



# Yolo Habitat Conservancy

County of Yolo • City of Davis • City of Winters • City of West Sacramento  
City of Woodland • University of California, Davis

To: Jim Provenza, Chair  
Members of the Board

From: Petrea Marchand  
Executive Director

Re: Approve stewardship donation policy and direct staff to review the policy within a year or less and return with any recommended changes to the Board of Directors

Date: January 28, 2019

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## **REQUESTED ACTIONS:**

1. Approve stewardship donation policy
2. Direct staff to review the policy within a year or less and return with any recommended changes to the Board of Directors

## **BACKGROUND:**

On November 13, 2018, the Board directed staff to develop a stewardship donation policy help guide efforts to raise \$18.2 million that must come from “new” sources of local, state, and federal funding. This amount constitutes estimated costs for conservation easement acquisition and reserve system development and management associated with conservation above mitigation that is not covered by state and federal grant funding. It is the responsibility of the Conservancy to identify sources of funding to provide this \$18.2 million over 50 years.

As part of staff’s research related to identifying potential funding sources that could count towards the \$18.2 million of new funding sources, staff spoke with a number of other land trusts and representatives of organizations that purchase habitat conservation easements with state and federal grant funds. The majority of these organizations request stewardship donations or contributions from landowners as part of an easement transaction, but employ different approaches based on their unique circumstances.

Conservancy staff recommend that the Board adopt the following policy:

- Request that landowners pay for a portion of the due diligence costs, which includes the survey, the appraisal, and other items. Staff recommend a standard contribution of \$10,000 due when

the Conservancy and the landowner sign a letter of intent at the start of the process. The Conservancy will pay for the remainder of the due diligence costs. The Conservancy's Board of Directors may waive this fee for member agencies, landowners who demonstrate economic hardship, or for properties that are critical to meeting species conservation goals in the reserve system.

- The Conservancy will pay for all other staff, consultant, and legal costs associated with the transaction, including development of the easement and management plan;
- If the Conservancy terminates the transaction because: 1) the conservation values are not as anticipated, or 2) if expected funding does not materialize, or 3) the due diligence process reveals unacceptable conditions, the Conservancy will reimburse landowners for the portion of the \$10,000 contribution remaining on the date of the withdrawal;
- Upon close of escrow, landowners will contribute a stewardship donation equal to 6% of the value of the easement. The Conservancy may revisit this amount at any time if the donation is not sufficient to fund management and post-permit endowment costs.

