

NATURAL RESOURCES BOARD AGENDA ITEM

SUBJECT: Informational Item: Presentation of a Concept Plan for a Motorized Recreation Area

FOR: JANUARY, 2009 BOARD MEETING

TO BE PRESENTED BY: Dan Schuller, Director, Bureau of Parks and Recreation;
Peter Biermeier, Section Chief, Bureau of Parks and Recreation.

SUMMARY:

At its June, 2006 Natural Resources Board meeting, the Board asked Department staff to "report back to the Board presenting options for funding, location, management and partnerships" for a concept plan for one or more motorized recreation areas. A motorized recreation area, as defined for this presentation, is a developed and managed recreational and educational facility that provides for a variety of riding and driving experiences for all-terrain vehicles (ATV), off-highway motorcycles (OHM), four wheel drive vehicles (OHV), and light utility vehicles (LUV). A motorized recreation area may consists of several hundred acres of land relatively close to population areas or may be a multi-thousand acre site in a rural setting. A Department team has studied this concept over the past two years and has investigated a variety of comparable plans in other states as well as within this state. The team will present its findings to date, and provide for the Board a variety of development and operational scenarios. The Department would like to hear the Board's views on future direction of this concept plan prior to proceeding into any broad public participation, possible policy or statute changes, or other aspects of plan implementation.

RECOMMENDATION: Informational Item only.

LIST OF ATTACHED MATERIALS:

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|----|-------------------------------------|---|-----|-------------------------------------|----------|
| No | <input checked="" type="checkbox"/> | Fiscal Estimate Required | Yes | <input type="checkbox"/> | Attached |
| No | <input checked="" type="checkbox"/> | Environmental Assessment or Impact Statement Required | Yes | <input type="checkbox"/> | Attached |
| No | <input type="checkbox"/> | Background Memo | Yes | <input checked="" type="checkbox"/> | Attached |

APPROVED:

[Signature]
Bureau Director,

[Signature]
Date

[Signature]
Administrator,

12/22/08
Date

Secretary, Matt Frank

Date

cc: Laurie J. Ross - AD/8
Mark Aquino, SCR

Jeff Prey, PR/6

Tim Miller, NOR

CORRESPONDENCE/MEMORANDUM

DATE: December 29, 2008

TO: Natural Resources Board Members

FROM: Matthew J. Frank, Secretary *MJF*

SUBJECT: Background memo on Informational Item to Natural Resources Board
on a Concept Plan for a Motorized Recreation Area.

Background

In Wisconsin, a rapid growth in the sales and registration of All Terrain Vehicles (ATV) has raised the subject of motorized recreation to the forefront of outdoor recreation issues in Wisconsin. Motorized recreation, to include all-terrain vehicles (ATV), off-road motorcycles (OHM), off-highway 4 wheel drive vehicles (OHV) and light utility vehicles (LUV), continues to be one of the fastest growing outdoor recreational pursuits. Public testimony in a number of forums across Wisconsin has established that motorized users and non-users are divided on proper land management and access. Additionally, both the motorized and non-motorized communities have recognized that the desires of a growing motorized recreation community coupled with environmental impacts, safety, and conflicts of use may create a necessity for the development of one or many separated motorized use areas to provide relief on these issues.

Since 2000, registrations of ATVs in Wisconsin have grown by more than 240%. More than 4 out of every 100 residents, as well as 12,000 non-residents, have an ATV registered for public use in Wisconsin. A survey in the 2005 Statewide Comprehensive Outdoor Recreation Plan (SCORP) demonstrates that more than 23% of the Wisconsin population stated they had participated in driving an ATV in the previous year. In Wisconsin there are 1,954 miles of motorized trails established for summer ATV use, a relatively small number compared to the number of registered ATVs. Over 80% of these trails are located in northern Wisconsin (above Hwy 29), while more than 67% of ATVs are registered in southern Wisconsin (below Hwy 29). Motorized recreation proponents have stated that the current riding opportunities are insufficient for their needs and are heavily located in northern Wisconsin far from urban populations.

The Department of Natural Resources assists state land managers, local units of government, organizations and trail clubs with the planning, development, and funding of motorized trails on public lands. These support programs are intended to encourage and promote acquisition, development, maintenance, grooming, and safety on a system of sustainable motorized trails throughout the State of Wisconsin.

To better understand the need and potential application of developing a motorized recreation area in Wisconsin, the DNR Natural Resources Board, at its June, 2006 meeting, asked that the Department "report back to the Board presenting options for funding, location, management and partnerships" for a concept plan for one or more motorized recreation areas.

Motorized Recreation: Participation and Opportunities in Wisconsin.

The interest in motorized recreational use is supported by the growing numbers of ATV, OHV, OHM and LUV sales and use in the state over the past few years. For Fiscal Year 2008 in Wisconsin, there were 314,174 ATVs registered for Public Use, Private Use and Municipal Use. There were 234,310 registered for Public Use alone. Survey data from SCORP indicates that 23.4% of the population (or around one million people) participate in off-road recreation with an ATV. Additionally, 17.7% of the population (or 725,700 people) run four-wheel drive vehicles (OHV) off-road (deriving an accurate number of OHV users is a more difficult measure since many of these vehicles are driven entirely on-road for their life spans). Around 241,900 citizens (or 5.9% of the population) use off-highway motorcycles (OHM) off-road as well. As LUVs are not registered in Wisconsin, there is no solid estimate of their numbers used for recreation purposes, although this segment of the industry (side-by-side recreational vehicles) has been extremely fast growing since 2004.

With only 1,954 miles of summer ATV riding trails in Wisconsin, providers are faced with trail overuse, high maintenance costs, potential safety problems, and a diminished quality of rider experience. Experienced recreation providers believe that the development of one or more motorized recreation areas, while not necessarily reducing heavy use of trails at local levels, could increase user safety statewide as well as elevate the quality of the motorized rider experience. These values, added to the expectation that motorized access demands to other public lands may actually decrease if a motorized recreation area became available, has encouraged recreation providers to support a well-managed motorized recreation area plan.

Motorized Use Areas in Other States

There are several examples of state-owned or managed motorized use areas in the Midwest. One of the most popular is the Iron Range Off-Highway Vehicle Recreation Area at Gilbert, MN. This 1,200 acre facility is located on the Mesabi Iron Range in northeast Minnesota, and is managed fully by the MiDNR. This popular recreation area is visited by people who participate in various forms of off-road recreational vehicle riding, including ATV, OHV and OHM. Partly due to the installation of the recreation area, the Town of Gilbert is experiencing a renaissance and according to the site manager, many of the visitors to the area are Wisconsin citizens.

The State of Missouri has two state parks (Saint Joe and Finger Lakes) that are dedicated to off-highway vehicle use. Both are successfully operated by Missouri State Park personnel with advice and help from local and statewide off-road vehicle associations. Additionally, Silver Lake State Park in Michigan offers about 500 acres of sand dunes for off-highway vehicle recreation as well as 250 electric campsites. It is on the Lake Michigan shoreline between Ludington and Muskegon and is described by a state park administrator as being "wildly popular".

Becoming more common, however, are motorized recreation areas that are partnered between various levels of government and non-government entities. The State of Iowa has eight listed

OHV Parks that are a combined venture of the Iowa DNR, local units of government, the Iowa OHV Association, and local riding clubs. The parks range in size from 110 acres to 350 acres.

The State of West Virginia has the Hatfield-McCoy Trail system that is comprised of six different riding areas in that state. The system is operated by the Hatfield-McCoy Regional Recreation Authority, a public corporation and government instrumentality of the State of West Virginia and established under state law. The Authority was created to enable and facilitate the development and operation of a system of trail-oriented recreation facilities to be used for motorcycles, ATVs, bicycle riding, horseback riding and hiking. Approximately 40% of the Authority's revenue and support is derived from federal and state grants.

The Pennsylvania Rock Run Recreation Area is a 6,000 acre motorized park that was established with considerable legislative assistance and an initial grant from the Pennsylvania Department of Conservation and Natural Resources. The property is owned by the Cambria County Conservation and Recreation Authority, and the park is being developed by the Rock Run Advisory Board, an adjunct non-profit agency. The Pennsylvania DCNR is not involved in the management of the property.

Motorized Recreation Area Framework

A motorized recreation area is a tract of public land planned and managed for recreational motorized vehicle use. Preferably, a motorized trail area contains a system of diverse trails as well as an open "scramble" area. In some cases, concessions, toilet/shower facilities, and campgrounds may be included as well. The aesthetic and user considerations for a motorized vehicle user are different than for other State lands, the most critical consideration being the land base. Spectacular views and water access, while important to all outdoor enthusiasts, are not critical to the success of a motorized recreation area. Therefore, based on user patterns and preferences, it may be possible to target land areas not desirable as state parks or other recreational areas as motorized use areas. Existing motorized recreation areas around the country range in size from a minimum of 100 to 85,000 acres.

Trails and facilities within a motorized recreation area should follow strict layout and design principles and must be sustainable as well as safe. The critical resources that are taken into account when planning for other types of recreation must also be considered for a motorized area. Signed trails of differing degrees of difficulty should accommodate a wide variety of users, and, if the area is suitable, a scramble or open riding area could be included as well a youth area. An entrance station (with office and meeting space as well as security, a wash station for prevention of invasive species transport, and parking) and a diverse trail system are paramount for motorized recreation area design.

Any area selected in Wisconsin should be based on the following established preferences:

- Proximity to a major metropolitan area (around two driving hours or 100 miles)
- Large parcel or pieced-together properties from different owners
- Acquisition affordability
- Lack of environmental issues or species of conservation concern

- Limited or no conflicts with adjacent neighbors
- Areas where there has been demonstrated demand for motorized use
- Land that has limited timber or agricultural production potential.

Soil conditions are a key element to proper design and should provide enough compaction to keep from turning to silt or blowing dust with heavy or intense use while still providing water absorption and drainage. Additionally, proper vegetation serves to define and protect trails, minimize soil erosion, reduce dust, and provide buffers for differing use.

Motorized riders have expressed a desire for ample space and varied riding conditions in any Wisconsin motorized recreation area. The results of a recent survey of ATV riders in Wisconsin revealed that casual trail riding with friends and family was elected as the most rewarding aspect of ATV riding (229 of 233 respondents), suggesting that a well-run family oriented facility with quality support components could draw significant use.

Acquisition and Operational Expenses

The cost of a motorized recreation area includes property acquisition, development, and operations. Revenues for maintenance and operation can be derived from fees for admission, concessions, and, if camping is allowed, from overnight fees.

The cost of the land will depend on the size, location and resources. Forest land in rural areas of Wisconsin can run from \$400 an acre to over \$2,500. For a 2,000 acre parcel, acquisition could run from \$800,000 to \$5 million. The development cost for a 2,000 acre recreation area is estimated at \$5-\$7 million, including an entrance station, parking, wash facility, vault toilets, maintenance area, trail construction, camping, and picnic areas. Based on data from other states, the operational cost for a typical motorized state recreation area is estimated at \$300,000 to \$500,000 per year.

Currently, both apportioned gas taxes and registration fees from ATVs in Wisconsin are appropriated for local and state run trails out of the ATV account managed by the DNR. ATV proponents have expressed that existing ATV account fund resources should not be used to support, at least in any large fashion, a Wisconsin motorized recreation area since ATV account funding resources are limited. Other users, OHV, OHM and LUVs do not have dedicated registration fees or gas tax formulas. For these reasons, a motorized recreation area in Wisconsin will need to charge a property specific user fee to be financially successful. User fees of \$20/35 per-day, per-user or \$100/\$125 per-year, per-user would not be unreasonable for a large, well equipped motorized recreation facility. Other revenues can be gained from event fees and sponsorship fees.

Ownership: Private or Public?

Private operators of ATV parks face high liability insurance costs, while Wisconsin public land owners and non-profits can achieve recreational immunity under existing state law (ss.895.52) which provides broad protection even if fees are charged for use. For that reason, our agency

endorses the concept that the State of Wisconsin, a local unit of government, a non-profit, or a quasi-government agency will need to be involved in the ownership and management of a Wisconsin motorized recreation area.

The Role of the State of Wisconsin

Wisconsin statutes provide for the recognition and provision of trail areas for motorized recreation. Chapter 23.33(8)(a) states, "Department (DNR) authority. The department shall encourage and supervise a system of all-terrain vehicle routes and trails". Using this statute as guidance, the DNR is well suited to take the lead in bringing together partners to acquire, develop and maintain a motorized recreation area in Wisconsin.

State law and administrative rules would permit the State's use of Knowles-Nelson Stewardship funds to acquire land for a recreation area for motorized use, as well as the development of ancillary facilities that might serve a broader use (ie. an entrance station, camping and parking areas). However, state law prohibits the state from using Knowles-Nelson Stewardship funds for the development of motorized trails or facilities that strictly serve a motorized user group. Local units of government, and other grantees, are prohibited from using that same source of funds for the acquisition or development of any lands or facilities planned for motorized use.

It is my recommendation that the State be involved, as a minimum, in the search and selection of a potential site for motorized recreation, and thereafter consider the different opportunities for State involvement in acquisition, development and operations. The State can prospectively offer significant assistance in creating feasibility studies, providing sustainable trail designs, and reviewing facility designs and concepts.

Principles Guiding State Involvement

The following principles will guide the State in its involvement in the acquisition, development and management of a motorized recreation area:

- Develop motorized recreation areas only in places where the local unit(s) of government and its citizens endorse the concept
- Seek out properties where the environmental impacts of a properly designed and maintained motorized recreation area can be quantified as "zero or negligible"
- Select projects with broad partnership support where the costs of development and operations are deemed to be reasonable and economically acceptable
- Concentrate on properties in central or southern Wisconsin, near urban centers, and close to major transportation routes
- Focus development on ATV recreational use, but consider other motorized use facilities as the design teams suggest may be spatially achievable.

Partnerships are the Key to Success.

Partners in a motorized recreation area project may include a wide scope of partners, to include the state, counties, municipalities, townships, motorized and non-motorized groups, and corporate sponsors. Our agency has extensive history working with local counties in the cooperative development and management of state trails. We would envision that a similar cooperative relationship could be part of a motorized recreation area.

A key to the success of a motorized recreation area in Wisconsin will be a strong partnership with organizations such as the Wisconsin All Terrain Vehicle Association (WATVA), the Wisconsin Off-Highway Vehicle Association (WOHVA), and the Wisconsin Off-Highway Motorcycle Association (WOHMA). These statewide organizations have consulted on this concept and have pledged to support the effort. These organizations coordinate and support many clubs and thousands of citizen members in support of a Wisconsin motorized recreation area. They can provide key expertise and assistance in planning, developing, and maintaining the recreation area.

There are myriad ways that Wisconsin might develop a motorized recreation area involving partnerships. Here are two that could certainly achieve the goal of acquiring, developing, and operating a motorized recreation area:

1. A partnership comprised of State-County-Motorized Associations. Each group would bring value to the partnership. The state's role may be the land acquisition and underlying ownership. The state might also assist in development of non-motorized facilities if such facilities are available to a wide variety of motorized and non-motorized user groups. These facilities could include parking lots, entrance stations, bathrooms, and picnic areas. The county and the motorized associations might assume responsibilities related to trail development and daily operations. Law enforcement might be provided by the state or at the county level. All of these parts might be interchangeable to some degree. Additional partners, including corporate, could also be part of the final make-up of a successful enterprise.
2. A partnership led by a quasi-government authority. This model has been successful in several other states that operate motorized riding areas. Wisconsin has had similar models in the Fox River Navigational System Authority, the Kickapoo Reserve Board and the Milwaukee Stadium Commission. Legislative action would be required to set up a motorized authority, which body could consist of a Board of Directors whose powers are established in law. Such an authority could be established to acquire and own land, create rules and collect fees, develop its own management structure, borrow and/or bond for acquisition and development, and obtain recreational immunity under state statutes. A motorized authority could partner with a broad segment of private and government entities.

Other methodologies may develop as particular projects are identified, feasibility studies are completed, and acquisition, development and operational scenarios are considered.

Challenges to Success

Any development of a motorized recreation area in Wisconsin will likely encounter hurdles, some of which could be large enough in scope to be considered seriously detrimental, while others may be more manageable. Here are some the concerns that could provide the largest.

1. Site Selection. Wisconsin is blessed with lands that are generally productive for both agricultural and/or timber production, while also temperate and moist enough to sustain a wide variety of species. A very small percentage of Wisconsin lands could be deemed as marginal for habitat protection, agricultural, or timber purposes, portraying the difficulty in finding lands that are both *marginal* as well as *suitable* for a motorized recreation area. Additionally, Wisconsin has no large properties needing site reclamation after former mineral extraction operations. In Minnesota, Kentucky, Pennsylvania, and West Virginia such sites have been deemed to be feasible for motorized recreation uses. Therefore, finding a large site in Wisconsin, acceptable and suitable for motorized recreation use, may prove to be difficult.
2. Financial. The creation of a motorized recreation area will require funding for acquisition, development, and ongoing operations. Stewardship funds are a potential source of acquisition funding, and entry, camping and sponsor fees could become the primary source of operational funding. The existing ATV account may be able to support a portion of the development costs, but I believe utilizing that fund for any extensive motorized recreation area costs could cause harm to the statewide ATV network of trails that relies on that fund. Under existing Wisconsin law, Stewardship funds cannot be used by any unit of government for development of any facility geared solely for motorized use. That would include a motorized trail system as well as other dedicated facilities. Solutions to the development funding problem should be carefully chosen from either an expansion of ATV registration fees/gas tax allotments or from a form of specialized conservation bonding. This department has had preliminary discussions with state financial experts on the methodology for bonding for motorized park developments; however we do recognize the unstable nature of the bonding markets at this time.
3. Ownership and Operations. The State, as well as many local units of government, faces budget constraints that are impacting staffing levels and funding for operational duties. It may prove difficult to find a partnership comprised solely of governmental units that have adequate staffing and resources available for operating a motorized area. Therefore, it may take time to assemble the right ownership and operational team for a motorized recreation area in Wisconsin. We expect cooperation and assistance from the user associations will be required as well as from private industry.

Logical next steps

This information presentation of a Concept Plan for a Motorized Recreation Area at the January, 2009 NRB meeting will introduce the background for further investigation of a motorized

recreation area venture in Wisconsin, a venture I believe is worth pursuing to accommodate a growing motorized user base in this state. As a next step, I am directing staff to bring you a specific proposal on a specific site to include a Feasibility Study for your review. The Feasibility Study will include public participation and will have an environmental analysis, a regional analysis and a fiscal impact attached.