

Preserving New Mexico's Land Heritage







# 2008 ANNUAL REPORT

New Mexico Land Conservancy www.nmlandconservancy.org



# Contents

Letter from our Executive Director
Looking Forward
Land Conservation & Stewardship
Completed Conservation Projects  Alegres Mountain Ranch - South Ancho Cattle Company Gonzales Farmland Ancones Ranch
Stewardship  • Easement Monitoring and Legal Defense
Communications
Outreach  Education and Outreach to the Agricultural Community  Selden Canyon Landowner Outreach
Public Policy & Legislation
Expanded Federal Tax Deductions for Conservation Easements
New Mexico State Tax Credit Program for Land Conservation
Organizational Development
Petchesky Planned Gift
New Staff
The Road to Accreditation
Supporters of NMLC
Finances & Administration
FY 2008 Profit & Loss and Balance Statements
Allocation of FY 2008 Operating Expenses
Stewardship Endowment

#### LETTER FROM OUR EXECUTIVE DIRECTOR

#### Dear Friends,

This past year will undoubtedly go down as one of the most eventful years in recent memory. While we were all caught up in the transition of new leadership in Washington D.C. and New Mexico after the elections, it seems that much of the year in the media has been dominated by ongoing wars, natural disasters, worldwide disease epidemics and famine, rising oil and food prices, and the collapse on Wall Street and in the banking, credit, mortgage and housing sectors. It seems like all you hear or read anymore when you turn on the TV or radio, or open a newspaper, is about how dire the economic situation is.

Obviously, as one of many non-profit organizations in the state and country, we cannot ignore the current economic situation. I share the concerns of my non-profit colleagues about what the next few years will mean for us until the economy turns around. But as I look back on our



successes in 2008, individually and collectively, I am encouraged by what I see. In the most challenging times, I am particularly heartened by the incredible generosity of our landowners and donors, and their shared commitment to conservation.

As you turn the pages of this Annual Report, I hope that what you read provides a pleasant and welcome alternative to much of what you are hearing and reading in the news. We want to share with you some of the good news from our small part of the world about what we and our partners have accomplished in preserving what is unique and special about the Land of Enchantment.

On the conservation front, we protected another 12,000 acres of land around the state, increasing the total area of land we have conserved to nearly 70,000 acres. In the following pages you will read about the Hightower family in Lincoln County - third generation New Mexican ranchers who conserved half of their 19,000 acre family ranch to prevent it from being subdivided and developed. You will also read about Vernon and Dora Maria Casados who took their land near Los Ojos off the market to give us a chance to find an alternative to its sale and potential development. The Casados had put their beloved ranch on the market, citing difficulties in paying off debt through their seasonal hay operation. Through a combination of public and private funding and tax credits, we were able to come up with enough

# New Mexico Land Conser



Jack Wright Chair



Joseph Montoya Vice Chair



Dave Johnson Treasurer



Tony Anella Secretary

financing to purchase a conservation easement that enabled the Casados family to retain ownership of the ranch and continue their agricultural operations. And finally, in Corrales the old saying holds true that it sometimes takes a "village" to get something done. After years of negotiating with the Gonzales family, the Village of Corrales, in partnership with NMLC, combined local bond measure funding with federal grants to purchase a piece of land that had remained in the Gonzales family since 1712 and is widely recognized as the oldest continuously farmed piece of land in New Mexico.

These are just a few of the conservation successes that you will read about in this report. But I would be remiss in not mentioning perhaps the biggest highlight of the year for NMLC as an organization. In mid-December, Jane Petchesky, a long-time Santa Fe resident, rancher, horse breeder, environmentalist and philanthropist, set the wheels in motion for the realization of a planned gift of her house and land to NMLC. We are now in the process of remodeling and preparing to relocate our offices this spring to what will be named the Petchesky Conservation Center in honor of Jane and her deceased husband, Gene. Please stay tuned for our grand opening event in 2009.

We are incredibly grateful to our landowners for the trust they have placed in us to conserve and steward their lands, and to our donors for their continuing faith in and support of our efforts. We face many challenges, but as a community of land conservationists, we are grounded in a commitment in which we can derive satisfaction and tremendous solace during these difficult times. We hope that you will continue to support our important work. Thank you.

Sincerely,

Scott Wilber Executive Director

# VANCY BOARD OF DIRECTORS









**Tony Benson** 

Elizabeth Richardson

Moo Thorpe

Ray Powell

#### LOOKING FORWARD

Considering that New Mexico is the fifth largest state in the union, the state's land trust community is relatively small in comparison to many of its neighbors. This is more a reflection of the economics and demographics of the state, than any statement about the importance of and need for land conservation. New Mexico is still a very poor and rural state without many of the resources of more urban and populated states.

New Mexico now ranks as one of the top-ten fastest growing states in the country with a population that is expected to increase 35 percent over the next 25 years. This population growth and the associated development will have tremendous implications for our land and resource base, both in urban as well as rural areas. Moreover, within the agricultural sector, which owns the largest pieces of private land in the state, statistics indicate that the average age of a farmer or rancher is now between 55 and 75 years. This means that over the next 20 years, we will witness one of the largest turnovers of land in the history of the state.

There is a tremendous need in New Mexico for a statewide organization such as the New Mexico Land Conservancy to prioritize the most significant and high conservation value private lands in the state in terms of their habitat, agricultural, cultural, scenic open space and recreational values and protect them before it is too late.

Over the past six years we have strived to build a viable and sustainable organization that can fill this need, particularly in underserved parts of the state where there are no other local land trusts. Our ten-year conservation goal is to protect, directly or in partnership with others, 250,000 acres of high conservation value lands throughout the state by 2016. Through our Land Conservation Program, we have conserved nearly 70,000 acres of land and we are providing regular monitoring and appropriate legal defense of these lands through our Land Stewardship Program. Moreover, we have created a Stewardship Fund to ensure that we have adequate resources to cover these recurring and long-term costs.

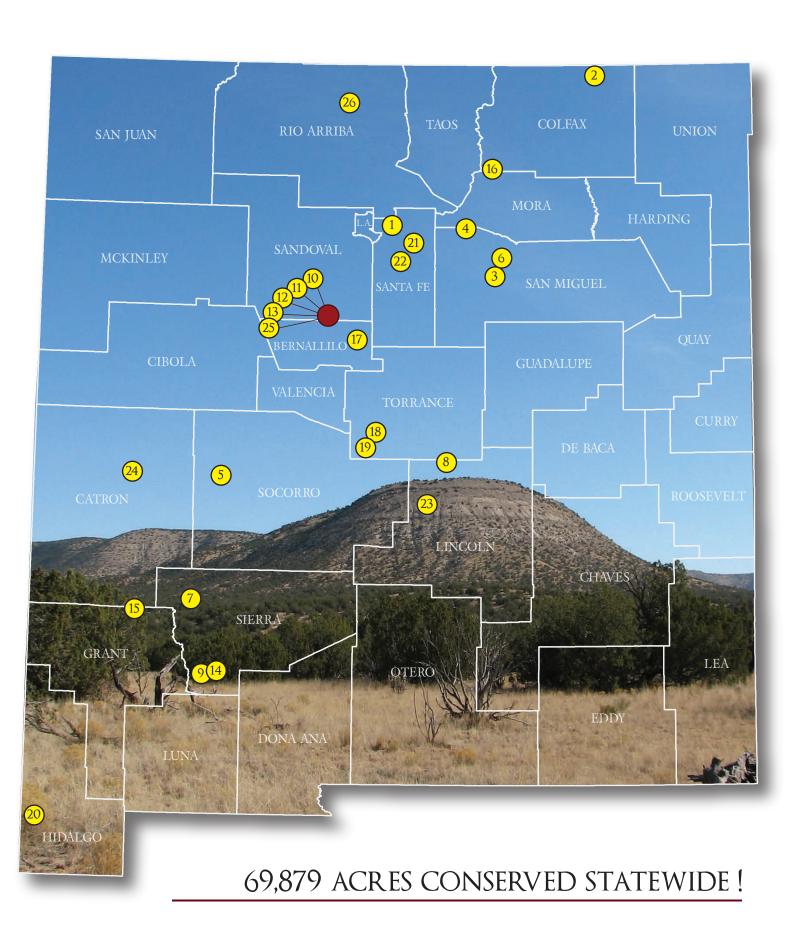
But the work we are doing through these programs is not sufficient by itself. That is why, as a critical part of our efforts, we are working to strengthen New Mexico's collective capacity for land conservation. Through our Communications and Outreach programs we are raising awareness about land conservation techniques and benefits to landowners, their advisors, community groups, conservation organizations and public agencies. We provide technical assistance and serve as a statewide information resource for these constituencies. We also engage in public policy and legislative initiatives that enable and further land conservation throughout the state.

# New Mexico lost over 1.5 million acres of farm and ranchland between the years 2002 and 2007

- USDA 2007 Census of Agriculture



#### 69,879 COMPLETED CONSERVATION PROJECTS **ACRES** 2004 **ACRES** JACONA FARMLAND TRUST 2 LA TIER 21 **TYSON** 58 ZAPLIN 103 Montosa Ranch 30.828 6) Melton Ranch 1,015 7 DETHLEFSEN 380 2004 8) Cougar Mountain Ranch 6.160 46,014 BERRENDA CREEK RANCH 7.447 acres 2005 (10) Corrales Gateway 18 KENDALL 2 MINGE 2 VENTANA GRANDE-SMITH LAKE VALLEY RANCH 1.845 2005 2006 1,873 15) XSX Ranch 159 acres **AGNEW** 110 HAWKWATCH 63 2006 332 2007 acres 2007 (18) Cain Ranch 6,400 10.107 aćres (19) Goat Canyon 1,786 BIORESEARCH RANCH 1,760 **ANONYMOUS** 65 LAS ACEQUIAS FARM 96 2008 2008 11,553 (23) Ancho Cattle Company Ranch 9,871 aćres Alegres Mountain Ranch - South 1,480 GONZALES FARMLAND 6 Ancones Ranch 196





# Ancho Cattle Company



Size: 9,871 acres

Location: Near Ancho, Lincoln County

Eco-Region: Arizona - New Mexico Mountains and

Southern Shortgrass Prairie

Conservation Values: Agriculture, Wildlife Habitat, &

Scenic Open Space

Type of Project: Purchased Conservation Easement

Date Completed: July 2008

Located in the plains of central New Mexico between Corona and Carrizozo, the Ancho Cattle Company Ranch is one of the largest working ranches in Lincoln County. NMLC will co-hold a conservation easement over 9,871 acres of ranchland in partnership with the New Mexico State Forestry Division.

The ranch, which consists primarily of southern shortgrass prairie mixed with piñon-juniper savannas, buffers the Lincoln National Forest along the northern edge of the Jicarilla Mountains and provides significant habitat for a variety of wildlife, including pronghorn antelope, mule deer and elk.

# 2008 COMPLETED CONSERVATION PROJECTS

As our first project in Catron County, the 1,480-acre Alegres Mountain Ranch conservation easement, donated by Blake Tollett, stands out as an important accomplishment for NMLC and for land conservation as a whole. Located along the Continental Divide, five miles east of the Apache National Forest, the easement encompasses much of the southwestern flank of Alegres Mountain – a prominent feature in this part of the county. The 3,240 acre ranch is comprised of mixed Ponderosa pine, piñon-juniper and Gambel oak and provides excellent habitat for a variety of wildlife including elk, mule deer and black bear. NMLC is planning to work with the landowners and the New Mexico State Forestry Division to place the remaining 1,740 acres of the ranch under easement in 2009.

Size: 1,480 acres

Location: South of Pie Town, Catron County Eco-Region: Arizona - New Mexico Mountains

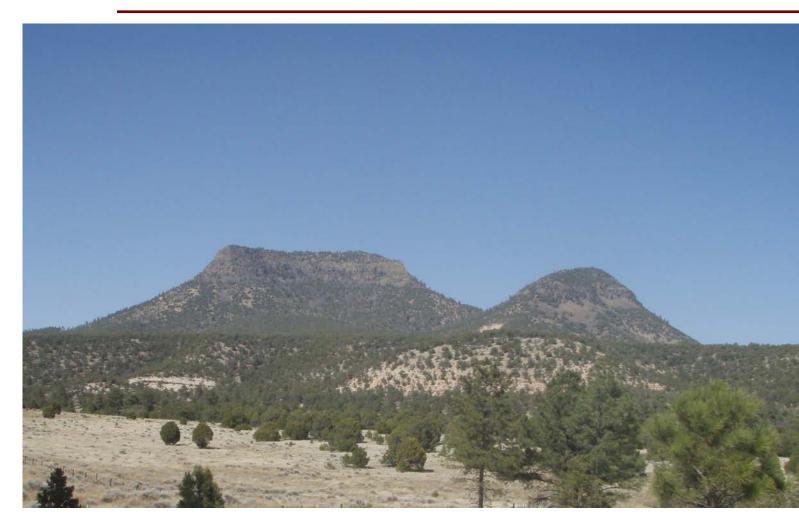
Conservation Values: Agriculture, Wildlife Habitat, & Open Space

Type of Project: Donated Conservation Easement

Date Completed: September 2008

# SAN JUAN RIO ARRIBA COLFAX UNION MORA HARDING MACKINLEY SANDOVAL SANTA FE GRANT CIBOLA SOCOTTO CATRON SOCOTTO C

#### ALEGRES MOUNTAIN RANCH - SOUTH





# **A**NCONES RANCH



Size: 196 acres

Location: Near Los Ojos, Rio Arriba County Eco-Region: Southern Rocky Mountains

Conservation Values: Agriculture, Wildlife Habitat, & Scenic

Open Space

Type of Project: Purchased Conservation Easement

Date Completed: December 2008

With magnificent views of the San Juan and Sangre de Cristo Mountains, Ancones Ranch is a stunning property located near the picturesque Village of Los Ojos in Rio Arriba County. The property consists primarily of irrigated hayfields with a mature riparian gallery forest along a one-mile stretch of the Rio Chama that runs through the middle of the ranch. Vernon and Dora Casados have agreed to place 196 acres of the property under easement. NMLC secured partial funding for this project through the New Mexico Energy, Minerals and Natural Resources Department, and then approached the New Mexico Department of Game and Fish (NMDGF) to serve as a conservation partner. NMLC and NMDGF will co-hold the easement and work together to maintaintheconservation values of this spectacular property.

# 2008 COMPLETED CONSERVATION PROJECTS

Working in partnership with the Village of Corrales and the U.S. Natural Resources Conservation Service, NMLC helped facilitate the acquisition of one of New Mexico's most historic pieces of agricultural land – a portion of the Gonzales family lands in the heart of Corrales. The five-acre Gonzales Easement is one of five projects that NMLC has completed with the Village of Corrales since 2005, preserving a total of 34 acres – which represents nearly one-third of the remaining irrigated, agricultural land within the Village limits. While the Village will own and manage the land as part of a community supported agriculture project. NMLC will holdtheconservationeasementandberesponsible for its long-term monitoring and legal defense.

Size: 5 acres

Location: Village of Corrales, Sandoval County

**Eco-Region: Rio Grande River Valley** 

Conservation Values: Agriculture, Scenic Open Space, Public

Recreation, & Wildlife Habitat

Type of Project: Purchased Conservation Easement

Date Completed: September 2008



### GONZALES FARMLAND



#### EASEMENT MONITORING AND LEGAL DEFENSE

NMLC successfully monitored all of its conservation easements in 2008 and continues to provide technical and informational support to our landowners. NMLC invests in its Stewardship Program by diverting funds to our Stewardship Fund which provides financial support for our annual stewardship activites and is an important source of funds should an easement violation occur.

NMLC currently holds 27 easements across the state totaling nearly 70,000 acres of land - ranging from small farm plots to large ranches, from private estates and community trusts to conservation developments. Our Stewardship Program has the flexibility and functionality to effectively monitor such a diversity of easement properties.

We do not believe that a comprehensive stewardship program should be limited to minimal compliance monitoring of easement properties; instead our program extends itself as a resource for our landowners to encourage good land stewardship on a daily basis. In that spirit, we offered the following services to our landowners in 2008: GIS/GPS technological capacities, conservation funding information, mapping services, and ongoing advice that assists our landowners to help them become responsible stewards of their lands.

Please see Page 20 for a summary of our Stewardship Fund Growth.

"When we see land as a community to which we belong, we may begin to use it with love and respect."

- Aldo Leopold



#### EDUCATION AND OUTREACH TO THE AGRICULTURAL COMMUNITY

Throughout the year, NMLC worked with the New Mexico Department of Agriculture (NMDA) to develop an education and outreach program on conservation easements for the New Mexico Soil & Water Conservation Districts (SWCDs) and other interested agricultural groups. After an initial meeting in Las Cruces in April, NMLC volunteered to serve on the Conservation Easement Education Committee (CEEC) organized by NMDA as an outcome of that first meeting. The committee held its initial meeting in June 2008, at which time a request was made of the New Mexico land trusts to present information to the committee on conservation easements and the associated tax incentives.

In July, NMLC organized a meeting in conjunction with the Biophilia Foundation for local land trust representatives and land conservation professionals to discuss providing this information through a coordinated effort to NMDA. NMLC then took the lead on compiling and preparing comprehensive material on private land conservation, which was presented to the CEEC at its meeting in Socorro on early November. NMDA solicited comments from a variety of stakeholders and produced a Conservation Easement Fact Sheet which is now posted on the NMDA website (http://nmdaweb.nmsu.edu/natural-resources/apr-hidden-folder/conservationeasementbooklet\_web.pdf).Inaddition,thefact sheet was distributed to the U.S. Natural Resources Conservation Service, Soil and Water Conservation Districts, and County Extension Offices across the state.

#### Selden Canyon Landowner Outreach

NMLC and the World Wildlife Fund (WWF) partnered to conduct outreach to landowners of high conservation value properties within a ten-mile stretch of the Rio Grande in southern New Mexico known as Selden Canyon. WWF is working to conserve critical habitat for the federally endangered Southwestern willow flycatcher and other bird species within the canyon by restoring floodplains and protecting a mosaic of native riparian habitats including forests, dense shrub, meadows and wetlands.

The goal of the partnership is to provide information to landowners about land conservation priorities and opportunities, and invite them to work with NMLC and other partners to conserve their land. Our nextstep is to protect two river front properties that have been identified as extremely important habitats for the flycatcher.

NMLC is also pursuing grant funding to develop a strategic conservation plan for the lower Rio Grande River and the Nutt Grasslands. We anticipate that this effort will catalyze strategic conservation efforts in the area by providing a comprehensive strategy that government agencies and non-governmental organizations can use in their conservation and habitat restoration efforts.

#### EXPANDED FEDERAL TAX INCENTIVES FOR CONSERVATION EASEMENTS

As part of the 2008 Farm Bill, Congress extended the current federal tax incentives related to the donation of conservation easements through December 31,2009. The success of this legislative initiative was due in large part to the excellent advocacy work of the Land Trust Alliance (LTA) supported by its 1,700 members nationwide. The incentives, which apply to a landowner's federal income tax, can be broadly summarized as follows: (1) they raise the deduction a landowner can take for donating a conservation easement from 30 percent of their adjusted gross income in any year to 50 percent; (2) they allow qualifying farmers and ranchers to deduct up to 100 percent of their adjusted gross income; and (3) they increase the number of years over which a landowner can take deductions from six to 16 years. LTA and land trusts across the nation are working to promote the permanent extension of these tax incentives. NMLC plans to do its part by working closely with the new congressional delegation for New Mexico to inform them of the land trust community's collective efforts and accomplishments around the state, and encourage them to support the pending legislation in 2009.

#### New Mexico State Tax Credit Program for Land Conservation

During the 2007 legislative session, NMLC collaborated with The Nature Conservancy and members of the Modrall-Sperling Law Firm to help promote the expansion of the existing state tax credit for land conservation under HB990, legislation which was ably sponsored by then Rep. Peter Wirth and signed into law by Governor Richardson.

This year, NMLC worked closely with the New Mexico Energy, Minerals and Natural Resources Department (EMNRD), providing input for their process of developing the administrative rules and regulations for the new state tax credit certification program. The program has been designed to ensure that projects being considered for tax credits have significant conservation values and public benefits, are properly designed and documented to ensure the permanent protection of these conservation values and public benefits, and that the organizations responsible for holding the conservation easements and fee lands have sufficient capacity and resources to properly monitor and steward them well into the future.

NMLC wishes to acknowledge EMNRD and all of our conservation partners for helping to create an outstanding certification process for the new state tax credit program for land conservation. NMLC is also proud of the fact that two of its projects - the Ancho Cattle Company Ranch in Lincoln County and the Alegres Mountain Ranch in Catron County - were the first two conservation easements in New Mexico to be fully certified for tax credits under the new program!

# PETCHESKY PLANNED GIFT

Last year, Jane Petchesky, a long-time Santa Fe resident, made an incredibly generous planned gift to NMLC of her house and land, located next to Santa Maria de la Paz Catholic Church just outside the city in the Santa Fe Community College District. This December, Jane made the decision to move into the El Castillo retirement community and will be transferring her property to NMLC in early 2009 to use as our new base of operations. After some remodeling to convert the house into functional office space, NMLC plans to relocate to the Petchesky Ranch by next spring.

We are grateful to the Paul Abrams Law Firm for providing us with comfortable office space for the past year and a half. We will miss being near the Plaza but look forward to having a permanent home. Stay tuned for announcements of our Grand Opening of the Petchesky Conservation Center later in 2009.





#### **New Staff**

In January, NMLC was pleased to welcome Michael Scisco to the team as our "on the ground" Conservation Specialist. Michael has over six years of experience working in the natural resource conservation field. He worked previously for the North Carolina Coastal Land Trust, Ecotrust, and the USDA Natural Resources Conservation Service.

Michael has extensive conservation planning and Geographic Information Systems (GIS) experience related to open space preservation, water quality enhancement, riparian corridor conservation and farmland preservation.

Michael holds a B.S. in Environmental Science from Western Washington University and a Graduate Certificate in GIS from Portland State University.



#### THE ROAD TO ACCREDITATION

#### Standards and Practices

NMLC is a proud member of the Land Trust Alliance (LTA), a national umbrella organization that works to improve the viability and effectiveness of over 1,700 land trusts across the nation. LTA has developed a set of standards and practices that provide our industry with a sound and professional operating framework that meets the expectations of our landowners, donors, and partners. NMLC adopted LTAs Standards and Practices in 2004 and is currently in the process of preparing to apply for full accreditation through LTA in 2010.

Over the next year, NMLC will continue to refine and enhance its internal plans, policies, and procedures across all functional areas of its work in preparation for the final application for accreditation.



#### SUPPORTERS OF NMLC

#### INDIVIDUALS

Paul Abrams & Abigail Adler

ANTHONY ANELLA

Anonymous (4)

MELISSA ANTOL

HAMILTON BARKSDALE BROWN CHARITABLE TRUST

MICHAEL BARTLETT

TONY BENSON

ELIZABETH CAMPBELL

VERNON & DORA MARIA CASADOS

A.T. & CINDA COLE

LORELEI COSTA

JIM CUMMINGS

LINDA DAVIS

Frances Diemoz & Alan Webber

JOHN DUNCAN & ANITA SARAFA

BARBARA LEE FALL & DENNIS ADDINGTON

MARTHA ANNE FREEMAN

BRIDGET GAVAHAN

CAROLE & JOE GLADE

GARY, BETH, & VERNELLE HIGHTOWER

SAM & BETSY HOLDSWORTH

Dave Johnson

**E**UGENE KIMZEY

LAWRENCE & NANCY KUETER

RICHARD LANG

ALAN & ELISABETH LERNER, IN HONOR OF

STEWART UDALL

NANCY & JACK LOCKRIDGE

DEBORAH MADISON, IN HONOR OF MILES KUSCH

PATRICK MALONE

MEADE & ROBIN MARTIN

 $Matthew\ McQueen$ 

DRS. KAREN AND PHILIP MILSTEIN

BETSY MODEL

WILL MOIR

JOSEPH MONTOYA

JONATHAN & DIANE MOORE

VIRGINIA MUDD & CLIFFORD BURKE

WERNER & HELEN MULLER

JUDITH NAUMBURG

MELINNE OWEN & PAUL GIGUERE

JANE PETCHESKY

DAVID POLICANSKY & SHEILA DAVID

ELIZABETH RICHARDSON

RON RINKER

Margaret & Harry Ritchie

PAM ROY

Louis & Mary Sadler

FRANK C. SABATINI TRUST

**ROBERT & KATHRYN SCHOLES** 

David & Gale Simonson

VIRGINIA SMITH

J. PAUL TAYLOR

Moo THORPE

BLAKE TOLLETT

DON VAN SOELEN

ROBERT VON BUELOW

CAROL WALTERS

Paula Wells, in honor of Karen Partlow

ROBERT WILBER & LINDA WHITTENBERG, IN HONOR OF

JANE PETCHESKY

JAMES R. WINDER

MARK WINNE

FRANK WOOD, IN HONOR OF DAVID WOOD

CATHY WRIGHT

ELIZABETH WRIGHT, IN HONOR OF JOHN B. WRIGHT

JOHN B. WRIGHT

RICHARD WRIGHT

#### Foundations

McCune Charitable Foundation

NORCROSS WILDLIFF FOUNDATION INC.

ALBERT I. PIERCE FOUNDATION

TURNER FOUNDATION

#### Businesses and Corporations

ANCHO CATTLE COMPANY

BECK LAND AND CATTLE COMPANY

DEER CANYON PRESERVE HOMEOWNERS ASSOCIATION

New Mexico Tax Credit Alliance

Verde Heritage Ranch

#### OTHER FUNDING SOURCES

LAND TRUST ALLIANCE

New Mexico Department of Finance & Administration

New Mexico Department of Game & Fish

New Mexico State Forestry Division

NEW MEXICO ENERGY, MINERALS & NATURAL

RESOURCES DEPARTMENT

VILLAGE OF CORRALES

World Wildlife Fund

# PROFIT & LOSS STATEMENT - FY 2008

l	N	C	0	Μ	Ε

DIRECT PUBLIC SUPPORT	
Grants	\$48,600
Individual and Corporate Donors	\$262,953
Stewardship Contributions	_\$46,590
TOTAL DIRECT PUBLIC SUPPORT	\$358,143
Fees for Service	\$31,521
Interest Income	\$8,328
In-kind Donations	\$4,830
TOTAL INCOME	\$402,822
Expenses	
	\$166,900
Salaries and Benefits	\$166,809
Salaries and Benefits  Project Consultants and Professional Services	\$103,640
	· · · · · · · · · · · · · · · · · · ·

TOTAL INCOME	\$402,822
TOTAL EXPENSE	-\$354.733

NET INCOME \$48,089

# BALANCE STATEMENT - FY 2008

#### **A**SSETS

TOTAL EXPENSES

Operating Cash	\$85,113
Stewardship Funds (reserved for CE monitoring and legal defense)	\$269,655
FIXED ASSETS (LAND, BUILDINGS AND EQUIPMENT)	\$23,420
Total Assets	\$378,188

#### LIABILITIES AND EQUITY

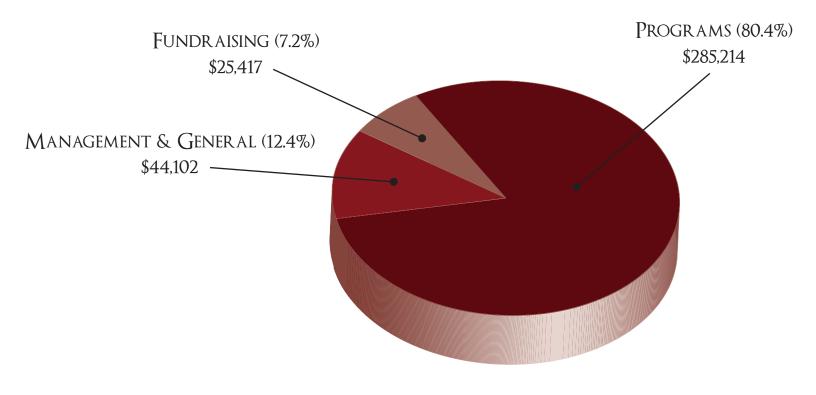
Current Liabilities	\$19,151
RETAINED EARNINGS (EQUITY)	\$359,037
TOTAL LIABILITIES AND EQUITY	\$378,188

NMLC's FY 2008 covers the period from July 1, 2007 to June 30, 2008.

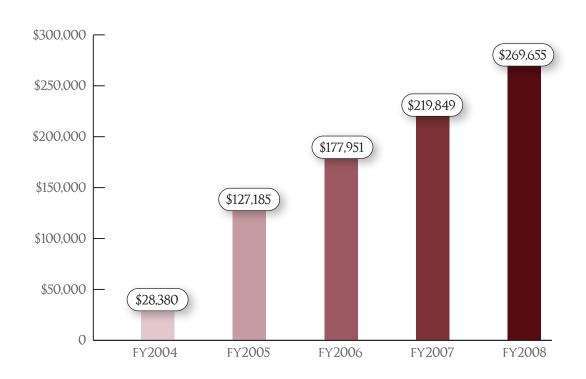
The financial data above were sourced from a financial audit performed by Porch & Associates of Albuquerque, NM in August of 2008.

\$354,733

# ALLOCATION OF OPERATING EXPENSES



# Stewardship Fund Growth





Preserving New Mexico's Land Heritage

PO Box 6759 Santa Fe, NM 87502-6759

(T) - 505-986-3801

(F) - 505-986-3806

INFO@NMLANDCONSERVANCY.ORG WWW.NMLANDCONSERVANCY.ORG

