Fact Sheet 2

ONTARIO LAND TRUST ALLIANCE

Determining Stewardship Costs for Conservation Easement Agreements

Standard 11; Practice A: *The land trust determines the long-term stewardship and enforcement expenses of each conservation agreement transaction and secures the dedicated or operating funds to cover current and future expenses. If funds are not secured at or before the completion of the transaction, the land trust has a plan to secure these funds and has a policy committing the funds to this purpose. -* ***Canadian Land Trust Standards and Practices (2005)***

Conservation easement agreements (CEAs) are becoming an increasingly popular way to protect private lands in Ontario. Conservation easements (sometimes known as covenants) allow a land trust to protect land while the landowner still retains ownership and ongoing use.

Easements are only effective tools for land protection if they are properly monitored and enforced. To do this, the land trust must ensure that it has the required resources to cover the ongoing costs associated with stewardship and monitoring activities. Failure to uphold a CEA may result in a land trust losing credibility within their community, and may raise questions among government and other decision makers regarding the effectiveness of this tool.

CEA funding requirements will vary depending on organizational structure, size, and the number of agreements being held. Once a land trust has determined the costs associated with annual monitoring, landowner relations, and projected enforcement requirements, they can then look for ways and means to raise and manage those funds. There are a number of models to consider when making this decision and you can find more information in Fact Sheet #3 and #4.

Types of expenses

Making the decision to accept a CEA commits the organization to monitor and enforce the agreement in perpetuity. To ensure the land trust has the capacity to accept this responsibility, it is important that it considers all the costs associated with the agreement. While each agreement is unique, the land trust should plan on the following types of expenses:

- annual monitoring and reporting
- maintaining landowner relations
- enforcement to correct violations

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Annual monitoring activities

These activities should directly address the restrictions within the CEA and compare the current state against the Baseline Documentation Report. As a result, they will likely vary considerable from one property to another. A land trust should plan for a minimum of one annual monitoring visit per year. For detailed examples of budgeting practices you can look to the Land Trust Alliance publication "*Determining Stewardship Costs and Raising and Managing Dedicated Funds."* Chapter 2 addresses this issue in great detail. Some examples of expenses that you should consider are listed below. These items may change from one organization to another and are offered here as an example only:

- staff time
- travel
- supplies/equipment
- reporting

Maintaining landowner relations

Maintaining positive landowner relations is vital to reducing the number and intensity of violations that may occur. This topic is covered in more detail in Fact Sheet #6. While each landowner may require varying degrees of attention, it is recommended that the land trust connects with the landowner at least once a year. Landowner relations can also be maintained through casual visits and telephone conversations. Depending on your organizational structure, this activity may include expenses for ***staff time, travel, and supplies.***

Enforcement

While ongoing monitoring and landowner relations are great ways to reduce the likelihood of violations taking place, it is always important for a land trust to plan for them nonetheless. The costs associated with enforcement are difficult to estimate, and the Land Trust Alliance has detailed examples in "*Determining Stewardship Costs and Raising and Managing Dedicated Funds."* Consistent and regular enforcement may reduce the frequency and severity of violations. Costs associated with violations are discussed in Fact Sheet #5.

The information provided is based on the Land Trust Alliance publication, "*Determining Stewardship Costs and Raising and Managing Dedicated Funds*," Chapter 2. Please refer to this publication for more detailed information and case studies.

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This document was reviewed and approved by the Best Practices Working Group on March 16, 2012. To access a copy of the full Land Trust Alliance manual please visit www.landtrustalliance.org.