

**Easement Stewardship Systems
Colorado Cattlemen's Agricultural Land Trust**

**White Paper Prepared by
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BACKGROUND

Our Mission

The mission of the Colorado Cattlemen's Agricultural Land Trust is to help Colorado's ranchers and farmers protect their agricultural lands and encourage continuing agricultural production for the benefit of themselves, their families, and all of Colorado's citizens.

Where we work

CCALT works statewide, partnering with landowners in the protection of productive working landscapes.

Who are our landowners?

Our landowners fall into two main categories. First there are the traditional agricultural farm and ranch families who are making a living from the land through agricultural activities. Second are non-traditional agricultural landowners, people who are engaged in other occupations and have either inherited or purchased agricultural properties for a variety of reasons.

The common thread between these two groups is the land. CCALT only protects properties that have significant agricultural values. At this time, nearly all of the properties on which we hold easements are in active agricultural production (primarily cattle and livestock forage), regardless of the type of landowner.

Our easements

CCALT has one model easement which is used in the development of all of our conservation easements. This easement is structured specifically for the agricultural landowner in Colorado and reflects unique situations found in Colorado. While we do not have specific language for cropland easements, we do address both cropland and rangeland, as well as property that is irrigated by surface water rights allocated under the prior appropriation doctrine used in Colorado.

STEWARDSHIP SYSTEM

Our structure

CCALT currently has two full time staff people, the Director of Conservation and a Conservation Manager, who have responsibility for the stewardship of conservation easements. In addition, CCALT has at least one stewardship intern every summer, which is our busiest time

of the year in terms of field work. The Program Assistant in the office supports the necessary administrative requirements of the Stewardship Program.

Our practices

Each of CCALT's conservation easements are monitored on at least an annual basis in conformance with our stewardship policies, which have been formally adopted by the Board of Directors. All conservation easements held by CCALT are currently monitored by CCALT staff, although we have the ability to use trained volunteers for this duty. We also have the ability to use aerial and/or satellite technology to aid in this task, although we have rarely utilized this approach. CCALT is constrained in many ways by our climate here in Colorado, which limits our ability to complete field monitoring during much of the year. All of our monitoring is typically completed between mid-May and early October of each year.

Our policies

CCALT has adopted a set of policies and procedures which govern the conservation easement stewardship activities of the organization. These policies were initially developed in 2000-01 and have been updated in 2005 to reflect both the growth of our organization and to incorporate lessons learned over the past 5 years. The key components that are addressed in the policy are: 1) Stewardship Endowment; 2) Easement Documentation and Record Keeping; 3) Administration of Grantor Requests; 4) Monitors and Monitoring Protocol; and 5) Violations and Enforcement Procedures.

Copies of these policies are available upon reasonable request.

REASONS FOR THE CURRENT SYSTEM

Staffing issues

As of March 2005, CCALT currently partners with landowners across the state on 99 easements covering over 183,000 acres in 25 counties. In June 2004, the organization added the Conservation Manager position; this individual monitored approximately 25% of our easements and another 25% in conjunction with the Director of Conservation. The Director of Conservation also individually monitored the remaining 50% of our easements. Our most pressing need appears to have been met with the creation of this position. With the current workload, the Director of Conservation would not have been able to complete all of the monitoring responsibilities along with his new projects in 2004.

During 2004 we conducted an informal nationwide survey of land trust stewardship programs to help us better plan for the future and our own quickly expanding responsibilities. According to our research, a full-time stewardship person typically can handle 100 to 150 conservation easements. Assuming that up to 30 - 40% of the Conservation Director's time and up to 50% of the Conservation Manager's time are dedicated to stewardship, CCALT should be able to meet its stewardship obligations under this current structure until the land trust has about 120 easements. According to these projections, CCALT should be able to meet stewardship responsibilities through the 2006 monitoring season. Toward the end of the time period covered by this stewardship plan, likely in 2007, CCALT will once again be facing the need to increase staff capacity to meet its growing obligations.

CCALT has investigated overall program staff capacity (New Projects, Outreach and Stewardship) as we investigate the ability to monitor and steward conservation easements. Our findings also indicated that a trained and experienced program staff person can typically complete anywhere from 5 to 15 new transactions annually. Of course, complex multi-partner projects and those that require fundraising efforts consume significantly more staff time than straightforward donations, thus the wide range in numbers.

Based upon rough calculations, following are projections on CCALT's ability to complete new transactions and monitoring under our current structure:

- Executive Director: 3 to 5 transactions/year; no monitoring
- Conservation Director: 8 to 15 transactions/year; 30 to 40 monitoring visits
- Conservation Manager: 5 to 10 transactions/year; 40 to 80 monitoring visits
- Consultants: 2 to 5 transactions/year, no monitoring

The current structure will allow for 18 to 35 transactions (including supplementary phasing transactions) annually as well as monitoring of up to 120 easements with all the staff operating at an extremely high level of efficiency. Any staff turnover will greatly reduce these capabilities.

Past activity leads us to believe that CCALT will continue adding 15 to 25 new easements a year moving forward with our current programmatic capacity. In 2003, CCALT accepted 20 new easements, with 18 more accepted in 2004. Similar numbers are anticipated for 2005 and beyond. Based upon these numbers, by the end of 2007 CCALT will hold between 150 to 170 easements, likely protecting 250,000 to 325,000 acres. This means that we will effectively double our current responsibilities in the next 3 years.

Funding issues

Through 2004, most of the stewardship expenses, including staff time and benefits, direct costs and mileage (not including operational overhead) have been covered by income generated by the stewardship endowment. With the hiring of new staff and increased stewardship responsibilities taken on in 2004, CCALT will need to continue to closely monitor the ability of the endowment to cover these expenses in the future. The dedicated stewardship endowment account currently generates funding for the stewardship program based upon a 4% annual payout of the total endowment amount.

General philosophies

CCALT is an organization founded and governed by agricultural landowners to serve as a resource for Colorado's ranchers and farmers. Due to this organizational focus on the agricultural community, CCALT has a stewardship philosophy which supports and promotes private land stewardship and ensures the defense and enforcement of every conservation easement held by this organization.

Landowner relationships represent the foundation of our stewardship program. We believe that personal, honest and open relationships with these individuals provide the best way to ensure that our perpetual stewardship obligations are met. Because the agricultural community has a unique character and philosophy, CCALT consequently takes different approaches with its landowners. This concept is based upon first, a deep understanding of the agricultural community in which we

operate and next, a great respect for privacy and recognition of each landowner's ability to make responsible management decisions related to the day to day activities on protected properties.

Since its inception, CCALT has been the focal point of both state and national attention because of its unique mission and roots. Recently, philosophically similar organizations have been formed in other western states (California, Kansas, Nevada, Oregon and Wyoming) and these groups continue to seek input from CCALT regarding the creation of their own programs. The board and staff of CCALT understand that it is incumbent upon us to lead by example, assuring that all our programs achieve and demonstrate the highest degree of professionalism. In particular, it is our intent to showcase the effectiveness of this vision by creating and implementing an effective new stewardship plan that will move us forward into the future. This desire recognizes and embraces the importance of landowner relationships, professional monitoring, and if needed, legal defense of each conservation easement held by the land trust.

SYSTEM ASSESSMENT

Rate of violations

To date, CCALT has not had a major violation of the terms of any of our conservation easements. We have been faced with a small number of minor violations on a few properties. These generally are cases where an allowed activity (new road installation, construction of an agricultural structure) has occurred without prior notice to the land trust, or in advance of land trust approval. The land trust has actively worked to reduce the number of instances where permission is required to be obtained by landowners in an effort to reduce the burden on our stewardship staff in the future.

In addition, CCALT has been faced with a few instances where an activity was proposed for the property that was clearly not in compliance with the terms of the conservation easement. These situations have generally been resolved at the staff level, however a few of them have required large amounts of staff time and attention by our Board.

Landowner satisfaction

This is an interesting question to ask the land trust staff. CCALT would be interested to see how our landowners might respond to this question. CCALT seeks to have strong personal relationships with each of our landowners. Our staff knows about 90% of our landowners well; the others are largely absentee owners who have little connection with the properties and the land trust. We feel that the strong personal connection between the landowner and the land trust is the first and best line of defense we have in our efforts to ensure the successful defense of our conservation easements.

Costs

Over the past five years, CCALT has been actively tracking our costs related to the stewardship of our conservation easements. Our expenses on a per easement basis have been decreasing over the past five years, from about \$500 to our current rate of about \$350 per easement. However, these costs may rise in the future with increased travel expenses and if we are unable to combine new project field trips with stewardship trips. CCALT has been fortunate to be able to cut costs in recent years by the fact that many of our easements are located in proximity to each other,

allowing us to reduce travel time and expense per monitoring obligation. In addition, CCALT is actively acquiring easements in many areas where we already have stewardship responsibilities, once again reducing expenses for the stewardship program. The field preferences of our staff people, who prefer to camp rather than stay in hotels while on overnight trips, increases the savings in terms of stewardship expenses.

In 2004, CCALT spent 718 staff hours on easement monitoring and stewardship; this represents a percentage of two positions, the Director of Conservation and the Conservation Manager. Based on our 2004 numbers, we calculate that our easements average about 8.5 hours of direct stewardship attention per year per easement.

Our largest expense, with the exception of staff time, is mileage reimbursements. At this point, the land trust is reimbursing employees for mileage on their personal vehicles. We are actively exploring the possibility of acquiring a four wheel drive vehicle for the organization as a cost savings for the group and as a benefit to employees.

Other challenges

Our primary stewardship challenge is related to geography. Colorado is a relatively large state and our service area is therefore very large. While our office is centrally located in the Denver area, there are several remote easements that we hold that require an eight hour drive one way and most of our easements require at least 4 hours of travel time for site visits.

Other challenges that we can foresee involve continuity in the easement stewardship process. To date, we have had very little turnover in terms of the staff people completing the easement monitoring in the field. For an organization that puts such an emphasis on landowner relationships, this is a serious concern and something that will need to be addressed when the inevitable staff turnover occurs.

Monitoring and enforcing the restrictions on surface water rights that are associated with our conservation easements is another future challenge that we must consider. Water is a precious commodity here in the arid West, certainly more limited than the land resource. CCALT takes seriously the perpetual responsibility to protect water rights, the associated Conservation Values and agricultural productivity, while addressing the long-term economic viability of future operations.

SIGNIFICANT CHANGES

Have there been any recent changes to your Stewardship Program?

We are in the final stages of a major strategic planning process which charts CCALT's overall direction as an organization and the staffing of the land trust. A major component of the plan was the development of a stewardship plan for 2005 through 2007.

CCALT can provide copies of our stewardship plan upon reasonable request.

Do you foresee any significant changes in the near future?

In the near future, we are going to implement our 3 year Strategic Plan, which addresses the growth of the Stewardship Program through 2007, including the planned addition of a third

project staff person who will be at least partially committed to the stewardship of conservation easements.

Of course, there is always the possibility that staff turnover, unexpected increase or decrease in workload, or other factors could alter this planned course.
