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CONFIDENTIAL

Land Acquisition Grant – Organizational Capacity Review Memo

To: Miriam Forney
From:
Date:

Re: Land Acquisition Organizational Capacity Review

Instructions to Reviewer

As you review this application, please consider the following guiding questions, which draw a connection between organizational capacity and project soundness. The relationship between these evaluation criteria is described in the Land Acquisition Program Manual.

- Does the organization appear to have the experience and resources necessary to complete due diligence specific to the proposed transaction and acquire a clear and secure property interest by the end of the 18-month due diligence period, which was incorporated into the program's administrative rules as an indication of a project's readiness?
- Does the organization appear to have the experience and resources necessary to accomplish long-term durability, enforceability, and stewardship of the intended conservation outcomes?

The headings in the Application Information section of this memo correspond to sections in the grant application.

Summary Information

Project Name:
Grant Application No:
Applicant:
County:
Acreage: (the Property):
Zoning:
Current Use:
Property Interest Being Acquired:
Estimated/Appraised Value:
Anticipated Purchase Price:
Requested OWEB Funds:
Intended Vested Owner:
Intended Long-Term Manager:

Application Information

Qualifications & Capacity

Comments*	• *Mission, service area, strategic plan, any priority investments in the vicinity of the Project* • *Applicant accreditation, policies, procedures, and processes* • *Long-term holder responsibilities, commitments, qualifications, policies, procedures, and processes, if applicable* • *Funding to generate investment income for property-specific stewardship activities* • *Terrafirma or comparable insurance*
Potential Funding Conditions	
Concern Level – Low, Medium, High	*Determine concern level as:* ***Low**: no or minimal concerns in the context of the guiding questions above.* ***Medium**: substantive concerns in the context of the guiding questions above, but there is a reasonable chance that the applicant has the organizational capacity necessary for the project.* ***High**: significant concerns exist in the context of the guiding questions above; the applicant is unlikely to have the organizational capacity necessary for the project.*

Land Management, Monitoring, and Enforcement Practices

Comments*	• *Current management plans* • *Protocols/actions* • *Capacity for stewardship of this property within the context of the proposed holder's broader portfolio of property interests* • *If a CE project: coordination and funding for management plan*
Potential Funding Conditions	
Concern Level – Low, Medium, High	*Determine concern level as described above*

Project Team

Comments*	• *Team experience, resources, and time for the transaction* • *Team experience, resources, and time for long-term ownership, including site stabilization, restoration, and multiple uses, if proposed*
Potential Funding Conditions	
Concern Level – Low, Medium, High	*Determine concern level as described above*

* Bullets are possible items on which to comment, not an exhaustive list, and may be deleted. Comments should align with the questions in the application.

The area below is for comments on application documents related to organizational capacity.

Required Documents Pertaining to Organizational Capacity

1. Evidence of Organization Eligibility

Application Instructions:

- *Evidence of the applicant's conservation mission that includes the acquisition of interests in property for conservation purposes (e.g., applicable section of corporate charter, bylaws, statute, or board resolution).*
- *Non-governmental organizations must submit their bylaws with the application.*

Comments	

2. Organizational Financial Documents

Application Instructions: Documents appropriate to the applicant (or the long-term holder if the property interest will be transferred) that reasonably characterize the organization's existing financial circumstances. Examples include: a copy of the organization's year-end-budget-to-actual-outcomes report for most recent fiscal year; the summary of the organization's most recent annual financial audit or review; and balance statements for the organization's existing stewardship and legal defense funds. If the organization is a political subdivision of the state, documents can include applicable parts of adopted budgets which dedicate funds to the proposed project.

Comments	

3. Stewardship Calculator

Application Instructions: A long-term stewardship calculator that includes all of the following information for each property interest proposed for OWEB funding: (i) all necessary annual stewardship activities; (ii) the estimated annual expense of each stewardship activity; (iii) the total annual expense of all stewardship activities; (iv) the amount of stewardship funding (principle) that will be secured to pay the total annual stewardship expense; (v) confirmation that the principle calculated in (iv) is reasonably expected to produce investment returns equal to or greater than the total annual stewardship expense, based on the past performance of the applicant's investments, net of inflation, management fees, and principal preservation.*

Applicants may develop their own Excel-based calculator, or use one that is available online, such as [The Nature Conservancy's long-term stewardship calculator.]

**Stewardship activities and costs relate to routine actions that are necessary to maintain a property's conservation values. Examples include but aren't limited to: time, travel, and materials for weed treatments, maintenance of signage and fencing, litter removal, and routine monitoring; conservation defense insurance annual premiums; and annualized costs of minor and major use violations such as trespassing. Stewardship activities and costs do not include the cost of one-time restoration projects.*

Comments	

Conditionally Required Documents Pertaining to Organizational Capacity

The following additional documents are required in the situations specified below.

1. *Application Instructions:* **Information not accommodated by the application form,** such as information about multiple proposed long-term holders for a multi-property project.

Comments	

2. Accreditation Information

Application Instructions:

- *If the applicant is accredited by the Land Trust Alliance, attach a copy of the accreditation letter.*
- *If the property interest or long-term management responsibilities for the property interest will be transferred to a long-term holder, and the long-term holder is accredited by the Land Trust Alliance, attach a copy of the accreditation letter.*

Comments	

3. Long-Term Holder Letter

Application Instructions: If an entity other than the applicant will be the long-term holder or manager of a property interest proposed for OWEB funding, attach a board resolution or letter from that entity that clearly demonstrates its intent and ability to accept, as applicable, long-term ownership, management, and monitoring and enforcement responsibilities for the property interest.

Comments	

Optional Documents

Application Instructions: OWEB encourages applicants that have the following documents to consider attaching them to the application, to further assist reviewers in understanding the proposed project.

1. Organizational documents for NON-LTA ACCREDITED APPLICANTS

- Policies and procedures for selecting and acquiring conservation property interests
- Processes for keeping accurate financial records
- Conflict of interest policy
- Annual independent financial review or audit
- Records management protocols
- Policy and procedures for managing conservation property interests
- Property inspection protocols
- Other written policies, procedures, or plans pertaining to organizational capacity

Comments	