

Annual Report 2008-09

## From the Chairman



Every organization has to change—to keep up with new technologies, to adapt to new social patterns, to remain relevant to its constituents.

Triangle Land Conservancy has undergone tremendous growth in my time on the board of directors, but not much change. By the measures of a typical land trust TLC has been incredibly successful. But there's the rub. TLC does not aspire to be a typical land trust. TLC aspires to be a leader among land trusts and a leading institution in our region. To become that organization TLC will have to do more than just grow, it will have to change.

In 2008, after rigorous debate, the board adopted a set of recommendations to transform the organization. The intent is to further the core work of TLC, to enhance and augment our methods and means of preservation, and to communicate the aspirational public benefits of our core mission—all of which will allow TLC to increase the pace of conservation in the Triangle.

Foremost among the changes, we will redirect our focus from simply preserving land to *meeting the needs of people in our region* through the benefits of land conservation. These benefits include:

- · Abundant clean water;
- Locally produced food;
- Habitat for native animals and plants; and,
- Places for people to connect with nature.

Redirection will necessitate two additional changes: broadening the scope of the lands we protect, and evolving away from a focus on transactions (acres directly protected by TLC or by TLC in partnership with others) to a focus on actions—activities that either directly or indirectly lead to land conservation.

A consequence of our enhanced mission and public benefit messaging, I expect, will be increased community awareness and financial support, enabling this organization to do even more great conservation work.

One thing I hope will not change is *your* support. You, our members, have made possible everything TLC has accomplished in the past 25 years. I thank you for your contributions and ask that you continue to support the organization through these changes as we build an even better TLC!

Million

Ron Strom
Chairman, TLC Board of Directors



TLC's transition to the Benefits Approach (outlined in Ron Strom's "From the Chairman" on the previous page) came at an apt time. With the state budget shredded by economic recession, Governor Perdue used the state's conservation trust funds to patch holes. The funding TLC has relied on for major land conservation purchases was unavailable, which made the decision to lengthen our focus beyond transactions to actions a timely one indeed.

As with the beginning of any transition, many of the steps TLC took in 2008-09 were first steps. The Irvin Learning Farm partnership prepared for launch. A pilot farm-lease program simmered. TLC leaders participated in the Reality Check regional visioning process, positioning TLC to lead the follow-up green space task force. We asked the General Assembly to restore a fair amount of money to the conservation trust funds so that we can continue to do our core work of protecting land through acquisition and conservation easements.

Most of these actions, when successfully implemented, will provide at least one of the four benefits of our conservation work: clean water, local food, wildlife habitat, and connecting people with nature. The others are expected to enhance TLC's standing as the regional conservation leader, thus improving our ability to deliver the four benefits.

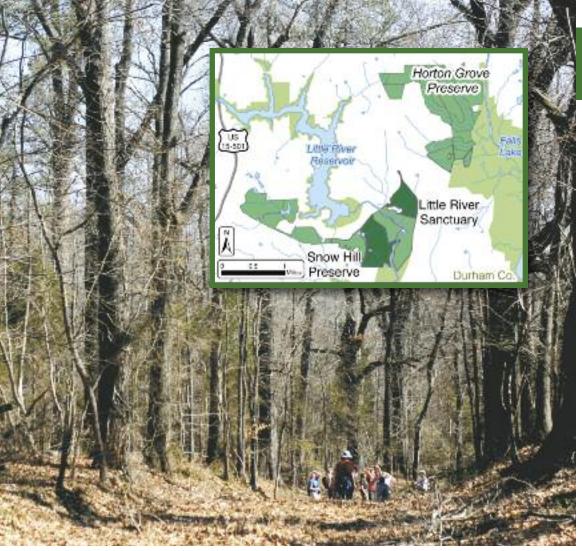


Other actions undertaken by TLC in 2008-09 include:

- Continuing to provide leadership for the Chatham Conservation Partnership, which has become a model of inter-organizational cooperation;
- Conducting conservation assessments of the Rocky River and the "Southwest Shore Wilderness" in Chatham County;
- Partnering on farmland protection plans in Chatham, Johnston, Lee and Wake counties;
- Securing an Environmental Enhancement Grant from the NC Attorney General's office to protect water quality in Johnston County's Neuse River basin; and
- Hosting a dozen TLC outings and creating the monthly Backyard Adventures program to help connect people with nature.

While some things change, some things remain the same, one of those being our success at conserving land. In 2008-09 we conserved 1,587 acres valued at more than \$21 million. We did that by maximizing the value of your member contributions. This year for every dollar contributed, TLC was able to protect more than 29 dollars worth of land.

One final note about this recession-wracked year: our membership and individual donations were understandably down, making our operating budget tight. So we're trimming costs wherever we can, like this smaller format annual report. Your support at any level is vital now more than ever. We thank you for your continued support through these tough times, and look forward to coming out of this a stronger organization.





# UPPER NEUSE CLEAN WATER INITIATIVE

Landscape snapshot: Through this multi-organization initiative, TLC and partners are conserving land along streams and wetlands in the Upper Neuse watershed to protect nine drinking water supplies, including Falls Lake, that together serve more than a half-million people. For TLC, the area includes our former Little River Priority Area, where we still focus our work while seeking partnership opportunities with local and county government agencies, and conservation nonprofits in other areas.

#### Treyburn Area

At Snow Hill, D.R. Bryan and his partners donated a 177-acre property that represents the final phase of a four-year-long collaboration with TLC to conserve a total of 836 acres.

This donation completes a string of eight conservation properties running more than three miles along Snow Hill Road and Vintage Hill Parkway. This acquisition creates water quality buffers on more than two miles of streams that flow into the Little River and 36 acres of wetlands, safeguarding the water quality of Falls Lake.

The land has historic significance as well, including the main portion of the Snow Hill Farm, which preceded Stagville plantation in local settlement, and part of the historic Indian Trading Path to the Catawba.

Just across the Little River, partners of D.R. Bryan donated a conservation easement on 98 acres. The easement on this forested land follows a donation made in 2007, now ensuring that the entire 238-acre Little River Sanctuary property will, indeed, remain a sanctuary.

## **COMMUNITY LANDS**

#### Kirby-Northeast Park

TLC accepted a conservation easement on Orange County's future 145-acre Northeast Regional Park. Mr. Fred Kirby sold the land to the county in 2007 with the requirement that the county place an easement on the land with a third party. This conservation easement strengthens restrictions protecting water quality and conservation values while allowing for forest management and use of the property as a public park.



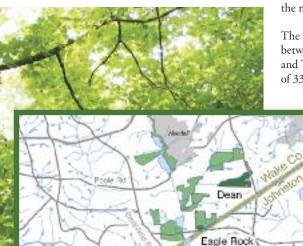
### **MARKS CREEK**

White Bottomland

Forest

Landscape snapshot: Through partnership in the Marks Creek Rural Lands Initiative, TLC is working to protect 7,500 acres of farmland, forest and wetand connections to the Mountains-to-Sea Trail from neighboring communities.





Creek

Filverwalk

The Marks Creek Initiative features three distinct but connected project areas: Lake Myra and its surrounds north of Poole Road in Wake County, Marks Creek Wetlands from Poole Road to the Johnston County line, and Neuse Forest from the county line to the Neuse River.

#### **Neuse Forest**

Two projects put the Neuse Forest project area on the map for the first time, and in a big way!

The Riverwalk project—a 10-year collaboration between State Parks, The Trust for Public Land and TLC—became a reality with the acquisition of 330 acres at the confluence of Marks Creek and

the Neuse River. This high priority conservation target provides more than three miles of natural buffers on the Neuse River, Marks Creek and tributaries to safeguard drinking water downstream. It provides an important wildlife corridor, protects a significant natural area, and will also serve as Johnston County's gateway to the Mountains-to-Sea Trail and the site of a node park along that 1,000 mile route.

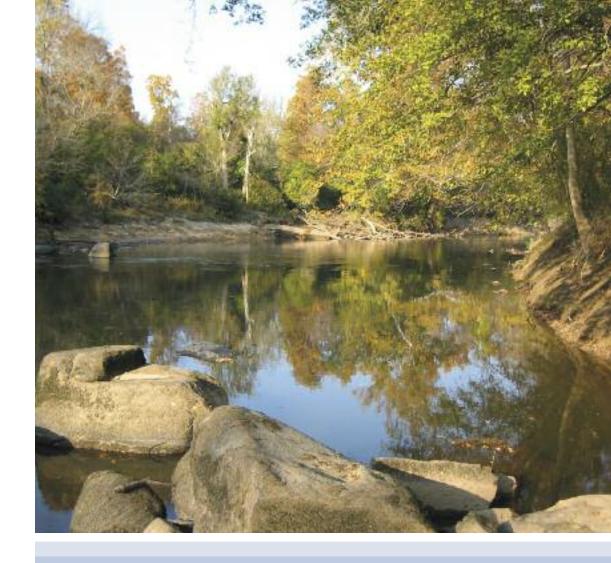
Directly across the Neuse River, Nancy and Monty White donated conservation easements to TLC on 96 acres of bottomland forest. The White's easements extend a conservation buffer on the Neuse River about 1.2 miles, providing

clean water and habitat for many native plants and animals as well as protection of the scenic corridor for hikers along the Mountains-to-Sea Trail and paddlers on the Neuse.

#### Marks Creek Wetlands

The Marks Creek Rural Lands Initiative partners conserved two properties totaling 138 acres in the Marks Creek Wetlands watershed. The larger "Dean" tract preserves 125 acres of farmland and forest, with more than two-and-a-half miles of streams feeding into Marks Creek. The smaller "Eagle Rock" tract protects 13 acres with 1,000 feet of Marks Creek tributary streams.

The Initiative partners have now conserved 936 acres on 11 tracts in the Marks Creek Wetlands project area. Overall, 1,579 acres are protected in the Marks Creek Priority Area.

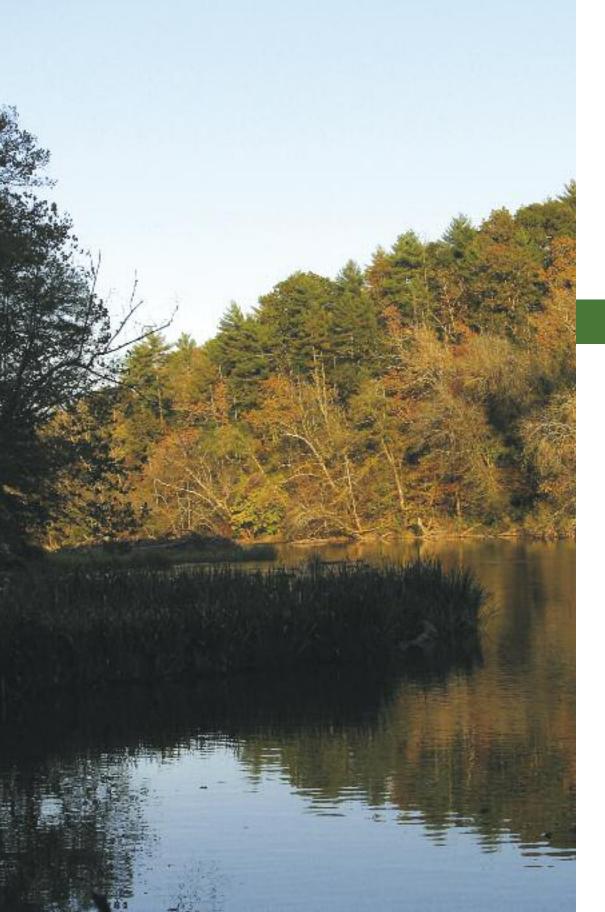


#### LAND CONSERVATION 2008-09

Site	Acres	Туре	County	Focus Area	Benefits
Northeast Park	145	TLC easement	Orange	Community Lands	Connecting, Habitat
First Island	6	TLC-owned	Chatham	Deep River	Water, Habitat
White Pines (Cashion)	46	Partnership	Lee	Deep River	Water, Habitat
White Pines (Marks)	192	Partnership	Lee	Deep River	Water, Habitat
White Pines (Stone)	48	TLC-owned	Chatham	Deep River	Water, Habitat
MC Wetlands (Dean)	125	Partnership	Wake	Marks Creek	Water, Habitat
MC Wetlands (Eagle Rock)	13	Partnership	Wake	Marks Creek	Water, Habitat
Neuse Forest (Riverwalk)	330	Partnership	Johnston	Marks Creek	Water, Habitat, Connecting
White Bottomland Forest	96	TLC easement	Johnston	Marks Creek	Water, Habitat
Little River Sanctuary	98	TLC easement	Durham	UNCWI	Water, Habitat
Snow Hill Preserve	177	TLC-owned	Durham	UNCWI	Water, Habitat
Chestnut Hill Farm	170	TLC easement	Chatham	Working Lands	Food, Habitat
Holding Farm	128	TLC easement	Johnston	Working Lands	Food, Water, Habitat
Rollins Mill	14	TLC-owned	Wake		Water, Habitat

2008-09 acres conserved 1,588

**Total acres conserved 12,564** (as of June 30, 2009)





## **DEEP RIVER**

Landscape snapshot: The core of TLC's Deep River Priority Area is the 29-mile border between Chatham and Lee counties where the river and its floodplain endure as a home for wild places, a haven for wildlife and a reservoir of historical curiosities. TLC's focus is protecting unique natural habitats and keeping the Deep clean for the local communities that depend on it for drinking water (Goldston, Gulf, Sanford and Lee County).

#### White Pines and "Forks of the River"

"Forks of the River" is the traditional name for the area where the Deep and Rocky rivers come together, a few miles west of Moncure between US 15-501 and US 1. It's also the location of TLC's White Pines Preserve, and a focal point for TLC's work on the Deep River because of its concentration of significant natural areas.

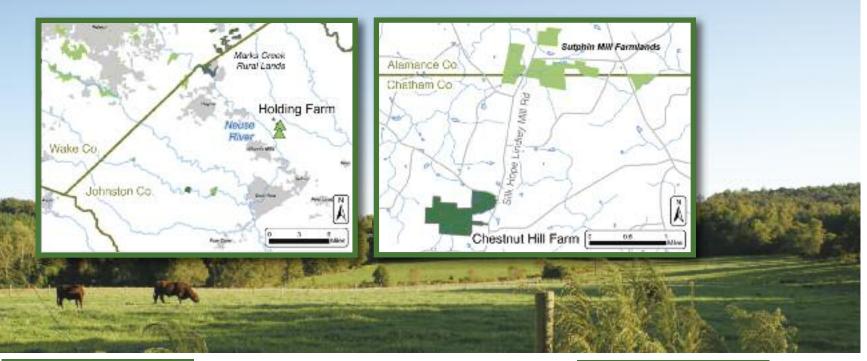
Four new acquisitions here conserve a total of 296 acres to augment TLC's White Pines Preserve and the planned Deep River State Trail.

- In Chatham, TLC purchased 48 acres on the Deep River from George Stone.
- TLC also purchased the 6-acre First Island tract just downstream from White Pines in Chatham. (No longer an island, the historic Gorgas Mill was located here.)
- TLC assisted the state parks system in acquiring 192 acres on the Deep River in Lee County from members of the Marks family.
- Also in Lee County, with TLC's assistance State Parks purchased 46 acres owned by the Cashion and McClearen families.

The Lee County lands connect to a previously conserved property to create a continuous protected corridor on the Deep River of almost 1.5 miles and a contiguous land assemblage of 360 acres.

All four tracts are part of the Deep and Rocky River Aquatic Habitat, a nationally significant site that is home to three rare species. The acquisitions provide stream buffers that will help maintain the water quality of the Deep River for the benefit of the rare species living here, the fishermen and paddlers who recreate here, and the people of Lee County, who draw their drinking water from the Cape Fear River just a few miles downstream from this area.









## **WORKING LANDS**

#### **Chestnut Hill Farm**

In the spring of 2009, TLC used funding from the NC Agricultural Development and Farmland Preservation Trust Fund (Ag Fund) to purchase an agricultural conservation easement on this 170-acre livestock and poultry farm in the Silk Hope area of Chatham County. The easement ensures that Lin Andrew's farm, which has been in his family for more than 100 years, will be protected from development pressure so that it can continue to produce food. Our region benefits by retaining access to locally grown food and to the regional landscape of farms and forest that has long characterized the Triangle.

#### **Holding Farm**

Since 2003, TLC has been working with the Holding family to conserve their family farm in Johnston County along Buffalo Creek. In 2009, two additional tracts totaling 128 acres were added to this conservation easement; the Holdings have now conserved 601 acres of their farm. The tracts include 26 acres of farmland and 102 acres of forestland. Future uses of these tracts are limited to agriculture and forestry, with 50-foot buffers provided on two small streams that feed into the Neuse River. Conservation of these properties protects water quality, keeps quality soils in agricultural production, and preserves the rural character of the regional landscape.

#### **Planning for Farmland Protection**

In 2007, TLC partnered with Chatham and Johnston counties to secure grants from the Ag Fund to conduct farmland protection plans. Work on the Chatham farmland plan began in January 2008 and will wrap up in the fall of 2009. Work on the Johnston farmland plan will be completed in 2010. Meanwhile, in spring 2009 the Ag Fund awarded the Wake Soil & Water Conservation District—with help from TLC—a grant to develop a farmland protection plan for Wake Co. due for completion in 2010-11.

#### Chatham's got SOUL

The SOUL (Save Our Undeveloped Land) Fund of the Triangle Community Foundation made a follow-up three-year, \$250,000 grant to TLC in fall 2008 for working lands protection in Chatham County. TLC is using the grant to fund staff time on a wide range of projects, from the Farmland Protection Plan to a Comprehensive Conservation Plan to talking with farmers about conservation easements, and more. The initial SOUL Fund grant for \$100,000 in 2005 provided the seed money that sparked all of these activities.

### **STEWARDSHIP**

Stewardship activities for TLC vary from season to season and property to property. A multitude of factors influence how TLC staff manage each preserve or open land, including the habitat type, public use, surrounding land use and changing environmental conditions. Significant stewardship activities this year included...

#### Flower Hill

TLC improved access to Flower Hill by building a small parking area for visitors. Trails and signage were also improved, and a self-guided interpretive component is in development.

#### Irvin Farm

Irvin Farm, donated to TLC in 2007 through the estate of Logan and Elinor Irvin, remains a stewardship focus. TLC is working to conserve and restore the property's historical and natural features while creating the infrastructure necessary for programs like the Irvin Learning Farm and events like TLC's Green Jamboree.

Projects completed this year include:

- Installing a native plant garden, an educational garden and expanding the house vegetable garden
- Constructing a shade arbor, goat pen and chicken coops
- Re-siding sheds using lumber milled on-site
- Constructing a parking area, drive and two new well houses



- Building new trails in forest
- Removing invasive species
- Clearing brush from fence lines and fields
- Planting over a dozen fruit trees including apple, pear, plum and cherry

#### **Corporate/Educational Work Days**

In addition to TLC's individual volunteers, many corporate and educational groups helped TLC with a variety of tasks.

Students from Duke Law, Durham Academy, Raleigh Charter High School, Carrboro High School, The Duke School and the Chapel Hill area homeschool group worked on a variety of tasks including invasive species removal, trail work, tree planting and brush cutting. Merck employees cleaned up the roadside near the Horton Grove Preserve, and a Girl Scout troop built and installed bluebird boxes at Johnston Mill. We were also fortunate to have NC State and Durham Academy interns working on several stewardship projects.

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TLC's Our Water, Our Land capital campaign is sprinting toward the goal of raising \$5.5 million to create a revolving conservation fund and to provide for the long-term stewardship of TLC's conservation lands.

Thanks to the River Society Challenge, \$368,200 was added through the generosity of two anonymous donors. From May through December 2008, these donors matched—dollar for dollar—new gifts to the Our Water, Our Land campaign made by River Society members.

Through the River Society Challenge, the Developer's Challenge and numerous corporate and individual donations, TLC has raised \$4.13 million and is already putting this money to work acquiring land and completing stewardship projects.

#### Land Opportunity Fund at work

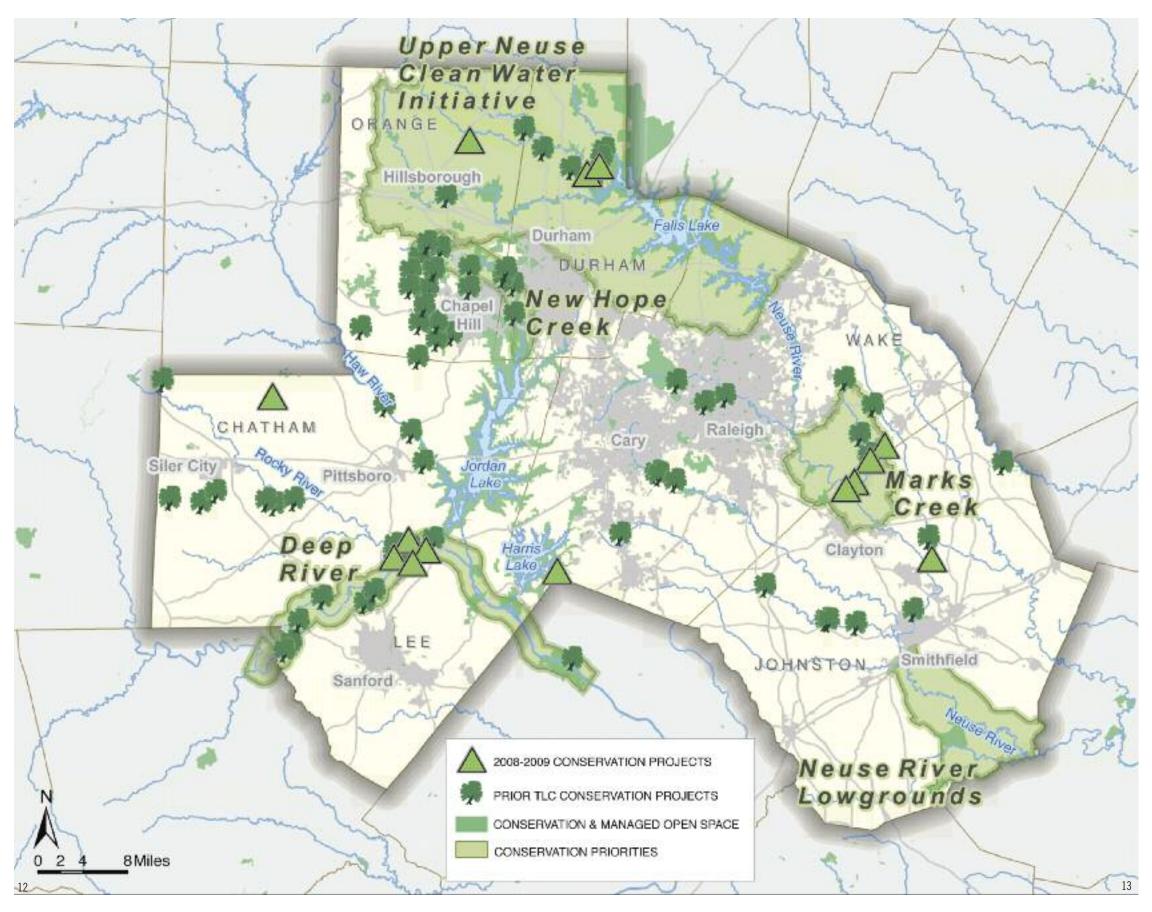
#### White Pines expansion

The Land Opportunity Fund gives TLC the ability to act swiftly, when necessary, to protect critical conservation lands. In 2008, TLC used \$260,000 from the Fund to expand the White Pines Preserve by acquiring the nationally significant Stone tract (see "Deep River," page 7). The Fund was critical to this deal by allowing TLC to meet the seller's timeframe. The Fund will be replenished by a grant from the NC Clean Water Management Trust Fund, making money available to TLC for future conservation purchases.

#### Stewardship Fund at work

#### Irvin Farm

Thanks to the Our Water, Our Land campaign's stewardship funds, Irvin Farm has seen significant infrastructure improvements this past year. A native plant garden and an educational garden, a shade arbor, chicken coops, a parking area, new trails, fruit trees and much more have been added to the 269-acre, do-everything preserve. Most significantly, the improvements have transformed Irvin Farm into one of TLC's most important places to connect people with nature (and with TLC's work), particularly through the Irvin Learning Farm educational program and TLC's Green Jamboree celebration.



# Financial Report July 1, 2008 to June 30, 2009

Revenue & Expenses	2007		2008		2009
Revenues (Excluding Land Transactions)					
- Individuals	\$1,911,036	67%	\$1,229,092		\$660,368 30%
· Foundations & Organizations	\$188,908	7%	\$242,551	12%	\$402,385 18%
Earth Share of North Carolina	\$31,033	1%	\$40,553	2%	\$43,742 2%
<ul> <li>Corporations</li> <li>Interest/Dividends</li> </ul>	\$258,425	9% 3%	\$150,147 \$121,624	8% 6%	\$123,829 6% \$57,651 3%
· In Kind	\$82,620 \$7,748	3 % 0%	\$121,634 \$12,859	0 % 1%	\$57,651 3% \$99,380 4%
· Lease Income, Sales, Endowment Income, Misc.	\$185,290	6%	\$62,719	3%	\$136,644 6%
Gain Loss on Disposal of Assets	Ψ103,230 \$-	0%	(1,257)	0%	(4,400) 0%
· Government (For Operating, Not for Land Protection)	\$204,752	7%	\$104,157	5%	\$702,251 32%
Total Revenues (Excluding Land Transactions)	\$2,869,811		\$1,962,454		\$2,221,850
Expenses (Excluding Land Transactions)					
· Fundraising	\$239,374		\$299,855		\$237,073
· Management & General	\$95,130		\$93,530		\$99,762
· Conservation Strategies	\$349,519		\$434,262		\$698,745
· Stewardship	\$154,202		\$247,595		\$302,202
· Communications	\$248,951		\$304,183		\$364,522
Total Expenses (Excluding Land Transactions)	\$1,087,176		\$1,379,425		\$1,702,304
Net Revenues (Excluding Land Transactions)	\$1,782,635		\$583,029		\$519,546
Land Transactions					
· Land Contributions	\$9,464,748		\$7,868,531		\$7,609,496
Government Funds for Land Protection	\$-		\$570,000		\$777,923
· Land Conveyed to Conservation Partners  Net of Land Transactions	\$(1,914,200)		\$(1,916,215)		\$(173,402) <b>\$8,214,017</b>
Net Revenues	\$7,550,548 \$9,333,183		\$6,522,316 \$7,105,345		\$8,733,563
net reacunes	<b>49,333,103</b>		\$7,100,040		φυ,/33,303
Balance Sheet	2007		2008		2009
	2007		2000		2003
Assets - Conserved Land & Easements	\$34,213,709		\$40,917,209		\$50,617,315
· Current Assets	\$3,126,223		\$3,417,219		\$2,669,607
· Property & Equipment	\$277,383		\$454,955		\$444,391
· Other Assets	\$472,508		\$392,475		\$789,597
Total Assets	\$38,089,823		\$45,181,858		\$54,520,910
Liabilities					
· Current Liabilities	\$94,630		\$85,347		\$129,548
· Long Term Liabilities	\$19,748		\$15,721		\$12,009
Net Assets	\$37,975,445		\$45,080,790		\$54,379,353
Total Liabilities & Net Assets	\$38,089,823		\$45,181,858		\$54,520,910

#### **Leveraging your Donations**

#### Value of Protected Land vs. Member Donations

TLC Members and supporters generously contributed more than \$700,000 in FY09, enabling TLC to protect land valued at more than \$21 million. For every \$1 contributed, TLC was able to protect almost \$30 worth of land.



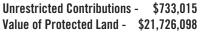


#### 2008:





#### 2009:





#### **Revenues by Restriction**

The majority of TLC's revenue comes from the value of land and easement donations. This restricted revenue is not available for TLC operations. Unrestricted donations can be used for TLC's general operations.

TOTAL:	\$10,609,269	
RESTRICTED		
Land Contributions	\$7,609,496	72%
Other Revenue Restricted to Programs	\$633,806	6%
Campaign	\$314,638	3%
UNRESTRICTED		
Contributions	\$733,015	7%
Government Grants	\$410,725	4%
<b>Government Grants for Land Acquisition</b>	\$777,923	7%
Interest Income	\$57,529	1%
Other Revenue	\$72,137	1%

#### **Endowment**

TLC's investment strategy emphasizes capital preservation. Nevertheless, historic negative market conditions reduced the value of TLC's endowment in 2009; endowment value began to recover toward the end of the fiscal year.



## Pages 17-23 deleted to protect the privacy of our members

#### **Board of Directors**

(as of July 1, 2009)

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Bill Holman, Secretary

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Credits

Maps: Leigh Ann Cienek Photos: Cover: Snow Hill Preserve, Ty Rhudy / Irvin Farm pond exploration, Doug Nicholas

Inside front cover: TLC Board Chairman Ron Strom, Doug Nicholas Inside front cover (background): Chest-

nut Hill Farm, Walt Leggett P1: Bald eagle at Jordan Lake, Walt

P1: Paddling on the Haw River, Jennifer

Peterson P2: Historic Indian Trading Path at

Snow Hill Preserve / Snow Hill Preserve hike, Ty Rhudy P3: Soybeans on Holding Farm, George

P4: Neuse Forest-Riverwalk view to the Neuse, Ron Flory

P5: Neuse River at White Bottomland Forest, Ion Scott

P6: White Pines in Lee County, Doug Nicholas

P7: Spring beauties, Walt Leggett / Spring wildflower walk, Doug

Nicholas P8: Chestnut Hill Farm, Walt Leggett

P9: Irvin Learning Farm activities, Wendy Banning / Green Jamboree hayride at Irvin Farm, Jennifer Peter-

P10: Dutchman's breeches, Doug Nicholas

P15: Beech tree at White Bottomland Forest, Jon Scott Back cover: Irvin Farm pond, Doug

Nicholas Design: www.garrison-cole.com



Triangle Land Conservancy's mission is to protect important open space—stream corridors, forests, wildlife habitat, farmland, and natural areas-to help keep our region a healthy and vibrant place to live and work. TLC is a private, nonprofit land trust serving Chatham, Durham, Johnston, Lee, Orange and Wake counties.

Since 1983, TLC has protected more than 12,000 acres at scores of sites across the Triangle region. These sites enhance the quality of life in the Triangle by providing four significant benefits: Clean Water, Local Farms & Food, Wildlife Habitat, and Connecting People with Nature. The generosity of many individuals, corporations, foundations, government agencies and organizations makes our work possible.

To make a contribution to TLC or for more information, please visit our website at www.TriangleLand.org or contact us at:

Triangle Land Conservancy 1101 Haynes Street, Suite 205 Raleigh NC 27604-1455 919.833.3662 (t) / 919.755.9356 (f) info@TriangleLand.org

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