

Standard 11: Conservation Easement Stewardship

Funding Easement Stewardship Policy

Before Utah Open Lands (UOL) accepts an easement, it must consider the financial and management implications of transaction and stewardship costs. Monitoring an easement requires the commitment of time and money. Enforcement, should a violation arise, requires even greater resources. To that end UOL estimates, continually, the long-term stewardship and enforcement expenses of easement transactions and secures the dedicated or operating funds to cover current and future expenses as part of the organization's operating budget. As a general policy the organization secures dedicated stewardship funds for each transaction. The organization recognizes the importance of stewardship personnel and therefore UOL diligently works to secure dedicated operating funds specific to the overall stewardship costs of the organization.

All projects brought to the Board of Directors for approval will address estimated costs of the projects and potential sources of funding. Currently UOL suggests a stewardship donation for each project contribution which is anticipated to cover monitoring and enforcement/defense not less than current Land Trust Alliance standards; and developed on a project by project basis.

Generally, UOL will use its operating fund or other available designated funding sources to cover those costs associated with initial project development, unless funds have been designated for this work. At this time, UOL's strong commitment to stewardship has resulted in both permanent dedicated stewardship funds and stewardship activities funds respectively the goal of the stewardship fund is to allow that fund to accumulate in the near term by utilizing the stewardship activity fund to meet UOL's current stewardship obligations.

UOL also routinely request that each landowner support the long term management and enforcement associated with each easement by making a contribution to the Stewardship Fund. As with other donors, each landowner will be approached on an individualized basis. The amount and structure of each requested gift may take into account the importance and complexity of the project, the landowner's financial situation and other available sources of funding.

All stewardship contributions will be pooled together to provide general support for the UOL stewardship program.

UOL does not have a mandatory transaction charge for its services. However, landowners may be asked to cover transaction costs in limited situations and only when appropriate.

Background

The Board recognizes that each real estate project is unique. Each will require varying levels of staff involvement and associated expenses to bring it to completion. Exact project, long term management and enforcement costs related to each easement will be unknown at the outset. These costs will be analyzed and estimated for each project at the outset through the Stewardship Capacity Calculator in order to provide the adequate guidance necessary.

Initial project development costs have traditionally been, and will continue to be, funded through the general operating fund or other designated funding sources. However, UOL may in certain situations look to a landowner or other sources to contribute to the expenses associated with the completion of a particular project. In addition, other related project development activity, such as surveys, appraisals, or a landowner's own legal

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review, shall be the landowner's responsibility unless such activity is required by the UOL and/or covered through a specific grant or funding source.

While initial project development costs are discrete, one-time expenses, the annual costs associated with the ongoing monitoring, management and enforcement associated with each easement are not. These obligations are perpetual and often difficult to predict. Extraordinary costs associated with the need to enforce an easement could easily deplete an annual operating budget. To address these concerns, UOL has established a Stewardship Fund with the long term goal of generating sufficient income from the fund to cover our anticipated annual stewardship needs.

UOL has generally requested that landowners make a one-time contribution to this fund to help cover the ongoing stewardship expenses for that particular project. Recognizing that all landowners will not be able to contribute to the fund equally and that all projects may not require the same level of support, each landowner will be approached on an individualized basis. Where appropriate, landowners will also be given alternative means of contributing. While a one-time contribution completed at the time of the easement is almost always preferable, in some cases landowners may make pledges for contributions over time or may ultimately include UOL in their estate plans. Staff assigned to each project will need to determine what is appropriate for each situation.

In almost all situations, these will be requests for voluntary contributions from the landowner, not required fee arrangements. While many land trusts have chosen to work with fees rather than contributions, it remains the policy of UOL to structure our work so that project decisions are made based upon a number of factors such as conservation merit, not exclusively upon the landowner's ability to cover the costs of our work.

Stewardship capability is required for each project, and without the commitment of the landowner a plan for raising the estimated amount for Stewardship will be necessary.

Through a number of funding sources, it is the goal of UOL to provide excellent service in creating, managing, monitoring and enforcing its easements.