



Establishing Environmental Strategy

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WSCLA Winter Meeting

- Big picture discussion
- Understanding approaches to environmental issues
- Framework for decision making

Focus

Aligning environmental conservation and protection of land and water resources with economic objectives of property owners and managers

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Management Objectives:

- Reduce uncertainty and increase likely economic outcomes;
- Protect land value and cash flow;
- Increase land value and cash flow;
- Establish new cash flow(s);
- Sustain and increase value of portfolio.

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Can you establish a coordinated set of activities to realize value from your assets?

How do you balance costs, opportunities and risks against desired performance to achieve your objectives?

Central question:

Is acting early and proactively less expensive, less contentious and more effective in protecting or enhancing economic value of your land assets?

Creating an approach to environmental issues that increases the likelihood of optimizing the delivery of value while considering whole life cost, business risks, legal limitations, financial and operational constraints and political realities.

Planning, Strategy & Tactics

Planning - where you want to go
Strategy – explicit approach to getting there

Tactics – the specific tools and actions to execute a strategy

CCA's, CCAA's, HCP's, Mitigation Banks,
Conservation Easements, etc.

Tactics

Tools to achieve a result

Before you can decide what to do,
you need a strategy

for this you need to know where
you are going and why

What is your intended result?

Why would you pursue a strategy?

- Defensive
- Proactive
- Opportunistic
- Leverage
- Actuate
- Augment

Defensive – Reaction to regulation, you have no choice, cost of doing nothing is too high.

Proactive – see potential risk,
move to remove potential impact.

Opportunistic – See market
opportunity - take advantage of a
situation (cash flow).

Leverage – take advantage of a
another program/decision.

Actuate – allow another
opportunity that otherwise could
not occur.

Augmentation – value add –
increase marginal value with
marginal or no additional costs.

Avoid
Mitigate
Monetize

Uncertainty is risk – greater the uncertainty, higher the risk.

Uncertainty reduces land value

The primary goal - remove uncertainty by implementing specific conservation efforts.

How does business react to and deal with uncertainty?

- Avoid undertaking a project
- Delay undertaking a project
- Increase return requirements
- Seek methods for mitigating risk

Objective:

Avoid Listing, reduce uncertainty

Objective:

Recognize opportunity

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Complex – no single right answer

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Opportunity Costs

Loss of potential gain from other alternatives
when one alternative is chosen

Barriers

- Lack of knowledge
- Institutional/Agency difficulties - agency/departmental conflicts
- Lack of political support/commitment/will
- Political conflict(s)
- Stakeholder conflicts
- Lack of capacity
- Lack of knowledge
- Lack of clear policy proposal
- Time/timing
- Lack of financial resources
- Unsuitable economic conditions

- Physical
- Legal
- Economic
- Political
- Financial

Situational Understanding

	Issues	Opportunities	Constraints	Strategies	Tactic/Tool
Physical					
Legal					
Political					
Economic					
Financial					



- Candidate Conservation Agreement (“CCA”)
- Candidate Conservation Agreement with Assurances (“CCAA”)
- Habitat Conservation Plans (“HCP”)
- Cooperative Planning
- Mitigation Bank
- Conservation Easement

CCA - Candidate Conservation Agreements (CCAs)

Voluntary conservation agreements between the U.S. Fish and Wildlife Service for **Federal lands**.

CCAA - Candidate Conservation Agreements with Assurances (CCAAs)

- Agreement with USFW
- Voluntary conservation of species-at-risk on **non-Federal lands**.
- Offers landowners additional incentives for engaging in voluntary proactive conservation.
- Assurance of limit future conservation obligations.
- Addresses potential regulatory implications of listed species.
- Provides assurance that, if agreed to, conservation activities implemented, no additional restrictions if the species becomes listed under the ESA.

Habitat Conservation Plan (HCP)

- Agreement with USFW
- Used for conserving species before danger of extinction, or are likely to become so, and prevent the need for listing.
- planning documents required as part of an application for an incidental take permit.
- describe the anticipated effects of proposed taking; how those impacts will be minimized, or mitigated; and how the HCP is to be funded.
- can apply to both listed and non-listed species, including those that are candidates or have been proposed for listing.

Cooperative Planning

Integrates conservation efforts across intermingled land ownerships to better ensure listing will be unnecessary and provides greater predictability about potential changes that may be needed in land use activities if listing does.

Mitigation Banks

Third party relief used for wetlands or habitat area conservation or offset of expected adverse impacts from human activity to similar nearby ecosystems



Conservation Easements

Encumbrance by agreement used to achieve specific conservation objectives on the land, while keeping the land in the ownership and control of landowners for uses consistent with the conservation objectives that vary depending on the character of the particular property and objectives





Case Studies:

- What did you do?
- Why did you do it?
- What were the issues associated with doing it?
- What were the costs?
- How effective was it?
- What did you learn?





Case Study 1

State of Montana - Habitat Conservation Plan with 4 species



Case Study 2

State of Utah - 2 agreements Prairie Dog & Penstemon



Case study 3

State of Colorado - mitigation bank involving the Prebles Meadow Jumping Mouse & "planning leases" with mitigation bankers to see if the properties are suitable for banks



Questions and Comments