### **Economic Impact**

### Economic Impacts of Lost Water Resources

- \* Importance of Tourism and Outdoor Recreation in Wisconsin
- \* Costs of Water Quality and Quantity Degradation— Who Pays?
- \* Lake Property—Value to Wisconsin
- \* Examples—Contributions to Local and State Budgets from Lake Property Taxes

### Tourism—Economic Impact on Wisconsin

- \* \$19.3 Billion Annually; 4.4% growth 2015-2016
- \* Supports 190,717 jobs
- \* Wisconsin (15,000 inland lakes) ranked #1 in Midwest
- \* Water sports, vacationing, wildlife, drinking water....
- \* All depend on clean/plentiful water resources

### Another Weekend on Central Sands Region Lake



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# Significant Investments in Wisconsin Tourism



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### Lake Property

- \* Owners......from many backgrounds
- \* Pay property taxes
  - \* A primary source of \$\$ for local schools, and
  - \* Road construction/maintenance and local government operations
- \* Support local businesses—grocery, hardware, restaurants & bars, vehicle services.....

# Weekend Breakfast at Local Restaurant Serving Lake Residents and Guests



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### Tourism Supports Local Service Employment and Pays Gas Tax for Road Maintenance



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# Impacts and Costs of Water Quantity and Quality Degradation

- \* Polluted lakes and streams
- \* Unsafe and unusable water supplies
- \* Lost wetlands and littoral zones for wildlife habitat and diversity
- Dry lake beds, streams and rivers
- Reduced property values
- \* Loss of tax revenues to support education and roads
- \* Property resale selling price and velocity are affected by lakes in decline

### Lake Property Value Impact of Lower Water Level

- \* THIS IS WHAT CAN HAPPEN TO THE LOCAL TAX DISTRICT WHEN A LAKE GOES DRY:
- \* Town of Oasis, Waushara County Long Lake 2006 to 2007—Property values reassessed after losing lake-front due to lower water levels
  - \* LOST ASSESSED VALUE IN 2007 \$1,678,472.50
  - \* LOST TAX REVENUE FOR 2007 \$28,152.45
  - \* LOST ASSESSED VALUE FOR PAST 8 YEARS \$13,427,780.00
  - \* LOST TAX REVENUE FOR PAST 8 YEARS \$225,219.60
- \* Impact to local school and road budgets? SIGNIFICANT!

#### Lost Water Resources-Who Pays?

- \* Residential property owners pay disproportionately: Examples.....
  - \* Drying lakes/streams/wells in Central Sands due to high-capacity wells
    - \* Well replacement (\$7,000-\$10,000)
    - Drop in lake property values
  - \* DNR has issued many new high capacity well permits in second half 2016 regardless of either cumulative or direct impact to others
  - Kewaunee County private well water contamination from manure
  - \* Large municipality pays > \$100,000 for discharge permit; Large-scale CAFO pays \$345 for annual discharge permit.....and generates as much waste

# Example-Waushara County Property Tax Statistics

#### Tax Statistics

	All Properties	Level 1
Number of Properties	31205	3849
Acreage	~390,000	~12500
Average Acreage	12.49	3.25
Total Taxes	~\$41,900,000	~\$12,560,000
Average Tax Value	\$1,343	\$3,262
Taxes per Acre	\$107	\$1,004
% of Total Properties		12%
% of Total Acreage		3%
% of Property Tax Revenue	30%	

<sup>\*</sup>Level 1 – Lakeshore properties (Lakes larger than 2 acres)

# Town of Coloma (Waushara County) 2015 Assessed Value

	Acres	Assessed Value of Land	Assessed Value of Improvements	Total Assessed Value	%
Residential	2474	\$27.8 MM	\$46.4 MM	\$74.2 MM	
Agricultural	6109	.8	-	.8	.9%
Undeveloped	3054	3.7	-	3.7	
Agricultural Forest	834	1.0	-	1.0	
Forest Lands	3106	7.6	-	7.6	
Other (Including Commercial, Manufacturing)	112	.6	2.9	3.5	
Total		41.6	49.3	\$90.9 MM	
Pleasant Lake Management District (PLMD)				\$32.7 MM	36.0%

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## Town of Springfield (Marquette County) 2015 Assessed Value

	Acres	Assessed Value of Land	Assessed Value of Improvements	Total Assessed Value	%
Residential	3152	\$29.4 MM	\$79 <b>.</b> 2 MM	\$108.6 MM	
Agricultural	5897	.8	-	.8	.6%
Undeveloped	2169	2.2	-	2.2	
Agricultural Forest	2123	3.1	-	3.1	
Forest Lands	4019	12.0	-	12.0	
Other (Including Commercial, Manufacturing)	141	.9	8.3	9.2	
Total		\$48.5 MM	\$87.5 MM	\$135.9 MM	
PLMD				6.9	5.1%

#### **Economic Impact Summary**

- \* Excessive and unbalanced withdrawal of groundwater by high capacity wells is a significant "give-away" of public waters to private interests:
  - Transferring from many to a few
  - \* Reducing property values.....jeopardizing local school and highway budgets
  - Risking the vitality of outdoor recreational Tourism
  - Violating the Public Trust Doctrine
- \* Lack of adequate environmental regulation and enforcement on manure application... enabling rapid & significant environmental quality degradation
- \* Improved and balanced action by the Legislature and DNR is needed to protect public rights and Wisconsin's water resources!