$301,600,382	\$334,304,520

APPENDIX III

DNR Grant Program Activity Under Stewardship by County as of September 30, 2006

County	Grants to Local Units of Government	Grants to Nonprofit Conservation Organizations	Total Grant Expenditures	County	Grants to Local Units of Government	Grants to Nonprofit Conservation Organizations	Total Grant Expenditures
Adams	\$218,682	\$347,101	\$565,783	Manitowoc	\$1,927,443	\$272,009	\$2,199,452
Ashland	124,383	325,750	450,133	Marathon	1,084,797	166,740	1,251,537
Barron	92,452	0	92,452	Marinette	130,584	0	130,584
Bayfield	396,479	394,434	790,913	Marquette	45,101	174,449	219,550
Brown	4,731,855	380,768	5,112,623	Menominee	0	0	0
Buffalo	186,890	158,077	344,967	Milwaukee	2,577,464	410,940	2,988,404
Burnett	113,540	89,695	203,235	Monroe	730,822	10,000	740,822
Calumet	479,254	113,407	592,661	Oconto	281,246	0	281,246
Chippewa	714,768	563,902	1,278,670	Oneida	586,533	0	586,533
Clark	637,698	0	637,698	Outagamie	1,634,925	8,935	1,643,860
Columbia	582,392	1,657,541	2,239,933	Ozaukee	2,191,339	2,638,851	4,830,190
Crawford	238,331	316,434	554,765	Pepin	23,501	645,000	668,501
Dane	14,716,690	10,359,584	25,076,274	Pierce	284,715	745,060	1,029,775
Dodge	1,429,008	310,900	1,739,908	Polk	790,964	2,055,500	2,846,464
Door	1,473,996	9,072,517	10,546,513	Portage	974,866	389,080	1,363,946
Douglas	476,562	32,500	509,062	Price	548,138	0	548,138
Dunn	455,761	233,274	689,035	Racine	2,487,089	162,500	2,649,589
Eau Claire	1,157,299	6,600	1,163,899	Richland	221,438	0	221,438
Florence	141,906	0	141,906	Rock	1,972,221	472,300	2,444,521
Fond du Lac	1,123,465	6,800	1,130,265	Rusk	469,223	0	469,223
Forest	58,345	0	58,345	St. Croix	950,088	2,162,098	3,112,186
Grant	430,651	273,783	704,434	Sauk	195,124	0	195,124
Green	250,330	112,350	362,680	Sawyer	821,815	52,050	873,865
Green Lake	137,164	0	137,164	Shawano	1,419,299	271,065	1,690,364
Iowa	134,995	2,547,771	2,682,766	Sheboygan	898,552	534,546	1,433,098
Iron	117,911	0	117,911	Taylor	198,330	11,075	209,405
Jackson	478,817	22,500	501,317	Trempealeau	58,964	14,445	73,409
Jefferson	1,691,760	3,844,115	5,535,875	Vernon	586,091	55,103	641,194
Juneau	299,810	159,058	458,868	Vilas	645,801	4,103,013	4,748,814
Kenosha	1,795,779	350,766	2,146,545	Walworth	1,178,825	743,381	1,922,206
Kewaunee	445,362	10,400	455,762	Washburn	344,717	0	344,717
La Crosse	826,044	1,147,395	1,973,439	Washington	3,166,893	4,264,117	7,431,010
Lafayette	475,788	0	475,788	Waukesha	11,099,678	1,852,088	12,951,766
Langlade	362,788	0	362,788	Waupaca	1,278,175	56,478	1,334,653
Lincoln	789,471	0	789,471	Waushara	192,030	727,500	919,530
				Winnebago	1,997,626	220,900	2,218,526
				Wood	<u>984,511</u>	<u>277,428</u>	<u>1,261,939</u>
				Total	\$82,765,354	\$56,334,073	\$139,099,427

APPENDIX IV

**Stewardship 2000
Major Property Development Projects
As of June 30, 2006**

	<u>Budgeted</u>	<u>Expended</u>	<u>Encumbered</u>	<u>Balance</u>
Rib Mountain State Park Ski Chalet	\$1,079,100	\$1,079,100	\$0	\$0
Richard Bong State Recreation Area toilet/shower building	973,300	118,600	41,000	813,700
Kettle Moraine State Forest toilet/shower building	623,500	56,600	8,700	558,200
Mirror Lake State Park toilet/shower building	427,600	427,600	0	0
Point Beach State Forest toilet/shower building	493,000	432,400	0	60,600
Rib Mountain/Perrot State Parks entrance buildings	703,000	462,400	1,500	239,100
Rock Island State Park entrance building	218,700	217,300	0	1,400
Great River State Trail extension	496,100	0	0	496,100
Willow River State Park group campground	128,700	60,500	57,700	10,500
High Cliff State Park accessible cabin	138,800	138,800	0	0
Badger State Trail improvements	1,056,000	96,000	15,400	944,600
Buffalo River State Trail bridges	191,600	186,800	0	4,800
Council Grounds State Park outdoor campground	127,400	9,600	4,600	113,200
Newport State Park entrance building and interpretive center	540,000	8,700	41,700	489,600
Harrington Beach State Park addition	135,800	0	0	135,800
Pattison State Park waste water management systems	<u>612,400</u>	<u>451,200</u>	<u>112,000</u>	<u>49,200</u>
Total	\$7,945,000	\$3,745,600	\$282,600	\$3,916,800

APPENDIX V

Stewardship Development Expenditures by State Property, 1990 through June 30, 2006

400 State Trail	\$78,200	Lapham Peak	\$928,900
Amnicon Falls State Park	37,000	Loew's Lake	29,200
Badger Trail	876,900	Lower Wisconsin State Riverway	39,400
Baraboo Hills	2,672,400	Lulu Lake Natural Area	5,000
Bearskin-Hiawatha State Trail	900	Mead Wildlife Area	103,400
Big Bay State Park	27,000	Merrick State Park	53,700
Big Foot Beach State Park	43,200	Military Ridge State Trail	200,900
Blue Mounds State Park	46,700	Mirror Lake State Park	452,900
Brooklyn Wildlife Area	9,700	Nelson Dewey State Park	56,100
Brule River State Forest	3,600	Northern Highland/American Legion State Forest	183,500
Buckhorn State Park	63,900	Pattison State Park	1,036,500
Buffalo River State Trail	208,600	Peninsula State Park	8,100
Cadiz Recreation Area	54,000	Perrot State Park	265,500
Central Wisconsin	123,700	Pike Lake	145,400
Chippewa River State Trail	9,300	Point Beach State Forest	877,400
Copper Falls State Park	66,400	Potawatomi State Park	200
Crex Meadows	112,800	Red Cedar State Trail	78,500
Devil's Lake State Park	1,121,600	Rib Mountain State Park	1,847,000
Drumlin Trail	69,900	Richard Bong Recreational Area	795,000
Elroy Sparta State Trail	263,100	Roche-a-Cri State Park	72,900
Flambeau River State Forest	39,400	Rock Island State Park	3,900
Friendship Ranger Station	5,000	Rocky Arbor State Park	63,100
Glacial Drumlin State Trail	98,500	Straight River Wildlife Area	900
Governor Dodge State Park	101,100	Sugar River State Trail	30,000
Governor Knowles State Forest	20,700	Tower Hill State Park	37,300
Governor Nelson State Park	106,300	Tusconbia State Trail	99,700
Governor Thompson State Park	500	Wildcat Mountain State Park	25,700
Grantsburg	1,100	Willow Flowage	15,400
Hank Aaron State Park Trail	16,200	Willow River State Park	50,600
Harrington Beach State Park	38,600	Wyalusing State Park	44,400
Havenswoods State Forest	72,900	Yellowstone State Park	11,000
High Cliff State Park	261,500	Miscellaneous Projects	<u>955,600</u>
Horicon Marsh Wildlife Area	16,000		
Interstate State Park	133,900		
Kettle Moraine State Forest -- Northern Unit	568,300	Total	\$22,278,900
Kettle Moraine State Forest -- Southern Unit	558,400		
Kickapoo Valley Visitor Center	2,267,200		
Kohler-Andrae State Park	232,600		
Lake Kegonsa State Park	111,600		
Lakeshore State Park	3,223,100		