

## Sierra Nevada Conservancy-Progress Report

### Sierra Nevada Conservancy Grant Program Safe Drinking Water, Water Quality and Supply, Flood Control River and Coastal Protection Act of 2008 (Proposition 84)

**Grantee Name:** California Rangeland Trust

**Project Title:** Sierra Nevada Rangeland 2008 Pre-Project Due Diligence  
Tasks – Penobscot Ranch

**SNC Reference Number:** SNC 080163B **Submittal Date:** 4/26/11

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**Check one:**  6-Month Progress Report  Final Report

#### **A. Final Report Summary:**

Using the Sierra Nevada Rangeland Assessment Project grant provided by the Sierra Nevada Conservancy (Conservancy) in 2008, the California Rangeland Trust (Rangeland Trust) evaluated eighteen working cattle ranches within five of the six SNC Sub-regions, ranking them in terms of resource issues, cultural/ historic issues, and economic/ community issues.

The Penobscot Ranch (SNC Central Sierra Sub-region), consisting of approximately 330 acres, is located in El Dorado County within the South Fork of the American River watershed. This Ranch scored 42 points out of a possible total of 45 points when assessing the Conservancy's program goals. This score qualified the Ranch as one of the two highest ranking working cattle ranch projects evaluated in the Sierra Nevada Rangeland Assessment Project.

The Rangeland Trust then applied for and was granted a Strategic Opportunity Grant Category 2 (SOG2) to obtain funding for the Conservation Easement Appraisal Report (Appraisal Report) and the Phase I Environmental Site Assessment report (Phase I ESA) for the Penobscot Ranch. However, our efforts were affected by the State General Obligation bond freeze that began in December 2008.

Once the reports were completed, the Rangeland Trust proceeded with submitting a competitive grant application to the Conservancy in September 2010 for the purpose of funding a conservation easement for the Penobscot Ranch project. Unfortunately, this project was not selected for SNC funding, thus the Rangeland Trust is searching for other funding sources.

**B. Deliverables or Outcomes completed during this Reporting Period or Milestones Achieved:**

The Rangeland Trust was successful with obtaining the desired project deliverables, which included the Appraisal Report and the Phase I ESA report.

**C. Challenges or Opportunities Encountered:**

Our most pressing challenge was the delay created by the State’s General Obligation bond freeze. More than a year passed before the Conservancy was in the position of accepting grant applications for Proposition 84 funds and this event delayed our ability to move forward with the project.

**D. Unanticipated Successes Achieved:**

No unanticipated successes were achieved.

**E. Compare Actual Costs to Budgeted Costs:**

<b>PROJECT BUDGET CATEGORIES</b>	<b>Budgeted SNC Dollars</b>	<b>Actual Dollars</b>
Summary Appraisal Report	6,500.00	7,000.00
Phase I ESA Report	3,500.00	3,500.00
Admin Costs, performance measures, reporting	1,500.00	2,569.00
Hard Costs	175.00	0.00
<b>GRAND TOTAL</b>	<b>\$12,675.00</b>	<b>\$13,069.00</b>

The “SNC Dollars” budgeted for the Project Budget Categories were originally estimated when the Grant Application was submitted in September 2009. When the appraisal was prepared, the appraiser performed additional work, thus the cost was \$500.00 more than the budgeted costs. The work performed by the Rangeland Trust also exceeded the original budget. In both cases, the Rangeland Trust has only requested the balance due based on the original “Budgeted SNC Dollars”. Additionally, the Rangeland Trust did not incur any “Hard Costs” and has instead requested that the budgeted amount be added to the “Admin Costs, Performance Measures, and Reporting” category.

**F. Do you have information to report on the project-specific Performance Measures for your project?**

The Performance Measures that were included in the Grant Agreement are addressed below in Section K “SNC-approved Performance Measures.”.

**G. Were there any other relevant materials produced under the terms of this Agreement that are not a part of the budgeted deliverables?**

There were no other relevant materials produced under the terms of this Agreement that are not a part of the budgeted deliverables.

**H. Next Steps:**

As previously mentioned, the Rangeland Trust had applied to the Conservancy for conservation easement funding for this project. Since the request for funding was not approved by the Conservancy's governing Board, the Rangeland Trust is actively searching for alternate funding sources.

**I. Capacity-Building Results and Collaboration and Cooperation with Stakeholders:**

As a result of this project, the Rangeland Trust worked with two consultants to provide transaction related services. Geocon Consultants, Inc. prepared the Phase I ESA report in August 2010 and James P. Saake prepared the Summary Appraisal Report in October 2010.

**J. Description of Project Accomplishments:**

**1. Most Significant Accomplishment**

The Pre-Project Due Diligence Tasks that were undertaken as a result of this grant provided important information as well as required documents that enabled the Rangeland Trust to move forward with the Penobscot Ranch Conservation Easement Project. The Appraisal Report provided the value of the easement, thereby establishing the amount of easement funding that is needed as well as a report that is required by all funding agencies and the Rangeland Trust. And the Phase I ESA report provided assurance for all parties that the property is environmentally safe. The availability of funding by the Conservancy to cover these important transaction costs was truly important assistance to the Ranch Owner, who has limited resources.

**2. WOW Factor**

Nothing particularly impressive happened during the project; however, as a result of the project, once the Rangeland Trust is successful in acquiring a conservation easement on the Penobscot Ranch, the true WOW factor will be the sincere devotion of this Ranch Owner to preserving the working landscape and all the conservation values that the Ranch contributes to the general public.

### **3. Design and Implementation**

Long term planning and timing is critical to utilizing funding from a public agency to cover transaction costs. Other grantees need to be aggressive in finding the few sources of funding that are available to cover the costs of pre-project due diligence tasks. Also, the length of time it will take to receive the funding as well as when the transaction is expected to close must all be taken into consideration.

### **4. Indirect Impact**

Once the Rangeland Trust is successful in receiving funding to acquire the conservation easement on the Penobscot Ranch, agencies and individuals who wrote letters of support for this project will enjoy the long term benefits that will result from this project.

### **5. Collaboration and Conflict Resolution**

This project did not provide an example of collaboration and conflict resolution.

### **6. Capacity-Building**

The Rangeland Trust currently holds conservation easements on over 230,000 acres throughout California. Of that, over 42,000 acres are located within the Sierra Nevada region and was achieved by collaborating with organizations such as the Sierra Nevada Conservancy, Wildlife Conservation Board, the Nature Conservancy, Northern Sierra Partnership and Sierra Business Council.

The financial funding provided by the Conservancy has allowed the Rangeland Trust to successfully acquire the Maddalena Ranch conservation easement and the anticipated funding of the two Goodwin Ranches projects. In addition, the funding provided by the Conservancy for the Sierra Nevada Rangeland Assessment Project enabled the Rangeland Trust to identify potential projects that strongly support the Conservancy's program goals.

The Rangeland Trust is in a position of positive growth and sustainability, recently increasing the staff size to 8 staff employees and 3 contract employees. The organization was awarded accreditation by the Land Trust Accreditation Commission during this past year, signifying its ability to meet national quality standards for protecting important natural places and working lands forever. The fifteen Board members are actively involved in many aspects of the organization's purposes and activities.

### **7. Challenges**

The project faced challenges in the form of delays as a result of the State's General Obligation bond freeze, thus the overall schedule for completing this project was delayed.

## **8. Photographs**

Pictures of the Ranch to be conserved are included on pages 7 and 8.

## **9. Post Grant Plans**

Our post grant plans are described above in Section H “Next Steps”.

## **10. Post Grant Contact**

Either Nita Vail, Chief Executive Officer or Marshall Cook, Transaction Director can be contacted at 916-444-2096.

## **K. SNC-approved Performance Measures:**

### **1. Number and Diversity of People Reached**

The general public, Sierra Nevada residents, recreational users/tourists, conservation groups, and landowner individuals will all be positively affected to some degree by the preservation of the Ranch although this performance would be difficult to measure. The Rangeland Trust will issue a press release announcing the conservation project giving credit to the eventual funding agency(ies) upon completion.

### **2. Dollar Value of Resources Leveraged for the Sierra Nevada**

The Rangeland Trust received interim funding for the Appraisal Report from the Feather River Land Trust. The Rangeland Trust plans to secure project funds from one or more sources to acquire a conservation easement on the Penobscot Ranch. The total amount of grant funding for the conservation easement acquisition will equal the appraised value. The cost of acquiring a conservation easement in this case is about 45% of the cost of acquiring fee title to the property and there are no on-going publicly-funded management costs. Conservation easements by their nature leverage dollars.

### **3. Number and Type of Jobs Created**

The placement of the conservation easement will help preserve the working cattle ranch and the associated work forces, although this performance is difficult to measure.

### **4. Number & Value of New, Improved or Preserved Economic Activities**

As a working landscape, placing a conservation easement on the Penobscot Ranch will preserve the use of the land for the grazing of livestock. As a measure of performance, the Rangeland Trust will monitor the livestock rate in conjunction with its annual monitoring by asking the landowner if there have been any significant changes to the stocking rate or grazing management since the last monitoring visit. The Rangeland

Trust does not inquire as to the number of head of livestock or their value as this is considered confidential economic information.

**5. Percent of Pre-project and Planning Efforts Resulting in Project Implementation**

The purpose of this SNC grant was to fund pre-project tasks including the preparation of the Conservation Easement Appraisal Report and Phase I Environmental Site Assessment report. This purpose was accomplished.

The appraisal report was used by the Rangeland Trust in its grant submission to SNC, where funds were requested to acquire a conservation easement over 330 acres of the Penobscot Ranch. Unfortunately, the project was not selected for funding.

Going forward, when applying to other funding sources, these reports will certainly assist our efforts. At this time, it is estimated that 20% of tasks related to the implementation of the conservation easement project have been completed.

**Penobscot Ranch  
Cool, El Dorado County  
~Conservation Easement Pending~**



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