

All About Stewardship Funding



NORTHWEST ARKANSAS
LAND TRUST

What is “stewardship funding”?

In preparing conservation easements and accepting donations of land, the Northwest Arkansas Land Trust (NWALT) takes on significant initial and long-term expenses. As a non-profit organization, and in accordance with Land Trust Standards and Practices, the land trust must ensure that initial set-up costs are covered and that each new project is backed with a sufficient contribution toward its stewardship and legal defense funds. This is the best way to ensure that a landowner’s desire for permanent land protection is achieved. It is common practice for landowners to make a financial commitment, called the “stewardship fee”, to support the long-term protection of their land. The land trust realizes not all landowners can contribute the stewardship fee for their land – see information on page 2 regarding alternative stewardship funding options.

How is the stewardship fee calculated?

The land trust calculates the stewardship fee for each new prospective conservation property. Calculations are based on experience and informed assumptions. The fee is divided into cost categories including upfront or “set-up” costs, long-term stewardship, and legal defense (easements only).

Example stewardship fee for an average property:

Upfront Set-Up Costs: \$7,500+

Placed into NWALT’s general operating account to help cover initial or “set-up” costs. Includes site visits, mileage, title investigation, environmental assessments, legal fees and other due diligence necessary to establish the conservation agreement. Upward adjustments are made for larger or more complex projects.

Long-Term Stewardship Fund Contribution: \$10,000+

A one-time contribution to NWALT’s pooled stewardship fund, set aside to help cover annual costs in maintaining conservation agreements. This includes monitoring visits, annual property reports, outreach and enforcement. Upward adjustments are made for larger or more complex projects.

Legal Defense Fund Contribution: \$2,500 (easements only)

A one-time contribution to NWALT’s pooled legal defense fund, set aside to help cover unexpected mediation or legal costs should the terms of the easement be violated or challenged in a court of law.

Total example stewardship fee = \$20,000+

Why is stewardship funding necessary?

The mission of the land trust is to protect land forever. The annual cost to the land trust for maintaining an average conservation property is approximately \$900. Taking into account modest interest earned, the \$10,000 stewardship fund contribution described in the example above would cover the land trust’s basic annual costs for approximately 11 years, yet the land trust’s responsibility to maintain the conservation agreement is ongoing. The land trust must also be financially prepared to defend its conservation agreements in the unlikely event they should be violated or challenged in a court of law. To supplement the costs associated with perpetual preservation, the land trust engages in fundraising to maintain adequate funding levels. This means that in addition to stewardship fees from the landowners themselves, major donors, corporations and foundations contribute funding each year to support the land trust in forever protecting the important landscapes that define our region.

What factors may increase my stewardship fee?

Some factors that may increase the stewardship fee for your land include the distance of the property from NWALT offices, the physical characteristics of the site itself, the types and complexity of current and future desired land uses, and any known potential risks to the conservation values of the property. Examples include properties that are very large or difficult to traverse; those with existing mortgages, leases or other encumbrances which must be properly dealt with to establish the agreement; the presence or suspected presence of rare, threatened or endangered species which must be properly documented and monitored; the inclusion of public use or multiple user groups requiring more frequent monitoring; retained rights to build a future structure or other activities which require land trust approvals; the presence of multiple abutting property owners which can increase the potential for violations on the property; and nearby or upstream land uses which may create environmental risk to the conservation value of the property in the future. The land trust is experienced in properly addressing these and other factors to ensure the permanent protection of your land.

My property is small - shouldn't the stewardship fee be less?

The land trust tracks its costs carefully. Experience has shown that upfront costs and annual expenses remain consistent for properties up to approximately 100 acres, regardless of smallness in size.

When is the stewardship fee due?

In most cases, the land trust will ask the landowner to sign a written letter of intent. This letter documents that both the landowner and the land trust intend to move forward with the conservation agreement. In this case, payment terms will be included in the letter and a predetermined initial payment amount will be due upon signing of the letter. Once the letter is signed, and initial payment received, the land trust will begin more time-intensive and costly due diligence to complete your conservation agreement. The balance of the stewardship fee would then be due upon completion and signing of the conservation agreement. In some cases there will not be an initial payment and the stewardship fee therefore will be due in one payment upon the completion and signing of the conservation agreement.

What if I am unable to contribute to the stewardship fee for my land?

While it is common practice for landowners to make a financial commitment to support the long-term protection of their land, the land trust realizes that not all landowners are able to do so. The land trust is always willing to work with you to customize a winning funding arrangement.

In some cases, outside stewardship funding sources may be available. Land trust partner organizations or donors are available to pay all or a portion of the stewardship fee to help conserve land in several important conservation areas throughout the region. Contact the land trust to inquire if this stewardship funding is available for your property.

Deferred or installment payments can also be established. You may arrange to defer all or a portion of the stewardship fee until such a time or times that you are best able to make payments. A written agreement outlining a fixed payment schedule will be signed by both parties. We welcome your inquiries about these and other options to conserve your land.



The Northwest Arkansas Land Trust is an Accredited land trust. This mark of distinction recognizes a select number of land trusts that have met national standards for excellence.

