

April 20, 2005

Mr. Jim Maddy
Executive Director
Resources Legacy Fund Foundation
555 Capitol Mall Suite 675
Sacramento, California 95814

Dear Mr. Maddy,

I am pleased to enclose and submit for your consideration a proposal from the National Fish and Wildlife Foundation... The Foundation is requesting a grant of \$115,723 for the California Desert Conservation Fund (Fund).

The National Fish and Wildlife Foundation (Foundation) has made a strategic commitment to increase grant making in California's desert regions. We believe the next year will be a critical period where we clarify how we can make the greatest possible impact over the next five years by establishing the Fund, growing multiple sources of funding, and directing those funds to projects that will help to conserve desert habitat and species.

A grant of \$115,723 will enable us to launch the Fund, define and develop revenue streams, and identify and benchmark our goals for dollars invested over the next three years. Approximately one-half of the grants (\$50,000) will be used to establish and provide seed funding to create the Fund. The remainder (\$65,723) will be directed to developing an aggressive fund-raising plan and significant outreach for long-term funding. Growing the Fund over the next few years will involve 3 key elements: 1) expanding existing federal partnerships and engaging new federal agency and state support to provide increased funding; 2) building foundation, local business and corporate sponsorship of grants; and 3) finding a Congressional champion to support direct appropriations for the program. We are well positioned to achieve success on each of these fronts.

I appreciate the invitation to submit this proposal and am also enclosing a summary of the Foundation's grant making to-date in support of projects that benefit California's deserts. Support from the Resources Legacy Fund Foundation will allow us to participate more fully in desert conservation in California. Thank you for your interest and please call if you have any questions or would like to discuss the proposal.

Sincerely,

Claire Thorp
Director, Southwest Region

Proposal to the Resources Legacy Fund Foundation
Submitted by
The National Fish and Wildlife Foundation
April 20, 2005

Executive Summary

The National Fish and Wildlife Foundation respectfully requests a grant of \$115,723 to provide support for the conservation of the natural resources of California's deserts. If approved, a grant from the Resources Legacy Fund Foundation will enable us to launch the California Desert Conservation Fund (Fund), define and develop revenue streams, and identify and benchmark our goals for dollars invested over the next three years. Approximately one-half of the grant (\$50,000) will be used to establish and provide seed funding to create the Fund. The remainder (\$65,723) will be directed to developing an aggressive fund-raising plan and significant outreach for long-term funding. Growing the Fund over the next few years will involve 3 key elements: 1) expanding existing federal partnerships and engaging new federal agency support to provide increased funding; 2) building foundation, local business and corporate sponsorship of grants; and 3) finding a Congressional champion to support direct appropriations for the program. The National Fish and Wildlife Foundation has made a strategic commitment to increase grant making in California's desert regions and is well positioned to achieve success on each of these fronts. We believe the next year will be a critical period where we clarify how we can make the greatest possible impact over the next five years by establishing the Fund, growing multiple sources of funding, and directing those funds to projects that will help to conserve desert habitat and species.

Applicant Background

The National Fish and Wildlife Foundation (Foundation) is a tax exempt (501(c)(3) non-profit organization established by Congress in 1984 and dedicated to the conservation of fish, wildlife and plants, and the habitats on which they depend. Its goals are natural resource management, habitat protection and restoration, and conservation education. Our investments to-date have provided support for 7,273 projects and used \$305.1 million federal dollars to leverage more than \$613.7 million in total funding for conservation. The Foundation facilitates partnerships between the public and private sectors, which increases the impact of federal funds by our core agency partners – the US Fish and Wildlife Service, National Oceanic and Atmospheric Administration, USDA-Forest Service, Bureau of Land Management, Environmental Protection Agency, and USDA-Natural Resource Conservation Service.

The Foundation's headquarters office is located in Washington, D.C., and five regional offices are located across the country in Atlanta (GA) Fort Snelling (MN), Dallas (TX) San Francisco (CA), and Portland (OR). Total staff numbers 75 with the largest offices on the east and west coasts. Our grant making has resulted in over 17.4 million acres of restored wildlife habitat and over 21,000 miles of restored streams and waterways. We have helped countless species and built educational programs to nurture the next generation of stewards.

Proposal Background

The increasing demands placed on desert resources and degradation of those resources from past misuse requires new and focused funding support for cooperative desert protection, management, and restoration projects. The Mohave and Colorado Desert landscapes in California, encompassing 25 million acres, are within a day's drive of more than 40 million people. Widely used for a variety of outdoor recreation activities, the deserts are also critically important both as havens for wildlife, and as training grounds for the United States military. They support a wealth of diverse life forms specially adapted to the extreme conditions found there. The Nature Conservancy and the Association for Biodiversity Information list the California Desert as one of five hotspots for conservation in the United States based on species richness and species rarity. These deserts are many things to many people – a place to recreate, explore, test new technology, and to live.

Twenty million acres of the California deserts are publicly owned and include five military bases, three national parks, 14 state parks, and the California Desert Conservation Area, managed by the Bureau of Land Management. The escalation in conflicting demands on the land requires that all levels of government work together for more efficient and effective management. In 1994, the Desert Managers Group (DMG) was established to bring together agencies with diverse missions, yet common goals, in planning and management of the desert's natural and cultural resources.

The DMG was founded on the principle that many of the resource issues in the desert can only be addressed through collaborative ecosystem management. Recovery of the desert tortoise, protection of desert water resources, and restoration of riparian ecosystems are a few of the examples where an interagency approach is necessary for success. Partners in the DMG include the: Department of Interior (Bureau of Land Management, Fish and Wildlife Service, National Park Service, Geological Survey), the State of California (Department of Fish and Game, Department of Parks and Recreation, Department of Transportation), and the Department of Defense (seven Army, Navy, Air Force, and Marine Corps bases), the US Forest Service, and Kern and San Bernardino counties. The USGS serves in a science support role to the DMG.

Through Matching Grant and Special Funds Programs, the Foundation has made close to \$1.5 million in federal funds available for projects in California's desert regions. The federal funds awarded through our Matching Grant Program have leveraged more than \$3 million in non-federal dollars for a total investment of over \$4.5 million that was directed to the conservation of the state's desert lands and resources. We have also increased resources for desert conservation beyond California through both the Matching Grant Program and through the disbursement of mitigation and enhancement funds managed as Special Funds at the Foundation. The range of project support provided to federal agencies and non-profit organizations has been broad. For example, the Foundation has awarded grants to assess the impacts of recreational activities on public lands, control saltcedar to benefit the desert pupfish, manage sand dune habitats, acquire key desert and riparian habitat and maintain wildlife corridors, protect the desert tortoise, and build

partner capacity for collaborative natural resource management. A summary of matching grants made is included as an Attachment with this proposal.

We have now reached a point where we recognize that we can bring larger sources of project investment funds to the California deserts if we have a well-defined investment niche focused on specific desert resource needs and opportunities. The Foundation has established a successful track record in creating sound models for focused geographic conservation. We will build on the expertise gained through the development and implementation of models such as our Chesapeake Bay and Delaware Estuary Programs. The goal of the Foundation will be to develop a well-defined investment strategy that maximizes both the overall long-term dollar investment we can bring to the state's desert resources and that focuses our funding to address the challenges of protecting the integrity of the desert's natural systems and its rich biological diversity.

Specific Request

The Foundation proposes to establish the California Desert Conservation Fund (Fund) to attract new resources to support the work of the DMG and other groups who share the goal of conserving and enhancing California's desert region through cooperative ecosystem management.

Priority Objectives for 2005-2006

- **Fund Creation** – An umbrella California Desert Conservation Fund will be created and allow for deposits from multiple funding sources. As we raise the visibility for desert conservation, we anticipate attracting federal funds, corporate contributions, and other private sector dollars. There is strong interest at Congressional and federal agency levels in the creation of a vehicle to accept funds for the purpose of directing investments in conserving the desert's natural resources. Legal requirements that preclude commingling of federal and non-federal funds dictate maintaining separate sub-accounts. The Foundation's investment in a state-of-the-art financial tracking system facilitates separate tracking of sub-account deposits and disbursements under the Fund as necessary.
- **Strategic Fund Raising** – Design and implementation of an aggressive fund raising plan to grow fund deposits will draw on collaboration that brings together the expertise of the Foundation's Development Team, Regional Directors, and Financial and Government Relations Team. Potential corporate sponsors will be targeted and market revenue streams pursued to help frame and define the scale of the campaign. Key stakeholders will be identified and meetings convened to gain a better shared understanding of desert issues and develop buy-in. Outreach will extend to federal and state agency partners and non-governmental groups such as Friends of the Desert Mountains, the Desert Tortoise Preserve Committee, the Nature Conservancy, Anza-Borrego Foundation, and the Big Horn Institute.

- Establishing Goals for Investment Dollars – Our goal will be to increase the quantity and quality of grant support for desert conservation. Working with the Desert Managers Group, the Foundation’s Conservation Science Officer and Director of Evaluation will provide guidance for establishing preliminary benchmarking goals and criteria for project selection.

Use of Grant Award Funds

If awarded, of the total grant award of \$115,723, approximately one-half, \$50,000, will be used to establish and provide seed funding for the California Desert Conservation Fund. An administrative fee of 10% will be taken to initially establish the Fund. The remaining funds will be placed in a segregated, interest-bearing account and will not be released until the corpus of the Fund is increased by at least \$250,000. After the administrative fee is deducted and remaining funds deposited into the Fund, allocation and release of the seed deposit of \$45,000 plus additional deposits will be made based on agreed upon criteria for pre-granting to desert projects of mutual interest to the Foundation and your staff and/or to help cover new federal fund administration costs to be developed with the Foundation.

As the corpus of the Fund increases, the Foundation’s responsibilities may range from basic management and fiduciary services including tracking deposits and disbursements and investment income; paying and processing project disbursements, and preparing financial reports to administering an RFP and associated workshops, including project solicitation and development, notification of awards, issuance of grant agreements, project implementation and oversight, contract modification and problem solution, and evaluation of program accomplishments and effectiveness.

An Advisory Council will be formed and convened to define priorities and help refine guidelines for project selection to address the changing desert issues and needs. The Council will be comprised of DMG, RLFF/RLG, and Foundation representatives and may also include independent scientists/academicians, and representatives of other non-governmental stakeholder organizations. Projects will be funded by the Foundation in accordance with the priorities and recommendations of the Advisory Panel.

The remaining \$65,723 of the grant award will be allocated for efforts to secure additional monies for the Fund, specifically, by providing support for staff time dedicated to growing the Fund. The goal will be to engage the broadest possible base of partners for collaborative conservation. Potential future sources of income for the Fund will include, but not be limited to: 1) federal and state appropriations and agency grants; 2) funds directed to the Foundation as a result of natural resource violations – fines, penalties, or other court-directed monetary settlements; 3) contributions from individuals, corporations, and foundations; and 4) partnerships with desert-related interests such as the off-road vehicle manufacturers. During the past year, we have received a positive response from members of Congress and are working in consultation with Congressman

Lewis, Chairman of the House Appropriations Committee, to expand resources for desert conservation.

The timeline for Year One of this project is July 2005 – June 2006. At the end of Year One, our success will be measured by: a) a demonstrable shared understanding of desert issues achieved by convening group and individual meetings of partners and stakeholders; b) a multi-year strategic fund raising campaign plan with feasible parameters established by determining potential state and federal capitalization and mitigation levels and identifying potential corporate sponsors; and, c) formation of an Advisory Council to provide guidance for project selection.

Principal Staff

Claire Thorp, Director, Southwest Region

Claire Thorp joined the Foundation in October of 2000 and served as Associate Director of Development and Programs before becoming the Director of the Foundation's Southwest Region. She is an educator and lawyer by training with specialization in environmental law and justice. She began her career in conservation as a naturalist with the Audubon Society and later served as Managing Director of the Silicon Valley Toxics Coalition. She holds a Bachelors Degree in Biology from Chatham College and a joint Juris Doctor/Master's degree in Environmental Law and Policy from Vermont Law School and Golden Gate University where she was selected as the school's first Environmental Law Fellow. Claire is a member of the State Bar of California.

Elizabeth Madison, Director, Corporate Development

Prior to joining the Foundation in December 2004, Elizabeth Madison owned Madison Consulting, where she worked as an instructor with federal land management agencies and served as fundraising counsel to national and regional conservation organizations. She served for eight years as the vice president of development at The Conservation Fund, which is recognized as a leader in sustainability, land acquisition and aquaculture, and for training conservation leaders. Madison has more than 20 years of professional experience with nonprofits, public agencies and corporate philanthropic programs, working in major gifts, capital and endowment campaigns, foundation giving, event fundraising and workplace giving. She currently serves as a director of the Equestrian Land Conservation Resource. Madison earned a master's in American studies and bachelor's in history and anthropology from the College of William and Mary in Williamsburg, Va. She began her career in conservation as a national park ranger in several National Park Service areas, including Jamestown and York Town Battlefield in Virginia, the Grand Canyon and national parks in and around the nation's capitol.

Jennifer Lewin, Assistant Director of Development

Jennifer Lewin joined the National Fish and Wildlife Foundation as the Assistant Director of Development in 2005. Prior to joining the Foundation, Jennifer was the

Director of Development for Social Accountability International, an organization dedicated to improving workplace conditions through voluntary labor standards. Jennifer began her career at The Conservation Fund, where she worked from 1994-2001. During her tenure, she held various positions in the development department, including Senior Associate, Director of Development. Jennifer has an MBA from the New York University Stern School of Business and a BA from Middlebury College.

Lorraine Howerton, Director, Government and External Relations

Lorraine Howerton is the director of government relations and external affairs for the National Fish and Wildlife Foundation. She joined the Foundation in 1999 with 20 years of expertise in the field of government relations and public policy. Prior to joining the Foundation, she served as a senior vice president at a Washington-based satellite navigation consulting group and, before that, was vice president of planning for the nation's premiere trade association for the commercial airline industry. She also was a legislative consultant to a major Washington, D.C., law firm. In addition, Ms. Howerton spent 14 years on Capitol Hill working for Congressman Larry Coughlin, a senior member of the Appropriations Committee. She served as his chief of staff and Appropriations Committee associate. Ms. Howerton holds a bachelor of arts degree in public affairs from Trinity College.

Peter Bower, Chief Financial Officer

Peter Bower joined the National Fish and Wildlife Foundation in April 2003. Prior to joining the management team, he served as a consultant to the foundation for approximately eight months. Prior to that, Mr. Bower served as chief financial officer and as part of management teams for various companies in the service, healthcare and construction industries over a span of 13 years. As a CFO, he contributed significantly to the growth and improved profitability of the various companies through his participation in the management process, acquisitions, implementation of new systems and processes, and his focus on improving cash flows. Before becoming a CFO, he spent several years in investment banking and more than 15 years in public accounting with an international firm with whom he became a partner within 10 years. Mr. Bower graduated from the University of Illinois, Champaign-Urbana Campus, with a bachelor of science in accountancy and is a member of the American Institute of CPAs.

Jerry Clark, Director, Funding Source Administration

Jerry joined the National Fish and Wildlife Foundation in July of 1992 as the Deputy Director of the Fisheries Initiative. He was promoted to Director in October of 1995. Before joining the Foundation, Jerry served as the Assistant Secretary in the Office of Fisheries for the Louisiana Department of Wildlife and Fisheries. From March of 1986 to 1989 he was Chief of Coastal Fisheries for the state of Texas. Jerry earned his Masters and Doctorate at Oregon State University and a Bachelor of Science from Iowa State University.

Conclusion

The Foundation is committed to establishing the California Desert Conservation Fund to provide the resources necessary for implementation of coordinated and cooperative ecosystem management, a new level of grant making for projects that restore and enhance desert resources, and improved outreach to significantly raise awareness of this unique resource and the need for sustainable use to benefit the public. A grant of \$115,723 from the Resources Legacy Foundation Fund will launch the California Desert Conservation Fund and serve to leverage additional funds, attract government, corporate, and other private sector contributions and market revenue streams, and build on our experience and contacts to achieve substantial and measurable impacts for desert conservation and enhancement.