



Conserving California Landscapes

MIDTERM REPORT • NOVEMBER 2000

*An Initiative of The David and Lucile Packard Foundation
Conservation Program*

The David and Lucile Packard Foundation

The David and Lucile Packard Foundation was created in 1964 by David Packard (1912-1996) and Lucile Salter Packard (1914-1987). David and Lucile Packard shared a deep and abiding interest in philanthropy.

The Foundation provides grants to nonprofit organizations in the following broad program areas: conservation; population; science; children, families, and communities; arts; and organizational effectiveness and philanthropy.

The Foundation provides national and international grants, and also has a special focus on the Northern California counties of San Mateo, Santa Clara, Santa Cruz, and Monterey. We do not accept proposals to benefit specific individuals or that serve religious purposes.

The Foundation's assets were approximately \$13 billion as of December 31, 1999. Grant awards totaled approximately \$411 million in 1999, and the Foundation expects to make grants of approximately \$500 million in 2000.



The Conservation Program of the Packard Foundation seeks to ensure a healthy future for all life by conserving critical natural systems, addressing key threats to these systems, and providing scientific information and training that will enhance their conservation.

With its geographic focus on the West Coast of North America, and in the Pacific, the goals of the Conservation Program are threefold: first, to protect globally outstanding habitats in areas of natural significance and biological diversity through the development of site-based programs; second, to address important factors of environmental degradation found in inappropriate and unsustainable use of land, water, energy, and marine resources; and third, to provide the science and training that conservation needs.

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MIDTERM REPORT

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New Approaches to Land Conservation

In March 1998, The David and Lucile Packard Foundation announced its Conserving California Landscapes Initiative (CCLI). The five-year, \$175 million program was designed to conserve large expanses of open space, farmlands, and wildlife habitat in three California regions—the Central Coast, the Central Valley and the Sierra Nevada—and to develop supportive organizations and policies.

With the program at its halfway point, we want to report on our progress and note the accomplishments of our grantees. We hope that as more people become aware of the opportunities and challenges facing land conservation in California, more interest and partners for effective results will be generated.

The program is a complex one, largely because it moves beyond the more traditional philanthropic approaches to land conservation and draws on a wider array of conservation strategies.

Real Estate Transactions While many have viewed real estate transactions as the end of the line in land conservation, we see them as a way to start new processes—to catalyze even greater conservation efforts. For example, targeting acquisition projects that fit in the context of local or regional conservation plans can embolden those planning processes. In places where such a process does not exist, the prospect of funding support can help start one. By working on a larger scale—with a focus on landscapes rather than parcels—we maximize the number of acres conserved and increase the likelihood that their integrity will be maintained over the long term.

Rather than providing funds to purchase lands outright, our grantees often rely on easements. These allow the land to remain privately held, but with the owner committing to deed restrictions that protect wildlife habitat, allow for recreational access by the public, or permanently retain the land in agricultural use. These easements can often be a better way to meet a variety of local economic and cultural needs. Identifying compatible economic uses is not always easy, but it has



CCLI'S GEOGRAPHIC FOCUS

Under CCLI, the Central Coast Region extends south from the Golden Gate to the Santa Ynez River and includes the western drainage of the coastal watersheds. The Central Valley Region, which includes both the San Joaquin and Sacramento valleys, extends south from the area surrounding Redding to the Tehachapi Mountains. The Sierra Nevada Region includes the length of mountains (including portions of the Cascade Range) from the Oregon border to Bakersfield, extending east from the foothills to the Nevada border and encompassing all of the major watersheds.

proven to be an important way to conserve resources and encourage local support.

Loans Through our program-related investments (PRIs), we make bridge loans to conservation organizations. Low interest bridge loans provide short-term financing for land transactions that will attract permanent funding from other sources over time. These loans serve an important role because real estate transactions are vulnerable to timing issues. Groups or government agencies often can raise the funds to purchase key parcels—but not always at the time when the best deal can be struck.

Land-use Policy and Planning We complement transactions in the three regions by supporting organizations that promote sensible land-use practices and policies. We fund planning processes and policy developments to arrive at more strategic conservation priorities and sensible land-use decisions. We work with organizations and local government agencies to involve a wide range of stakeholders and draw on expertise when needed. These efforts create a systematic approach, take the pressure off valuable natural resources, and focus necessary economic activities in areas that are more appropriate for development. Because only so much land can be conserved through acquisition, these land-use decisions and policies have enormous implications for conserving landscapes and for ensuring better development.

Capacity Building With help from the Foundation's Organizational Effectiveness and Philanthropy program, we have made a series of grants to increase the effectiveness of the nonprofit conservation community. For example, we've helped groups build their expertise in mapping, real estate transactions, and estate planning.

Restoration Our grantees have engaged in targeted restoration projects, recognizing both the biological and inspirational value of these efforts. In one such case, our funding supports a long-term adaptive management plan, enabling conservation efforts to become more effective as new approaches are developed or better data informs strategic directions. This flexibility is essential in such an experimental field. Successful



CASE STUDY:
ELKHORN SLOUGH
A Lesson in Cooperation

Elkhorn Slough, flowing into Monterey Bay, is one of California's largest and last remaining coastal wetlands, and is an estuary of national significance. Poor farming practices there once led to some of the worst soil erosion in the western United States. The Slough is now home to a model effort of cooperative resource management, a process CCLI has supported by making grants to catalyze planning and increase participation. The results are impressive.

Grants of \$378,000 helped the Resource Conservation Districts in Santa Cruz and Monterey counties work with the Natural Resources Conservation Service and

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others to control the soil erosion. Slough farmers have reduced erosion on highly valuable agricultural lands by more than 20,000 tons annually.

Sustainable Conservation, working with a grant of \$109,000, helped make it possible for farmers to control erosion after obtaining a single permit; previously, it took permits from up to ten agencies. Voluntary participation by farmers has increased dramatically.

The regional watershed conservation plan, developed by the stakeholders in a process supported by CCLI grants, has been adopted by the California Coastal Conservancy, and now drives acquisition, restoration, and management strategies. It is in this context that CCLI has made more than \$2 million in transaction grants and PRIs.

Virtually all organizations working in the watershed now share common geographic information systems (GIS).

The California State University at Monterey Bay, relying on a \$460,000 grant, is helping coordinate restoration projects throughout the watershed. While these projects help restore vital habitat in Elkhorn Slough, they also advance the science of restoration ecology.

A grant of \$553,000 to the Elkhorn Slough Foundation is enabling it to develop the long-term capacity to be an effective local steward of this watershed and partner to various public and private agencies.

restoration changes the terrain of environmental issues—redefining what is possible. It builds even greater ambitions.

Public Education Our grantees have undertaken public education efforts, including the use of television commercials, in the hopes of building greater public interest in protecting open lands.

Leverage A key component of CCLI has been our focus on using our grants and loans strategically to stimulate matching contributions from other foundations, individuals, government agencies, and nonprofit organizations. This makes our own money go further, a legitimate goal for philanthropists on any level. But it also stresses the fundamentally important notion that no group or individuals can do this work alone. The problems related to our use of California's lands are far too great for that. It also recognizes an emerging understanding that lands cannot be managed in isolation; an open field surrounded by heavy development, for example, will not likely retain its biological or agricultural integrity over time. Thus, the efforts to conserve these lands should not be isolated either. Building partnerships at the outset makes it easier to form the long-term management partnerships that are key to retaining lasting benefits.

Setting Ambitious Goals... And Doubling Them

The program's initial goals were ambitious. We set out to work with grantees in protecting 250,000 acres of sustainable natural systems and significant agricultural and range lands. And we intended to attract more than \$175 million in leveraged funds.

At the time of our initial announcement, one national media outlet described the 250,000-acre figure as "staggering."

And yet, only two and a half years later, we have far exceeded these numerical goals.

More than 327,000 acres of beautiful, productive and richly diverse California lands are gaining permanent protection in large part because of this program. Roughly ten times the size of San Francisco, or slightly larger than Grand Teton National Park, these lands will serve as open space, as safe harbors for wildlife, and in some cases as working farms and ranches. In the case of farms and ranches, the lands continue to provide economic and biological benefits, and they stay in private ownership. In other cases, title to some of these lands will ultimately be shifted to government agencies or nonprofit organizations, depending on which has the greater capacity to provide long-term care and management for a particular parcel.

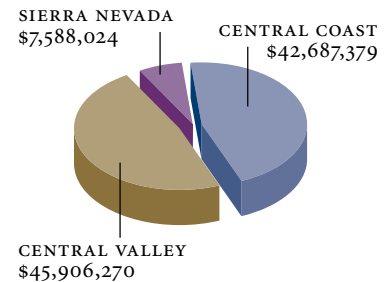
As of October 1, 2000, CCLI had made transaction grants and loans of \$96,181,673, targeted specifically for the purchase of lands previously identified as being critically important. These investments were combined with \$244,671,519 in funds from other sources; this larger figure represents the leveraged funds outlined in the initial goals. Significantly, more than \$50 million of these leveraged funds came from private individuals, many of whom are new to land conservation endeavors.

Region	Acquisitions	Acres Conserved	Packard Contribution	Other Contributions	Total Price
Central Coast	18	128,479	\$42,687,379	\$142,824,033	\$185,511,912
Central Valley	20	153,609	\$45,906,270	\$84,648,931	\$130,555,201
Sierra Nevada	9	45,102	\$7,588,024	\$17,198,555	\$24,786,579
CCLI Status	47	327,190	\$96,181,673	\$244,671,519	\$340,853,192

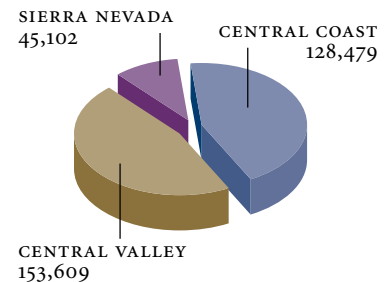
(As of 10/1/00)

While the conservation of 327,000 acres is cause for celebration, it is hardly an accomplishment of the Packard Foundation. Our role has been to set the goals, perhaps raising expectations higher than they might otherwise be, to provide a systematic framework for land conservation in these regions, and to provide funding support. But the real accomplishments have been, and will be, gained through the hard work of the many organizations working to protect landscapes throughout California, and through the collaborative efforts of landowners and thoughtful and dedicated staff members within several public agencies.

TRANSACTION GRANTS & LOANS BY REGION



ACRES CONSERVED BY REGION



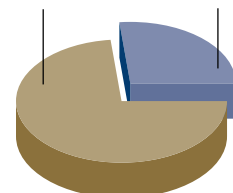
ACQUISITION PROJECT DOLLARS

Packard investment in relation to funds from other sources.

TOTAL INVESTMENTS \$340,853,692

LEVERAGED FUNDS \$244,671,519

PACKARD \$96,181,673

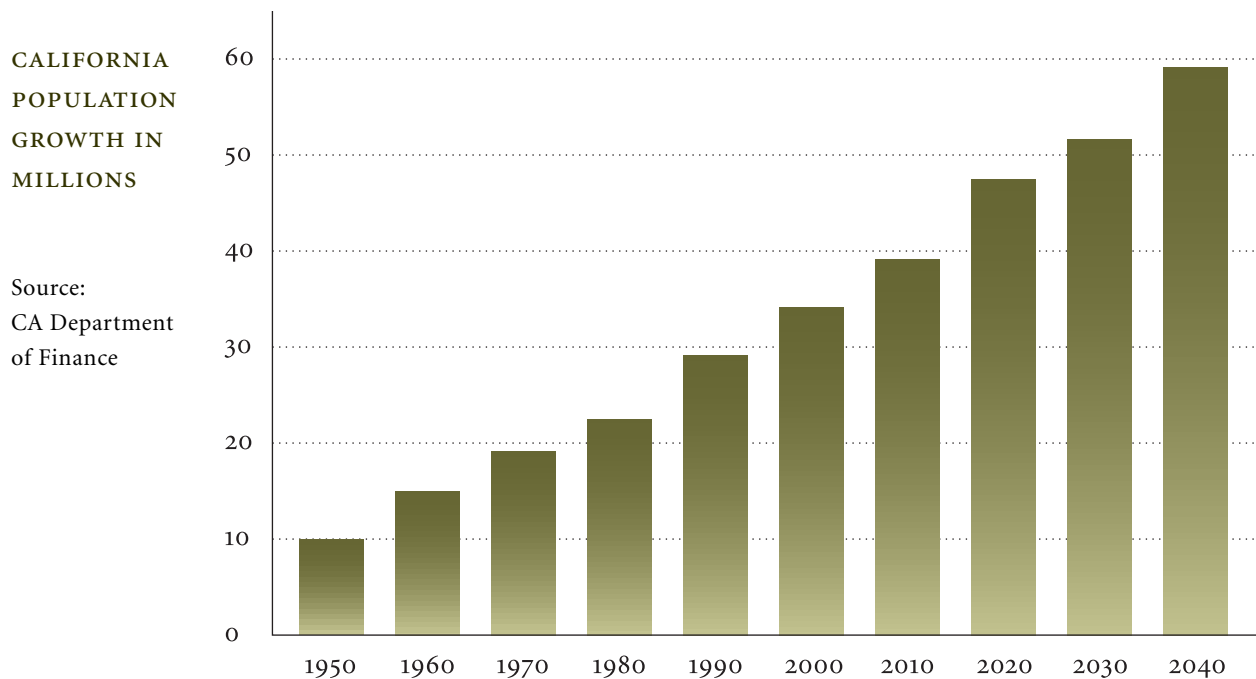


Having exceeded our goals this early in the process, we've chosen to set them even higher. At a recent meeting, the Packard Foundation's Board of Trustees doubled the acreage and leverage goals for CCLI. Thus, the program will, over a five-year period, conserve at least 500,000 acres in the three California regions. And it will do so by drawing more than \$350 million in matching funds into the efforts to protect open lands.

Persistent Threats to the California Landscape

In spite of the tremendous success achieved by land conservation efforts, the trends in California are ominous, suggesting we redouble our efforts.

California's Department of Finance predicts the state's population will grow to 58 million people by the year 2040—an increase of more than 25 million people in the next 40 years. To put this figure in perspective, California will need to absorb as many residents as live in eight cities the size of Los



Angeles. (The bulk of this population boom is rooted in the birth rate exceeding the death rate for families already living in California, not in immigration.)

As we house and employ these new Californians, what will be the impacts on the resources that help provide clean air and water, recreational opportunities, or the solace of open space. As the human footprint expands, what is left of the natural community? What happens to the quality of life? Will we still live in one of the world's most beautiful, biologically rich, and livable regions?

The state's record in accommodating new residents is not a good one.

- Over the last five years, an average of 138,000 acres of California farmlands have been lost to urban development, an increase of more than 50% from the previous decade. To make up for those lost lands, 240,000 acres of rangeland are converted to more intensive agricultural practices every year. The extra acreage is converted because the rangelands are not well suited for agricultural purposes.
- In the Sierra Nevada, 50% of the remaining private lands will likely be developed by 2040.
- Inefficient development practices are common. A typical new development in the Central Valley, for example, will house fewer than 150 people per square mile—while in San Francisco, more than 1,500 people are housed per square mile. It's no wonder the open space is disappearing.

And this struggle will involve questions even greater than whether or not we'll retain enough open space to make our communities livable—to keep them pleasant. This struggle plays out in the context of a global biological crisis.

Many in the scientific community suggest that if the loss of habitats and the services they provide continue unchecked, we will witness a significant collapse of species and ecosystems, one that will directly affect most California residents. Because



CASE STUDY: BATTLE CREEK RESTORATION

Salmon Return to Their Spawning Grounds

Battle Creek is a northern tributary of the Sacramento River, with cold and consistent spring-fed flows that make it prime habitat for steelhead and four native Chinook salmon runs. Though dams have obstructed fish migration for nearly a century, remnant populations of each run have survived. Barely.

With extraordinary cooperation among landowners, government agencies, environmental groups, and the Packard Foundation, those runs should begin to flourish.

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of the state's biological wealth, the impacts of such a collapse would be felt beyond our borders. The San Francisco Bay-Delta, for example, is the largest estuary on the West Coast of the western hemisphere—not to mention the hub of the state's water supply system. The Central Valley is vital to 70% of the migratory birds on the Pacific Flyway. And California has the most listed, threatened, and candidate species under the federal Endangered Species Act.

There are economic and cultural components as well. These landscapes are often working landscapes. Coastal estuaries serve as nurseries for wildlife, including many species vital to the state's sport and commercial fishing industries. Central Valley soils help feed the world and drive the state's economy. Sierra streams provide clean water supplies and draw tourists from around the world. And throughout the state, families hike, picnic, and enjoy the abundant open space. All Californians depend on the health of our land and water for our quality of life and our strong economy.

A 1999 report by the California Environmental Dialogue, a coalition of government, private, and nonprofit interests, found that preserving California's quality of life would require the purchase and protection of more than 5.4 million acres of currently undeveloped lands. The estimated cost to acquire these lands: \$12.3 billion.

Such is the scale of the problem facing California. CCLI, successful though it may be, is only a down payment toward the much larger investments that will be required to protect California's landscapes.

A New Momentum

We have, in these two and a half years, found reason for optimism as well. Efforts to conserve open lands and to minimize the adverse impacts of growth in California, and throughout the country, are gaining visible momentum. The constituency for these efforts is changing quickly.

- In March, California voters passed parks and land acquisition measures for the first time in a dozen years. Propositions 12 and 13 made available hundreds of millions of dollars to help purchase and protect critical land and water resources. Both measures passed by very wide margins, helping political leaders understand the full support these efforts have in virtually every region of the state. These funds arrived at a critical time, as growth pressures continue to drive up the costs of these resources.
- In July, Governor Davis convinced the legislature to use \$75 million from this year's budget surplus to purchase open space and wildlife habitat. His approach relies on the strategy of leveraging: the state will only spend the money if the other sources of funding pay at least half the cost.
- The emergence of these two funding sources is having a ripple effect. Many private donors are more willing to make contributions if they know they aren't footing the bill on their own. With the state now in a position to match private contributions—just as we've been able to match contributions through CCLI—more are stepping forward with private funds. Success and momentum breed success and momentum.
- Public opinion polling shows Californians recognize these problems as both real and urgent. A May survey by the Public Policy Institute of California (PPIC) showed that 59% of Californians think their region is growing very rapidly; the figure climbs to 67% in the Central Valley. The same survey showed that development in the Sierra is a significant concern throughout the state. And 57% of Californians support using taxpayer money to purchase open space, a figure much higher than the national average.

We've learned through CCLI that momentum is generated simply with the establishment of a long-term funding source. In places where we've engaged, the participants know our commitment will last several years—which is how long nego-

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The project will reopen and restore 42 miles of aquatic habitat by removing five diversion dams and installing fish ladders and high-quality fish screens on those that remain. Releases from the remaining dams will increase to sustain higher in-stream flows for salmon and steelhead. Federal and state agencies are cooperating to draft a science-driven adaptive management plan; through a \$3 million grant to the Nature Conservancy, CCLI is providing the funds to implement it.

The Pacific Gas and Electric Company will forgo \$20 million it might have gained by retaining and operating the dams. State and federal agencies are contributing \$27 million.

The project shows the quick results that can be achieved outside the regulatory process—so long as all the stakeholders participate. It will be completed in less time than the regulatory process would have taken, and has a bonus: water rights will be permanently dedicated to in-stream flows. (In regulatory processes, flows are typically adjusted only during the life of a permit.)

tiations often take. This gives local leaders the staying power to engage and landowners faith that a fair deal can be reached. It puts buyer and seller on a level playing field—buyers can wait until the price is right, or they can develop other strategies rather than be forced to spend the money during an agency’s fiscal year or risk losing it.

Permanent Funding Other states have created long-term funding sources. Florida voters approved a ten-year plan to spend \$300 million per year to purchase open space and wild-life habitat. New Jersey voters approved a plan to protect one million undeveloped acres in their state. These states have the right approach, and it is essential that California establish a permanent source of funding for purchasing undeveloped lands. Governor Davis’s move to use \$75 million from this year’s budget surplus was a good start. To be successful in the long run, key leaders in California will need to build support for a permanent source of funding.

Land-use It is also apparent that California needs more sensible land-use efforts that cover full counties or watersheds. This should be a focus of regional agencies, businesses, and the nonprofit communities. It is also why we intend for our transaction grants to be increasingly used to support these kinds of broader planning efforts. The efforts in Placer County could be a model for other counties in these regions.

CCLI in the Central Coast

California's Central Coast Region extends south from the Golden Gate to the Santa Ynez River and includes the western drainage of the coastal watersheds. A region of beauty and varied landscapes, it sustains some of the state's greatest biodiversity and most productive soils.

The region is under intense development pressure as the state's two largest urban areas continue to advance on either end of the coastline, while communities in the middle swell with new residents. Population in the region is expected to increase by 175% by the year 2010. Without prompt and bold action, the rate of habitat and agricultural land loss will increase, and vital natural services such as clean air and water—provided by a healthy ecosystem—will diminish.

In the Central Coast, CCLI has placed initial priority on the Big Sur coast; the watersheds of Elkhorn and Watsonville sloughs; key agricultural lands in the Pajaro and Salinas valleys; the Mount Hamilton range; key rangeland in southeast Monterey County; and select resources in San Mateo, Santa Cruz, and San Luis Obispo counties.

The following lists identify many of the CCLI grants in the Central Coast Region. The lists highlight a representative sample of the kinds of investment made and are not exhaustive.



CASE STUDY: COAST DAIRIES

A Keystone Property Protected

The 7,000 acres owned by the Coast Dairies and Land Company was one of the largest privately owned coastal properties between San Francisco and the Mexican border. It is also among the most beautiful. The property covers more than six miles of coastline and beaches, has seven distinct watersheds, contains rich agricultural lands, and is host to several endangered species and rare plant communities. The unbroken views of the coast evoke earlier times.

A Nevada development company held an option on the land, near the tiny town of

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Central Coast Transaction Grants

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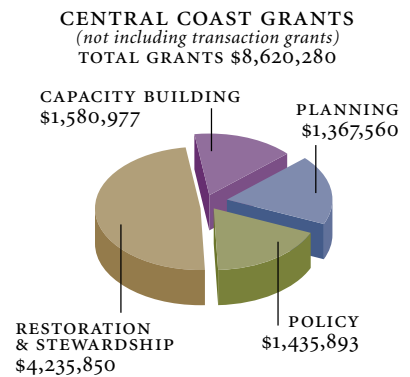
Davenport, and was poised to split the land into 139 lots in an attempt to develop luxury homes. With a grant from CCLI, Save-the-Redwoods League temporarily halted the threat by purchasing the development company's option on the property. The Trust for Public Land (TPL) then secured and exercised the development rights, again with the help of CCLI, taking ownership of the property and turning it into a 7,000-acre preserve.

In securing the property, TPL worked closely with other NGOs, foundations, and individual private donors. The California Coastal Conservancy contributed \$6 million. TPL is now working with a broad group of federal, state, and local interests to craft an innovative management plan. Public access to the beaches will continue, and access to the uplands will open once a management plan is in place. That plan is funded by the William and Flora Hewlett Foundation and the state Coastal Conservancy, among other sources.

Project	Acres Conserved	Total Price	Packard Contribution	Year
San Luis Obispo—Trust for Public Land/Estero Bay Open space, beaches, key feeding grounds, several listed, threatened and endangered species.	275	\$5,200,000	\$2,200,000	1998
Santa Cruz—Save-the-Redwoods League and Trust for Public Land/Coast Dairies Open space, redwoods, recreation, beaches, key coastal watersheds. (Initial grant of \$20 million made in 1997; acquisition completed with additional grants and a loan in 1998.)	7,500	\$44,300,000	\$1,415,000	1998
Big Sur—American Land Conservancy/Rancho Ventana Support for addition of 313 acres to Pfeiffer Big Sur State Park.	313	\$1,442,000	\$480,000	1999
Southern Monterey—California Rangeland Trust/Kester Property Support for the acquisition of a conservation easement on the Kester property in Monterey and Fresno counties.	17,500	\$2,282,129	\$1,153,379	1999
Elkhorn Slough—Elkhorn Slough Foundation/3M Property Support for acquisition of a conservation easement on the 3M property in Elkhorn Slough.	195	\$1,035,000	\$507,500	1999
Mt. Hamilton—Nature Conservancy/Mt. Hamilton Support for Mt. Hamilton acquisitions.	50,000	\$49,000,000	\$7,000,000	1999
San Mateo—Peninsula Open Space Trust/Strategic Acquisitions Acquisition of Rancho Canada De Oro and other strategic properties in San Mateo and Santa Clara counties.	3,731	\$13,700,000	\$5,250,000	1999
Salinas Valley—Monterey County Agricultural and Historical Land Conservancy Support for the acquisition of easements on the Violini and Gill ranches in the Salinas Valley.	961	\$4,123,555	\$1,825,000	2000

Central Coast Loans

Project	Acres Conserved	Amount	Year
Monterey—Elkhorn Slough Foundation Support for acquisition of 212-acre parcel in Moro Cojo Slough.	212	\$301,500	1998
Santa Cruz—Trust for Public Land Support for acquisition of Coast Dairies property.	7,500	\$5,814,545	1998
East Bay—Save Mt. Diablo Support for acquisition of Silva Property, Mt. Diablo.	427	\$625,000	1999



Central Coast Capacity-Building Grants

Project	Amount	Year
Elkhorn Slough Foundation Support for building increased organizational capacity and for watershed planning.	\$553,500	1998
Peninsula Open Space Trust Support for further development of fundraising, land acquisition, and internal support capabilities.	\$164,288	1998
Martinez Regional Land Trust Support for capacity building and the development of a five-year capital campaign for the protection of open space and agricultural lands.	\$50,000	1999
California Conservation Corps Foundation Support for restoration training on the Central Coast as part of the California Conservation Corps's Watershed Partnership program.	\$600,000	1999
Land Trust for Santa Clara County Support for further development of land conservation planning and internal support capabilities.	\$115,000	2000

Central Coast Planning Grants

Project	Amount	Year
Midpeninsula Regional Open Space District Support for planning to assume management responsibility for lands along the San Mateo County coast.	\$200,000	1998
Nature Conservancy Support for conducting conservation planning for the Central Coast Ecoregion.	\$320,000	1998
Monterey County Agricultural and Historical Land Conservancy/King City Growth Study Support for a study regarding growth issues in the King City area.	\$50,000	1999
Community Foundation of Santa Cruz County/Action Pajaro Valley Support for the implementation of a long-term public-private visioning plan to direct growth to urbanized areas while preserving farmland, natural resources, and other open space in Santa Cruz County.	\$200,000	2000
Upper Salinas/Las Tablas Resource Conservation District Support for development of a comprehensive watershed management plan for the Upper Salinas River watershed	\$95,600	2000

Central Coast Policy Grants

Project	Amount	Year
American Farmland Trust Support for the Salinas/Pajaro Valleys Growth Futures study.	\$325,000	1998
Monterey County LandWatch Support for start-up funding and to proceed with policy analysis and advocacy on land use and related environmental issues throughout Monterey County.	\$225,000	1998
Save San Francisco Bay Association Support over two years for efforts to promote wetlands restoration at key sites in San Francisco Bay.	\$300,000	1999
Sustainable Conservation Support for development of one-stop permitting programs in Central Coast watersheds for farmers who voluntarily undertake conservation practices on their lands.	\$109,000	1999

Project	Amount	Year
Bay Area Open Space Council Support for the development and implementation of strategies to improve the use of conservation easements in the San Francisco Bay Area.	\$111,000	2000
People for Open Space/Greenbelt Alliance Support for a program promoting sensible conservation and development practices in the San Francisco Bay Area.	\$300,000	2000

Central Coast Restoration & Stewardship Grants

Project	Amount	Year
Salinas Valley—Foundation of California State University, Monterey Bay Support over two years for restoration projects in the Salinas Valley watershed.	\$460,000	1999
Santa Cruz—Natural Heritage Institute Support over three years for the development of a plan to restore salmon and steelhead in three Santa Clara County streams.	\$180,000	1999
Monterey—Santa Cruz County RCD and Monterey County RCD Support over two years for a project to reduce erosion and promote sustainable land-management practices in the Elkhorn Slough and Watsonville Slough watersheds.	\$378,906	1999
San Luis Obispo—Land Conservancy of San Luis Obispo County Support for East Fork wetland and riparian enhancement project and to research a transfer of development rights bank.	\$239,000	2000
National Audubon Society—Baylands Support for the development and implementation of the San Francisco Bay wetlands program.	\$750,000	2000

CCLI in the Central Valley



CASE STUDY: CENTRAL VALLEY AGRICULTURE

The Great Valley Center's Agricultural Transaction Program

Though the urbanization of Central Valley farmland is one of California's most important land conservation issues, there is little assurance that land will stay in agricultural production and that growth will proceed in a sensible, cost-effective fashion. With a \$5,750,000 Packard grant, the Great Valley Center (GVC) is establishing a pilot program to address this issue in select counties, balancing the economic reality of the marketplace with the importance of conserving threatened resources.

GVC's Agricultural Transaction Program will focus initially on helping design and fund effective strategies for the long-term conservation of agricultural lands in two

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California's Central Valley Region, which includes both the San Joaquin and Sacramento valleys, extends south from the area surrounding Redding to the Tehachapi Mountains. Famous for its productive soils that are the foundation of the state's \$24 billion-a-year agricultural industry, the Central Valley also supports biologically vital California landscapes, including grasslands, wetlands, and rivers. It holds essential habitat for 70% of the migratory birds along the globally significant Pacific Flyway.

Habitat and farmland loss in the region is increasing rapidly as farming communities near Sacramento and the Bay Area are converted into suburbs, while Fresno and other cities evolve into major metropolitan areas. Population in the region is growing at more than twice the state's rate.

In the Central Valley, Conserving California Landscapes has placed initial priority on Upper Sacramento River and key tributaries, Blue Ridge/Berryessa Natural Area, the Delta, Cosumnes River watershed, Merced grasslands and foothills, Tulare Basin, and select agricultural lands.

The following lists identify many of the CCLI grants in the Central Valley. The lists highlight a representative sample of the kinds of investment made and are not exhaustive.

Central Valley Transaction Grants

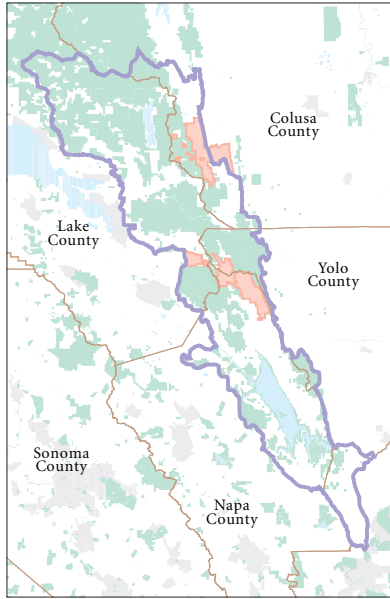
Project	Acres Conserved	Total Price	Packard Contribution	Year
Sacramento County—Nature Conservancy/Howard Ranch Conserves key natural communities as well as important ranch lands in the region.	13,000	\$14,300,000	\$6,500,000	1998
Sacramento Valley—Trust for Public Land/Sacramento River Tributaries Acquisitions of riparian habitat along key tributaries of the Sacramento River.	17,000	\$13,100,000	\$3,695,000	1998
Fresno County—San Joaquin River Parkway Trust/Spano River Ranch Protects water resources, wildlife values, and recreation opportunities along the San Joaquin River Parkway.	520	\$8,000,000	\$4,000,000	1998
Valleywide—California Waterfowl Association Easements that restore and protect key wetlands within the Central Valley Habitat Joint Venture plan.	4,462	\$8,550,345	\$675,470	1998
Valleywide—Ducks Unlimited/Valley CARE Easements to conserve wetlands in the Central Valley plus additional funds for planning and restoration.	4,000	\$6,000,000	\$3,000,000	1998
Blue Ridge/Berryessa—Napa County Land Trust/Homestake Mine Support for the acquisition of fee and easement interests over 15,000 acres of land in Napa, Yolo, and Lake counties.	15,000	\$2,447,500	\$1,050,000	1999
Sacramento County—Sacramento Valley Open Space Conservancy/Vernal Pool Preserve Support for the acquisition of parcels to help create a preserve of low terrace vernal pool habitat.	160	\$800,000	\$300,000	1999
Merced County—Great Valley Center/Furey Ranch Support for the acquisition of a conservation easement on Furey Ranch, a 1,147-acre ranch in Merced County.	1,147	\$1,300,000	\$215,000	1999
Delta—Suisun Marsh Resource Conservation District/Joice Island Support for the acquisition of Lower Joice Island.	1,300	\$1,850,000	\$620,000	2000
Solano County —Solano County Farmlands and Open Space Foundation/Valine Ranch Support for acquisition of an easement on Valine Ranch.	97	\$484,900	\$49,000	2000
Valleywide—Great Valley Center Support for agricultural land transaction program.	3,500	\$10,000,000	\$5,750,000	2000

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to three counties. The program will provide funding support for real estate transactions, including easements to keep agricultural lands in production, and technical assistance to local governments and organizations. GVC will work with local land trusts, agricultural landowners, and public agencies to identify priority acquisitions in the pilot communities and complementary policies to ensure the permanent conservation of surrounding farmland.

The program is an example of how CCLI funds are often used to reward the best practices of local government agencies. The criteria for selection as a pilot community require a county to show a serious commitment to the issue, as demonstrated by such actions as having an agricultural element in the general plan, a right-to-farm ordinance, greenbelts, in-fill and redevelopment policies, or policies for the mitigation of the development of agricultural lands. The counties must also demonstrate leverage skills by gaining commitments of support from a range of involved public policy makers. Lessons learned in the pilot counties may help shape future efforts to build more sustainable land-use practices and communities in this fast growing region of the state.

With its range of programs, GVC is seeking to help preserve open lands, keep land in economically productive uses, and establish a firm buffer to development. At the same time, they are supporting the economic development necessary to address the needs of the region's growing population.



Targeted Acquisitions Other Protected Land

CASE STUDY: BLUE RIDGE/BERRYESSA NATURAL AREA

A \$1,050,000 grant to the Napa County Land Trust helped acquire title and easement interests on over 15,000 acres of land in Napa, Lake, and Yolo counties.

The lands were originally owned and managed by two mining companies. CCLI’s regional focus helped the Land Trust gain leverage by combining the acquisitions into one project. With a \$40,000 planning grant, key stakeholders were able to develop a sensitive plan for the entire landscape. Ultimately, these properties will become part of a much larger landscape that is managed jointly by state and federal agencies. The U.C. Natural Reserve System will help manage and conduct long-term research on the lands.

Central Valley Loans

Project	Acres Conserved	Amount	Year
San Joaquin Valley—Nature Conservancy Support for the acquisition of the Simon-Newman and Romero ranches totaling some 60,000 acres.	61,041	\$6,000,000	1998
Blue Ridge/Berryessa—Napa County Land Trust Support for fee and easement acquisition at Robert Lewis Stevenson State Park.	526	\$2,700,000	2000

Central Valley Capacity-Building Grants

Project	Amount	Year
Great Valley Center Support over a three-year period for a conservation regranting program, agricultural lands activities, and a partnership with the Metropolitan Area Research Corporation to analyze growth patterns in the Central Valley.	\$1,075,000	1999
Kaweah Land Trust Support for merging three land trusts to form Sierra Los Tulares Land Trust.	\$180,000	2000
Yolo Basin Foundation Support for the establishment of the Pacific Flyway Center Partnership.	\$132,500	2000

Central Valley Planning Grants

Project	Amount	Year
Napa County Land Trust Support to assist a broad-based group develop a plan for the Blue Ridge/Berryessa Natural Conservation Area.	\$40,000	1998
Regents of the University of California—Davis Support for watershed monitoring and evaluation of the Cosumnes region by the Center for Integrated Watershed Science and Management at U.C. Davis.	\$500,000	1998
Sacramento Valley Open Space Conservancy Support for assisting Sacramento County in completing a habitat conservation plan for key portions of that region.	\$50,000	1998
Grasslands Water District Support for a land-use planning effort in Merced County.	\$50,000	1999

Project	Amount	Year
Solano County Farmlands and Open Space Foundation Support for the development of a farmland conservation easement program for Solano County.	\$178,640	2000

Natural Heritage Institute Support to enable transactions to restore waterscapes and aquatic habitats.	\$475,000	2000
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Central Valley Policy Grants

Project	Amount	Year
Friends of the River Foundation Support for technical assistance to ensure that water for environmental purposes is considered in Bay-Delta water rights allocations.	\$50,000	1998

National Audubon Society Support for coordinating efforts to dramatically increase protection for wildlife and habitat on agricultural lands in the Central Valley.	\$462,500	1998
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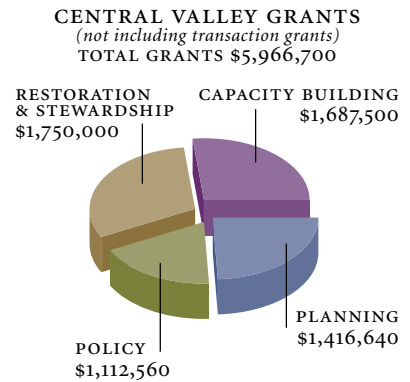
Bay Institute Support for development of a restoration plan for the San Joaquin River as part of a consensus process.	\$100,060	1999
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Central Valley Restoration & Stewardship Grants

Project	Amount	Year
Tulare Basin—California Waterfowl Association Support for restoration of more than 1,000 acres of wetland and upland habitat in the Tulare Basin.	\$100,000	1999

Sacramento Valley—Nature Conservancy Support to remove a diversion dam on Clear Creek, which is a principal west-side tributary of the Sacramento River.	\$1,350,000	2000
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Fresno County—Westside Resource Conservation District Support for restoration and planning in the Arroyo Pasajero and Panoche watersheds.	\$300,000	2000
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CCLI in the Sierra Nevada



CASE STUDY: **PLACER LEGACY** *A County Plans Ahead*

Placer County contains a wide range of ecologically rich natural communities. It also contains Interstate 80, from just outside Sacramento to the Nevada border. As a result, Placer faces some of the state's greatest development pressures. Its population of 230,000 is expected to climb to 412,000 by 2020.

County leaders, working closely with the Sierra Business Council in a process supported by CCLI, took on the goal of protecting the region's open spaces and critical biological habitat long before the county's new residents move in. The result

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This region includes the length of mountains (including portions of the Cascade Range) from the Oregon border to Bakersfield, extending east from the foothills to the Nevada border and encompassing all of the major watersheds. The Sierra, the world's longest contiguous stretch of granite, is the source of 16 of the state's major rivers, and its streams and watersheds supply 70% of the water for California's cities and farms. It is home to 60% of the state's vertebrate fauna and 50% of its plant species, including the world's largest trees. The range also provides recreational opportunities for millions of visitors and a livelihood for hundreds of thousands of residents.

Population in the region nearly tripled between 1960 and 1990 and is expected to triple again in the next 20 years. Much of the building taking place to support the influx of new residents is occurring on scattered rural parcels in a pattern of settlement that is rapidly degrading the region's most ecologically significant habitat and its rich ranching tradition. In the Sierra Nevada, Conserving California Landscapes has placed initial priority on the Lassen foothills; Sierra Valley, Lake Tahoe and Truckee River watersheds; Cosumnes River watershed; Yuba and Bear River watersheds; Merced River watershed; Kaweah and Tule River watersheds; and Kern River (South Fork) watershed.

The following lists identify many of the CCLI grants in the Sierra Nevada. The lists highlight a representative sample of the kinds of investment made and are not exhaustive.

Sierra Nevada Transaction Grants

Project	Acres Conserved	Total Price	Packard Contribution	Year
Upper Cosumnes Watershed—American River Conservancy Acquisition of three riparian parcels.	3,500	\$3,356,000	\$1,124,000	1999
Lassen Foothills—River Conservancy/Big Chico Creek Support for acquisition of a 2,724-acre riparian parcel in the Big Chico Creek watershed.	2,724	\$3,209,024	\$1,564,024	1999
Yuba Watershed—Nevada County Land Trust/Riparian Conservation Project Systematic acquisition program to protect riparian areas in Nevada County.	525	\$436,555	\$220,000	1999
Kern River Watershed—National Audubon Society/Kern River Preserve Support for acquisition of 1,600 acres near Canebrake Ecological Preserve.	1,600	\$810,000	\$300,000	2000
Tahoe Watershed—California Tahoe Conservancy Support for acquisition of wetlands at the mouth of the Upper Truckee River.	311	\$10,000,000	\$1,000,000	2000

Sierra Nevada Capacity-Building Grants

Project	Amount	Year
Truckee Donner Land Trust Support for project to achieve compliance with LTA's Standards and Practices for land trusts.	\$15,850	1999
Sierra Nevada Alliance Support for capacity-building efforts.	\$50,000	1999

Sierra Nevada Planning Grants

Project	Amount	Year
Sierra Business Council Support to work with Placer County in developing a major open space and habitat conservation plan for that area and with ranchers in select watersheds of the Sierra.	\$560,000	1998
American River Conservancy Support for a two-year planning effort to develop a systematic acquisition program to protect the upper Cosumnes River watershed.	\$144,000	1999

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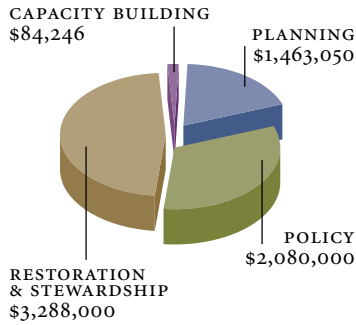
is one of the most impressive planning efforts in the West: Placer Legacy.

It began with public education and outreach—hundreds of County residents participated in discussions and workshops. An 11-member Citizen Advisory Council now meets regularly to review and provide recommendations on material presented by County staff and technical advisors. A Scientific Working Group of conservation biologists and other scientists advises the County on how best to meet its habitat needs and species-protection goals. And the County regularly convenes meetings of the Inter-Agency Working Group to ensure that planning efforts will meet federal and state regulations.

As the process moves forward, the County is continuing to gather data and design potential reserves. Their work is on track to be completed in 2001, and will serve as a Natural Communities Conservation Plan for the entire county.

CCLI has provided key funding to the Sierra Business Council to help develop aspects of the plan in partnership with Placer County.

SIERRA NEVADA GRANTS
(not including transaction grants)
TOTAL GRANTS \$6,915,296



Project	Amount	Year
League to Save Lake Tahoe Support for planning and development of a land trust, and research on transfer of development rights.	\$213,000	2000
Sierra Foothill Conservancy Support for conservation planning and acquisition activities in the southern Sierra Nevada.	\$150,000	2000

Sierra Nevada Policy Grants

Project	Amount	Year
South Yuba River Citizens League Support to fund research into the feasibility of removing Englebright Dam as a means of restoring anadromous fish populations to the main fork of the Yuba River.	\$130,000	1999
The Yosemite Fund Support for a study on Yosemite National Park and its relation to the biological health of the Sierra Nevada region.	\$50,000	1999

Sierra Nevada Restoration & Stewardship Grants

Project	Amount	Year
Battle Creek—Nature Conservancy Support for an adaptive management program that entails the removal of five dams on Battle Creek, a tributary of the Sacramento River.	\$3,000,000	1999
Yosemite—Yosemite National Institute/Diversity Initiative Support for student participation in environmental education programs and additional environmental education training for teachers.	\$250,000	2000

Statewide Projects

A number of projects cover more than one of the regions that are CCLI's focus. The following lists identify many of the grants that cover multiple regions. The lists highlight a representative sample of the kinds of investment made and are not exhaustive.

Statewide Capacity-Building Grants

Project	Amount	Year
Livestock Memorial Research Fund (California Rangeland Trust) Support for start-up costs for the California Rangeland Trust, created by the California Cattlemen's Association.	\$50,000	1998
Environmental Careers Organization Support to provide training vouchers to staff and volunteers of California-based land trusts.	\$386,839	2000
Land Trust Alliance Support to provide training vouchers to staff and volunteers of select California-based land trusts.	\$124,628	2000
Pacific Forest Trust Support for the creation of conservation easements on forestlands in the Central Coast redwood region and in Sierra Nevada forests.	\$300,000	2000

Statewide Planning Grants

Project	Amount	Year
GreenInfo Network Support for mapping technology to assist with the Foundation's Conserving California Landscapes Initiative.	\$489,000	1998
California State Parks Foundation Support for planning effort for the future of California State Parks.	\$100,000	1999
Scenic America Support to develop strategies to protect California's scenic resources in the Central Valley and the Sierra Nevada.	\$75,000	1999



CASE STUDY: THE COSUMNES RIVER PRESERVE

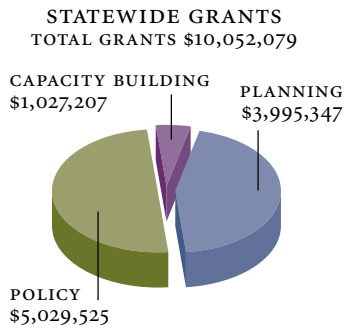
An Ecosystem Restored

The Cosumnes River watershed is a spectacular collection of wetlands, riparian forests, vernal pool grasslands, blue oak woodlands and productive farmland. It supports thousands of migratory waterfowl, more than half of the Central Valley population of sandhill cranes, the endangered giant garter snake, and the increasingly rare river otter.

It also offers a glimpse into the future of resource protection.

The Cosumnes River Preserve is a stunning example of cooperation among public and private landowners. The Nature Conservancy, Ducks Unlimited, Bureau of Land Management, California Department of Water Resources, and

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Project	Amount	Year
Public Policy Institute Support for a statewide survey to develop an in-depth profile of the social, economic, and political forces affecting California conservation needs and public policy preferences.	\$40,000	2000

Friends of the River Support for the California Hydropower Coalition to help reform private electric utilities to generate greater conservation benefits.	\$375,000	2000
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Statewide Policy Grants

Project	Amount	Year
Congress for a New Urbanism Support for land-use efforts in key CCLI regions.	\$300,000	1999

Environmental Defense Fund Support over a two-year period for projects on divestiture of PG&E lands, environmental water transactions, and incentives for management of endangered species on private land.	\$1,050,000	1999
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Foundation for American Communications Support for a program to educate journalists, editors, and news sources about land-use issues.	\$300,000	1999
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Institute for Local Self Government Support over two years for a program to assist local governments in strengthening their ability to regulate land use and development and defend against claims that their actions to conserve resources are denying private property rights.	\$450,000	1999
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Local Government Commission Support for land-use efforts in key CCLI regions.	\$174,966	1999
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Surface Transportation Policy Project Support for work with local partners in the Central Valley, Monterey County, and the Sierra on land use, growth management issues, and statewide transportation policy.	\$430,000	1999
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California Foundation on the Environment and the Economy Support for a series of roundtables on infrastructure.	\$50,000	2000
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U.C. Davis/Vernal Pool Study Support to botanically and ecologically classify vernal pools.	\$444,487	2000
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CCLI: Opportunities for Collaboration

An important element of CCLI is providing the opportunity for funders, land trusts, community organizations, policymakers, and willing sellers of land to collaborate in the conservation of California's natural heritage. By collaborating, the Foundation and others can maximize conservation efforts and make limited dollars go further. The approach brings many benefits:

- For funders, pooling the financial resources and expertise of multiple partners provides greater assurance of the project's viability and minimizes investment risk.
- For policymakers, the benefits include maximizing overall dollars for conservation (both public and private), strengthening local institutions and policies, and achieving a more systematic decision-making process to guide future conservation efforts.
- For willing sellers of lands or easements that meet the program's criteria for conservation, partnering can generate income, minimize estate tax exposure, maximize charitable contributions, and retain land in private ownership, if desired.

And for all partners, there is the satisfaction of conserving something as tangible and important as California's resources for generations to come.

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Sacramento County all own lands in the Preserve, but manage them cooperatively. Purchases of land for conservation purposes are done only in the context of the Preserve's long-range plan. CCLI has funded several purchases and easements within the Preserve.

Levees are being breached to increase the river's floodway and meander zone. The Preserve also serves as a key buffer between the sprawling metropolitan areas of Sacramento and Stockton.

Rangelands are kept in production, cattle are run in dry months and land is managed for wintering waterfowl when the seasons turn.

The project has a scientific underpinning. With the help of a \$500,000 CCLI grant, the U.C. Davis Center for Integrated Watershed Science and Management will evaluate, monitor, and support the ecosystem restoration and adaptive management efforts. This provides benchmarks to gauge the project's success, and helps determine which components should be replicated in other watersheds.

CCLI continues to play an active role in supporting the Preserve and in bringing together prospective partners. Our hope is that lessons from this partnership can be applied in other watersheds throughout the Central Valley and Sierra foothills.

*For information about The David and Lucile Packard Foundation,
and its programs:*

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*The Foundation has developed and is implementing CCLI through
a unique partnership with the Resources Law Group. For more in-
formation about the CCLI, or to apply for a grant, please contact:*

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