DEL MONTE FOREST CONSERVANCY

STRATEGIC PLAN

2016-2020
BACKGROUND AND HISTORY

The Del Monte Forest Conservancy (“DMFC”, or the “Conservancy”) was established in 1961 to own, manage and maintain open space in the Del Monte Forest (the “Forest”). A Del Monte Forest Plan was adopted in 1977 by Del Monte Forest Property Owners and Pebble Beach Company (“PBC”). Subsequently, the Del Monte Forest Open Space Advisory Committee (“OSAC”) was formed in 1979 to ensure that all dedicated open space within the Forest is properly cared for and administered.

In April 1980, OSAC adopted the Del Monte Forest Open Space Management Plan (the “OSAC Plan”) whereupon, DMFC accepted responsibility to manage and maintain open space in the Del Monte Forest in accordance with the OSAC Plan.

The Del Monte Forest Area Land Use Plan (the “Land Use Plan”) was approved by the County of Monterey on July 17, 1984 and by the California Coastal Commission on September 24, 1984. The Land Use Plan designated DMFC as the holder of open space lands and assigned it the responsibility of implementing the OSAC Plan.

CURRENT SITUATION

DMFC currently owns 230± acres (14 parcels) in fee title and holds conservation, scenic or open space easements on an additional 460± acres (36 parcels). From 1984 through 2016, DMFC has been managing its lands and easements in accordance with the OSAC Plan.

In 2012, the PBC’s Del Monte Forest Plan (the “2012 Plan”) was approved by Monterey County and the California Coastal Commission. The 2012 Plan provided for 635± more acres in preservation easements to be granted to DMFC which will bring DMFC’s holdings to 25% of the 5,300-acre Del Monte Forest.

The 2012 Plan called for a Master Resource Management Plan (“Master RMP”) developed by Monterey County through a third party consultant. The Master RMP dedicated the 635 acres of new preservation easements into six separate areas and established a framework for the preparation of a Site-Specific Resource Management Plan (“SSRMP”) for each designated area. The Master RMP requires that the Conservancy provide input to the SSRMPs as they are developed. Upon being approved by Monterey County, the SSRMPs will set forth unique resource management and maintenance policies for each of the six preservation areas.

Based on the requirements of the SSRMPs, by November 1st of each year, PBC will develop an Annual Work Plan (“AWP”) for each of the six areas. The AWP will detail the work to be performed in each area in order that the conditions of the land continue to comply with the requirements of the SSRMP. By September 1 of the following year, an Annual Monitoring Report (“AMR”) is to be developed for
each area by a third party independent consultant to Monterey County summarizing PBC’s performance to the SSRMP. AMRs and AWPs are to be submitted to DMFC for review and comments in accordance with the timelines established in the Master RMP prior to approval by Monterey County.

Because the OSAC Plan and the resulting forest management policies will be replaced with the SSRRMPs, DMFC and OSAC must remain committed and involved throughout development and implementation of the SSRRMPs to assure that appropriate standards are adopted for the new lands to be placed under easement, as well as those properties already under oversight by DMFC.

The responsibilities of DMFC also include preservation and maintenance of Casita de Lemos (commonly referred to as the “Gingerbread House”). Casita de Lemos was built by well-known artist Pedro de Lemos in 1941. Over the years, it became a signature icon in the Forest. On February 10, 1993, at the direction of Monterey County, Pebble Beach Company deeded the 1.02 acre parcel on which the Casita de Lemos was built to DMFC. As a condition of the transfer, the County required that DMFC manage and maintain the property in accordance with specific covenants, conditions and restrictions. At that time, the property was granted an exemption from future property taxes.

For many years following the transfer to DMFC, with the County’s knowledge and approval, DMFC continued to rent Casita de Lemos as a private residence. Thereafter, it sat vacant for many years during which it suffered from exposure to the elements and was vandalized to the point that it became a safety hazard and a major liability to DMFC. In discussions with Monterey County at that time DMFC was advised that maintenance and upkeep of the Casita de Lemos was required under the terms of the granting documents. In 2012, DMFC undertook a project to restore Casita de Lemos to a level of repair that would once again allow it to be occupied. The restoration was funded by DMFC using its endowment funds and donations of money, material and labor from local individuals and contractors. The Casita de Lemos restoration project was successfully completed in 2014. Today, the building once again stands as a remarkable reminder of the creativeness that makes the area unique.

DMFC is funded through donations and the Board’s prudent management of its endowment fund. DMFC’s responsibilities for preserving and maintaining the open space properties under its management extend in perpetuity. Thus, the ability to assure fiscal solvency extends for a similar time. During the 2008 financial crisis, DMFC’s endowment fund incurred significant losses, endangering the organization’s ability to fulfill the mandates imposed on it under the directives of Monterey County and the California Coastal Commission. In the last few years, DMFC Board of Directors has engaged in a concerted effort to create awareness of the importance of the Conservancy’s mission, and to encourage financial support from local donors as well as visitors to the area. In addition, to help DMFC regain and maintain fiscal stability, DMFC and PBC arrived at an agreement in 2013 under which PBC began making annual contributions of $100,000 (adjusted annually by
These efforts and support have allowed DMFC to gradually increase its endowment funds; yet still more needs to be done to assure solvency in perpetuity.

As part of this effort DMFC intends to once again rent Casita de Lemos. Any rental income generated will be used by DMFC strictly for activities related to its mission of open space conservation and maintain Casita de Lemos in accordance with the requirements the County imposed on DMFC in the original grant.

The DMFC Board of Directors takes seriously its responsibility to manage and protect of some of the most beautiful scenery and natural resources in the world. This Strategic Plan is adopted by the Board of Directors to provide guidance in the face of the significant changes anticipated; and in accordance with the stated mission, vision, values, objectives and strategies which are stated in the following pages.
MISSION

The mission of the Del Monte Forest Conservancy is to acquire, manage, maintain and enhance open space properties within Del Monte Forest for the benefit of current and future generations.

VISION

The vision of the Del Monte Forest Conservancy and its board is that DMFC will, in perpetuity:

- Conserve, acquire, maintain and enhance open space within Del Monte Forest.

- Manage Del Monte Forest Conservancy resources consistent with DMFC’s mission and the open space maintenance plans in effect, including:
  - Land and properties owned in fee simple and/or protected under easements
  - Endowments and current financial resources
  - Human resources – volunteers, directors, professional advisors, and staff

- Hold as inviolate all accepted scenic and conservation easements except when ordered to do otherwise by a court of competent jurisdiction, or an empowered government agency to do so.

VALUES

The values which guide the Del Monte Forest Conservancy in all its work are those of:

- Conserving coastal forest, dune and meadow habitats for the benefit of present and future generations consistent with the Open Space Advisory Committee Del Monte Forest Management Plan (OSAC Plan) until it is replaced by Site-Specific Resource Management Plans (SSRMP), and consistent with the SSRMPs thereafter

- Bringing appropriate open space within Del Monte Forest under the responsibility of Del Monte Forest Conservancy and managing these lands as an exemplary steward

- Generating revenue and achieving financial sustainability through gifts, donations, rents and bequests to fulfill open space preservation and maintenance responsibilities

- Optimizing appropriate use and enjoyment of open space

- Encouraging forest conservation through research and education
• Maintaining effective relationships with and support from:
  • Monterey County
  • California Coastal Commission
  • California Department of Forestry and Fire Protection
  • Del Monte Forest Property Owners
  • Pebble Beach Community Services District
  • Pebble Beach Company
  • Pebble Beach residents
  • Open Space Advisory Committee
  • U.S. Fish and Wildlife Service
  • California Department of Fish and Wildlife

OBJECTIVES AND STRATEGIES

The principal program of the Del Monte Forest Conservancy will continue to be the protection, restoration, enhancement and use of forest properties, including Casita de Lemos, for which it has responsibility as owner or as easement holder. During the years 2016-2020 the Del Monte Forest Conservancy will continue to enrich and expand its historic programs and add programs and services as opportunities arise and as financial resources become available. DMFC’s objectives and strategies are organized and presented under its committee structure as presented in this plan. The committees will prepare annual action plans and propose budgets to implement plans.

PLAN OF GOVERNANCE ORGANIZATION

The Del Monte Forest Conservancy is governed in accordance with the Bylaws by a self-perpetuating Board of Directors of up to twelve members. Board members will be resident property owners in the Del Monte Forest. They will be individuals committed to environmental conservation and protection of the forest as well as to education and research related to the forest environment. The Board will continue to manage DMFC through its elected officers with the assistance of committees and professional advisors. Officers will perform essential functions on an uncompensated basis. Contract consultants and staff will be engaged to provide specialized professional, supervisory, technical and support services.

The Board will elect the officers annually from incumbent directors. The officers will consist of a President, Vice President, Treasurer and Secretary. A nominating committee will identify Del Monte Forest property owners who are residents for consideration as potential directors. Candidate directors will have an interest in and a commitment to protection and conservation of the Del Monte Forest environment. The chairmen of the board committees will be appointed by the President.
PLAN OF GOVERNANCE ORGANIZATION OF THE DEL MONTE FOREST CONSERVANCY

BOARD OF DIRECTORS
- PRESIDENT
- VICE PRESIDENT
- TREASURER
- SECRETARY
MEMBERS: TOTAL UP TO 12

EXECUTIVE COMMITTEE

OPEN SPACE ADVISORY COMMITTEE

AUDIT COMMITTEE

BUDGET AND FINANCE COMMITTEE

DEVELOPMENT, EDUCATION AND PUBLIC INFORMATION COMMITTEE

NOMINATING COMMITTEE

CONSULTANTS AND STAFF

PROPERTY MANAGEMENT COMMITTEE
THE EXECUTIVE COMMITTEE

The Executive Committee will comprise of six members --- Board President, Vice President, Treasurer, and chairmen of the three principal Board committees (Property Management; Development/Education/Public Information; and Budget/Finance). The Executive Committee (augmented as appropriate by other directors appointed by the president) will serve as DMFC’s Strategic Planning Committee to ensure implementation of plans unless an ad hoc committee is appointed by the President for this specific purpose.

2016-2020 OBJECTIVES AND STRATEGIES

Objective: Provide general governance and management direction in accordance with DMFC’s Bylaws and Strategic Plan

- Guide and monitor implementation of the Strategic Plan.
- Review and revise as necessary the Strategic Plan and the Bylaws every four years.
- Evaluate Human Resources needs of DMFC and make recommendations to the Board for modifications at the staffing or contractual service levels as necessary keeping in mind cost effectiveness.

PROPERTY MANAGEMENT COMMITTEE

The Property Management Committee will continue to oversee and recommend Board actions related to conservation, maintenance, development and use of all properties owned (including the Casita de Lemos and Indian Village) or held under easements by DMFC. The Property Management Committee will comprise a chairman, a vice chairman and two or more directors. The chairman and the vice chairman will be directors with staggered terms to ensure successful succession and to maintain institutional memory. Other non-director volunteers who may be interested in DMFC’s programs and have valuable skills and knowledge may be invited by the chairman and with the President’s concurrence may serve as committee members.

2016-2020 OBJECTIVES AND STRATEGIES

Objective: Implement and oversee open space conservation, management and maintenance activities in compliance with the adopted applicable maintenance plans, and the terms of conservation easements

- Ensure performance of forest maintenance activities in accordance with the OSAC Plan and the annual work schedules as maybe developed by OSAC, until new forest management plans being developed in accordance with the Pebble Beach Company Del Monte Forest Plan become effective.
Monitor and make recommendations for the Board’s consideration related to on-going open space conservation, management and maintenance activities including:

- Acceptance of easements on land owned by others
- Erosion control projects and alleviation of impact from runoff and channel down-cutting
- Non-native plant control
- Propagation and planting of native species of trees, shrubs and plants
- Restoration of native landscape on DMFC properties, including the Fan Shell Beach lot
- Fire fuel clearance
- Removal of hazardous trees
- Trail, fire road and fuel break maintenance
- Promotion of a healthy forest, management of regeneration
- Disease resistant pine tree propagation, site preparation and planting
- Stream bed enhancement where appropriate to protect adjacent forest resources from sedimentation and erosion
- Casita de Lemos maintenance
- Indian Village shelter and picnic area maintenance

Make recommendations for the Board’s consideration related to one-time projects, including:

- Completion of the Gully restoration project at Pescadero Canyon
- Survey of uncertain boundaries
- A baseline conditions study for properties held in fee simple ownership
- Restoration work in coordination with Pebble Beach Company to effectively control water runoff into Indian Village from adjacent Pebble Beach Company property

Review easements proposed by private property owners. Make recommendations to the Board regarding financial and other conditions that may be required for acceptance.

Monitor compliance with terms of conservation easements and make recommendations to the board if any corrective actions become necessary.

Encourage protection of the Del Monte Forest’s sensitive environment by a variety of other planned actions which may include control of unauthorized trespass to the properties, including Casita de Lemos and Cortlandt Hill Preserve.
- Assist the Board President in overseeing the independent consultant Forester’s workload and priorities. Review routine property maintenance reports prepared by the Forester and submit for Board meetings.

**Objective:** Assist Budget and Finance Committee to achieve fiscal stability and accountability for DMFC

- Participate in development of an annual operating budget by providing estimates of planned work and expenditures related to management and maintenance of open space and other properties.
- Monitor expenditures and make recommendations for budget revisions as necessary.
- Develop metrics to monitor projects or recurring maintenance, while looking for savings and cost reductions.

**Objective:** Actively participate in development of future Del Monte Forest Open Space management and maintenance plans and programs. Make recommendations for policy decisions to the Board

- Monitor, review and provide input related to the development and implementation of Site-Specific Resource Management Plans (SSRMP), as well as Annual Work Plans (AWP) and Annual Monitoring Reports (AMRs) that will follow. Provide input for the approval of Board of Directors to be submitted to other agencies as required.
- Participate in, work cooperatively and provide input for the development of OSAC annual forest maintenance programs.
- Work cooperatively with the Pebble Beach Company to accomplish conservation objectives.
- Collaborate with the Pebble Beach Community Services District and the California Department of Forestry and Fire Protection to complete projects of high mutual importance.

**DEVELOPMENT, EDUCATION AND PUBLIC INFORMATION COMMITTEE**

The Development, Education and Public Information Committee will have responsibility for carrying out the various projects and providing the continued fund raising programs. The Committee will include a chairman, a vice chairman and two or more directors. The chairman and the vice chairman will be directors with staggered terms to ensure successful succession and to maintain institutional memory. Other non-director volunteers who may be interested in DMFC’s programs and have valuable skills and knowledge may be invited by the chairman and with the President’s concurrence may serve as committee members.
OBJECTIVES AND STRATEGIES

Objective: Develop plans and programs to obtain financial support for DMFC’s projects and services consistent with priorities set by the Board

- Reach out to Del Monte Forest residents to assist in building broader financial support for activities of DMFC, including annual and designated-use fund raising campaigns.
- Develop endowments through encouraging “tax advantaged” giving by donors.
- Encourage owners of real property within or outside the Del Monte Forest to gift residential properties and undeveloped residential lots; or making financial gifts to the Del Monte Forest Conservancy.
- Search and develop grants and other financial assistance from foundations, organizations and property owners to finance projects as may be appropriate and cost-effective.
- Use services of development consultant(s) to assist in the planning and execution of annual giving and endowment development activities as necessary.
- Maintain an up-to-date database including contact information to retain relationships with donors. Make contacts with donors whose support is discontinued.
- Organize annual donor appreciation events.
- Develop metrics for accomplishments and monitor the metrics for effectiveness.

Objective: Develop Del Monte Forest education plans and programs

- Provide education and information, including audio-visual presentations utilizing the DVD prepared for DMFC through: meetings, print or other media, community events and ancillary means. Make presentations to:
  - Owners of Del Monte Forest properties
  - Representatives of foundations and prospective donors
  - Interested educational, conservation, scientific and civic groups
  - Area schools, including University of California and CSUMB
- Develop publications and other informational and promotional media.
Provide opportunities for homeowners to enjoy open spaces and facilities within the forest by:

- Arranging for periodic nature walks led by naturalists knowledgeable of forest trees, plants and wildlife when feasible.
- Providing signs to identify plants, shrubs, trees and natural features of the Del Monte Forest and Peninsula.
- Providing information that individuals can implement to lower the impact on sensitive resources such as crossing drainages at marked crossings, staying on designated trails, controlling pets and avoiding the spread of non-native species.

Continue maintaining an up-to-date website. Enhance the website to stimulate interest in the Del Monte Forest, and encourage support for DMFC’s work.

**Objective:** Support scientific forest and environmental research programs

Within the limits of Conservancy resources that may be made available on a designated basis, continue to sponsor and/or participate in forest and ecological research for the primary purpose of advancing the effectiveness of forest and environmental conservation, restoration, enhancement and management as well as protection of the coastal environment.

**BUDGET AND FINANCE COMMITTEE**

The Budget and Finance Committee will be responsible for recommending an annual operating budget and overseeing the board approved budget – revenue and expenditures – during each fiscal year. The Committee will be responsible for overseeing investment portfolio and management of DMFC’s assets, including restricted and unrestricted endowments. The Committee will include a chairman, a vice chairman and two or more directors. The chairman and the vice chairman will be directors with staggered terms to ensure successful succession and to maintain institutional memory. The Treasurer of DMFC will be an ex-officio member of the Committee. Other non-director volunteers who may be interested in DMFC’s programs and have valuable skills and knowledge may be invited by the chairman and with the President’s concurrence may serve as committee members.

**OBJECTIVES AND STRATEGIES**

**Objective:** Provide oversight for management of DMFC’s financial resources

- Make financial management and investment policy recommendations to the board.
Monitor management of the endowment and operating fund investments. Make recommendations to the board on issues related to management of investments.

Maintain and keep track of endowment funds for compliance with the board policies.

Prepare an annual operating budget in coordination with DMFC’s officers and the committee chairmen; and submit for the Board’s approval prior to beginning of each fiscal year.

Review revenue and expenditures for compliance with the Board policies and provide reports to the Board in regular meetings.

Prepare budget-to-actual reports and present to the Board in regular meetings.

Recommend revisions to the annual budget for the Board’s consideration as necessary.

Review and recommend Board action called for in audits.

Keep DMFC’s officers and the Board informed about the financial condition of DMFC.

Arrange monthly reviews of accounting transactions by an outside professional to ensure accuracy of periodic reports and compliance with generally accepted accounting principles.

NOMINATING COMMITTEE

The Nominating Committee will mainly be responsible for proposing eligible individuals for election as directors. The Committee shall submit its report and recommendations to the board at least two weeks prior to the meeting when proposed individuals may be elected. The Committee will include a chairman, a vice chairman and two or more directors. The chairman and the vice chairman will be directors with staggered terms to ensure successful succession and to maintain institutional memory. Other non-director volunteers who may be interested in DMFC’s programs and have valuable skills and knowledge may be invited by the chairman and with the President’s concurrence may serve as committee members.

OBJECTIVES AND STRATEGIES

Objective: Serve as resource for election and retention of directors with qualifications and commitment essential to governance and management of DMFC

Identify potential new Board members with valuable professional skills and knowledge and ask them to serve as volunteer committee members prior to election to the Board.

Maintain a minimum of ten Board members at all times.
Objective: Develop a plan to create a smooth transition for newly appointed Board members

- Develop succession policies which may include requiring potential candidates to serve on committees, with the President’s and the committee chairman’s concurrence, prior to selection to the Board.

- Provide orientation to the newly appointed Board members, including a Board member reference binder with the strategic plan, Bylaws and other relevant information.

AUDIT COMMITTEE

The Audit Committee will cause an annual outside independent financial audit or a financial review of DMFC to be conducted. This Committee will include one or more directors who will not be the Board Treasurer or the members of the Budget and Finance Committee.

OBJECTIVES AND STRATEGIES

Objective: Coordinate independent audits or reviews of DMFC’s financial statements to ensure that they are free from material misstatement(s); and to identify areas of improvements in financial procedures

- Recommend the scope and the level of the annual outside audit (i.e. audit or review).
- Coordinate the timely completion of an annual independent financial audit (or the financial review as may be approved by the board).
- Consult with auditors during audit and at other times.
- Review auditors’ reports, letters and recommended actions with the Board.
- Make recommendations to the Board related to audit findings and selection of outside auditors.

OPEN SPACE ADVISORY COMMITTEE REPRESENTATIVES

The Open Space Advisory Committee (OSAC) provides professional advice and counsel with respect to conservation, restoration and maintenance of open space for which DMFC is responsible. The President will appoint two directors of DMFC to serve as members of OSAC. Those directors will attend OSAC meetings representing DMFC and provide input. They will present reports on OSAC plans and programs to the Executive Committee and the Board regularly.

PLAN OF MANAGEMENT AND PROFESSIONAL ORGANIZATION

The chart in the following page displays the current organization of officers, consultants and staff of DMFC. The organization plan may be modified year-by-year as responsibilities, programs and activities of DMFC are expanded and/or modified.
The President will continue to serve as Chairman of the Board and as Chief Executive Officer as provided in DMFC’s Bylaws. The Vice President, Treasurer and Secretary will have responsibilities provided for in the Bylaws.

In years immediately ahead, DMFC plans to continue to rely on contracted professionals to meet DMFC’s professional, technical and other needs which may include:

- An experienced professional Forester to:
  
  (1) Direct and oversee on-going forest maintenance and essential one-time projects approved by the Board, and other related operations and activities of DMFC.

  (2) Provide the professional, technical and labor skills necessary to complete specific projects and provide routine forest maintenance services, including annual fire fuel reduction projects in coordination with the Pebble Beach Community Services District and the Pebble Beach Company.

  (3) Provide professional support to the property management committee and OSAC.

  (4) Keep the President and the property management committee informed on all issues related to the Del Monte Forest maintenance.

- Legal counsel to advise the board and to represent DMFC in legal proceedings.

- Financial reporting and tax counsel to provide professional advice and assistance.

- Development Counsel to provide professional assistance to the Board and development committee in annual fund raising as well as in the preparation of specific project and program funding proposals and their presentation to foundations, corporations, families and individuals. As of 2016, DMFC does not employ a Development Counsel but the position may be filled at the discretion of the Board in the future.

- Secretaries, Technicians and others with professional skills needed

As the Strategic Plan is implemented, the Human Resources needs for DMFC will be carefully evaluated every two years. The needs which may not be met by continued and expanded use of contracted services will be identified and presented to the Board of Directors by the Executive Committee.
PLAN OF ORGANIZATION OF OFFICERS AND STAFF OF THE DEL MONTE FOREST CONSERVANCY

BOARD OF DIRECTORS

PRESIDENT*
VICE PRESIDENT*

TREASURER*

SECRETARY*

LEGAL COUNSEL**
FINANCIAL REPORTING AND TAX COUNSEL**
DEVELOPMENT COUNSEL**
OFFICE AND STAFF SERVICES**

FORESTER**

* ELECTED OFFICER
** RETAINED UNDER PART TIME CONTRACT