



2016 Annual Report

Published August, 2017

Our Mission: The Stewardship Council protects and enhances watershed lands and uses, and invests in efforts to improve the lives of young Californians through connections with the outdoors. **Our Values:** Collaboration. Stewardship. Discovery. Sustainability. Leadership.

Letter from Art Baggett, Board President

On behalf of the Board of Directors, we are pleased to welcome Heidi Krolick as the new Executive Director of the Stewardship Council. In her nine years with the Stewardship Council, Heidi has been a key member of the land conservation program team. Since June 2016, she served as the Council's Deputy Executive Director overseeing the operations of our Roseville office and working with others at the Council to build a team of highly qualified individuals to manage the work of the organization through dissolution. Heidi holds a Master's Degree in Parks, Recreation, and Tourism Management from Lincoln University in New Zealand and Bachelor's Degrees in Environmental Studies and Geography from the University of California, Santa Barbara.

Heidi has replaced Allene Zanger who retired this summer to pursue personal interests. On behalf of the Board of Directors, I would like to express our sincere appreciation to Allene for her tireless efforts over the past eight years to further our dual missions of land conservation and connecting California youth with the outdoors. During her tenure, the Stewardship Council completed a significant amount of work in support of fee donation transactions and the establishment of conservation easements, and has

allocated several million dollars in enhancement project grants that will enhance the beneficial public values of PG&E's Watershed Lands. With funding from the Stewardship Council, Youth Outside has continued the Stewardship Council's record of impactful grant making to connect underserved youth to the outdoors. As we have carried out our dual mission, Allene encouraged engagement with stakeholders and partners and ensured that meaningful opportunities have been provided for public input.

Please join us in welcoming Heidi and thanking Allene for her tremendous contributions to land conservation and to programs connecting youth to the outdoors. We wish Allene the very best during her years of retirement.



Handwritten signature of Art G. Baggett Jr.

Art G. Baggett Jr., Stewardship Council Board President

Letter from Heidi Krolick, Executive Director

As the new Executive Director, I am honored to have an opportunity to advance the Stewardship Council's mission to protect and enhance California's watershed lands and to connect youth with the outdoors. Growing up in San Diego, I distinctly remember summers spent camping with my family in the San Jacinto Mountains near the town of Idyllwild, where my love of the outdoors began. Camping out under the stars, learning how to fish, hiking, and exploring created lasting and meaningful memories and led me to pursue a career in conservation. Now as the mother of two young children, I feel very fortunate to have the Sierra Nevada Mountains at our doorstep where a love of learning and the outdoors is carried on to the next generation.

I would like to acknowledge the leadership of Allene Zanger, our former Executive Director, for the significant contributions she has made during her tenure at the Stewardship Council. Allene has been an exceptional mentor to me, and I will be forever grateful for her leadership and unwavering commitment to the organization's success.

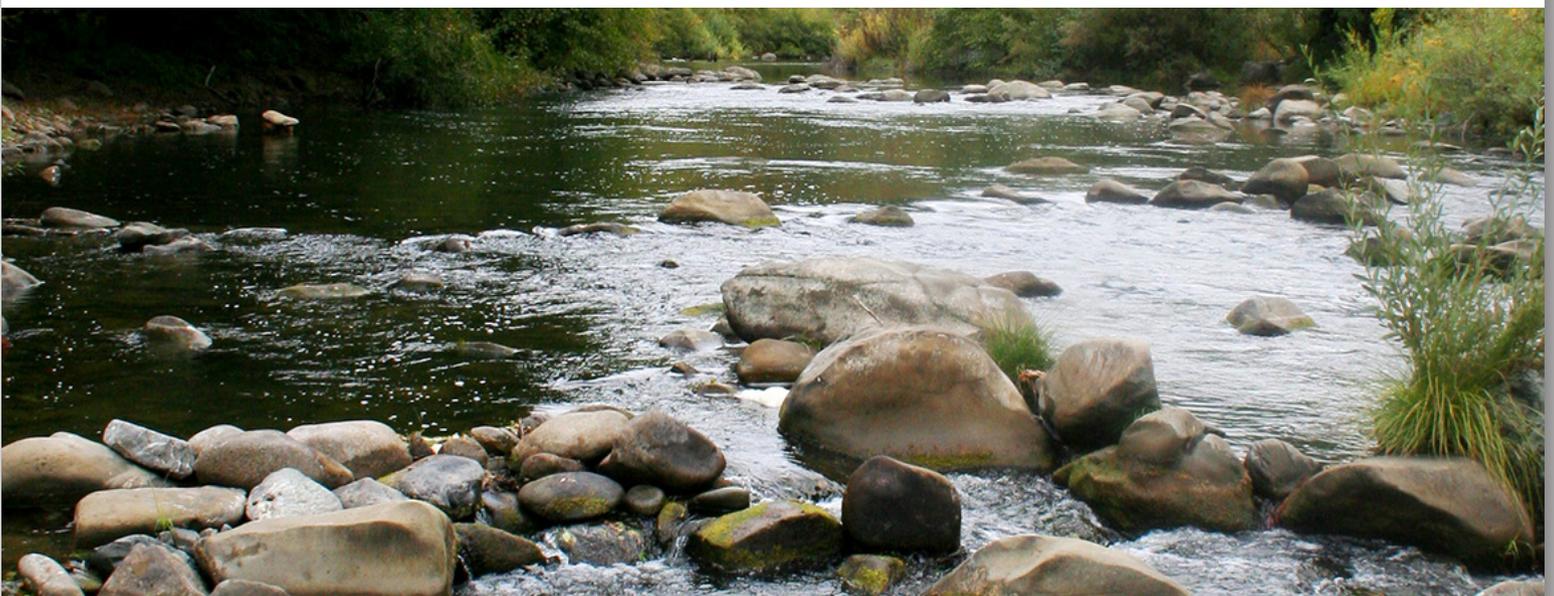
I would also like to take the opportunity to sincerely welcome the addition of several new staff members - Aaron Robertson, Steve Schweigerdt, Debbie Daugherty, and Erin Healy who have joined the existing team in Roseville to execute the remaining land conservation program work, and work toward completion of the organization's mission.

As we look ahead, I am confident that the Stewardship Council is well positioned to continue to build upon its legacy, working alongside our dedicated and diverse board members, talented staff, and partners.



Heidi Krolick

Heidi Krolick, Stewardship Council Executive Director



Conserving **Watershed Lands**. Investing in **Youth**.

Stewardship Council Board Roster

Current as of June 21, 2017

Officers

President: **Art Baggett**

Secretary: **Nancee Murray**

Treasurer/Asst. Secretary:
Mike Schonherr

Vice Presidents

Chair, Fiduciary Committee/Asst. Treasurer:
Truman Burns

Chair, Watershed Planning Committee:
Soapy Mulholland

Chair, Youth Investment Committee:
David Muraki

Directors

Association of California Water Agencies

Board Member: Tim Quinn
Alternate: Dave Bolland

California Department of Fish and Wildlife

Board Member: Sandra Morey
Alternate: Nancee Murray

California Farm Bureau Federation

Board Member: Karen Mills
Alternate: Noelle Cremers

California Forestry Association

Board Member: Kirstin Kolpitcke
Alternate: George Gentry

California Hydropower Reform Coalition

Board Member: Pete Bell
Alternate: Richard Roos-Collins

California Public Utilities Commission

Board Member: Allison Brown
Alternate: Open

California Public Utilities Commission

Public Appointee: Art Baggett, Jr.
Public Appointee: David Muraki
Public Appointee: Chris Nota*

California Natural Resources Agency

Board Member: John Laird
Alternate: Todd Ferrara

California Tribal Interests

Board Member: Larry Myers
Alternate: Ken Tipon

Central Valley Regional Water Quality Control Board

Board Member: Soapy Mulholland
Alternate: Bob Schneider

Office of Ratepayers Advocates

Board Member: Truman Burns
Alternate: Open

Pacific Gas & Electric Company

Board Member: Mike Schonherr
Alternate: Open

Rural Counties Representatives of California

Board Member: Lee Adams
Alternate: John Viegas

State Water Resources Control Board

Board Member: DeeDee D'Adamo
Alternate: Jeff Parks

The Trust for Public Land

Board Member: David Sutton
Alternate: Ann Cole

U.S. Forest Service

Board Member: Liz Berger

*Ms. Nota was appointed to serve in the Stewardship Council seat on the Youth Outside board of directors commencing July 1, 2017



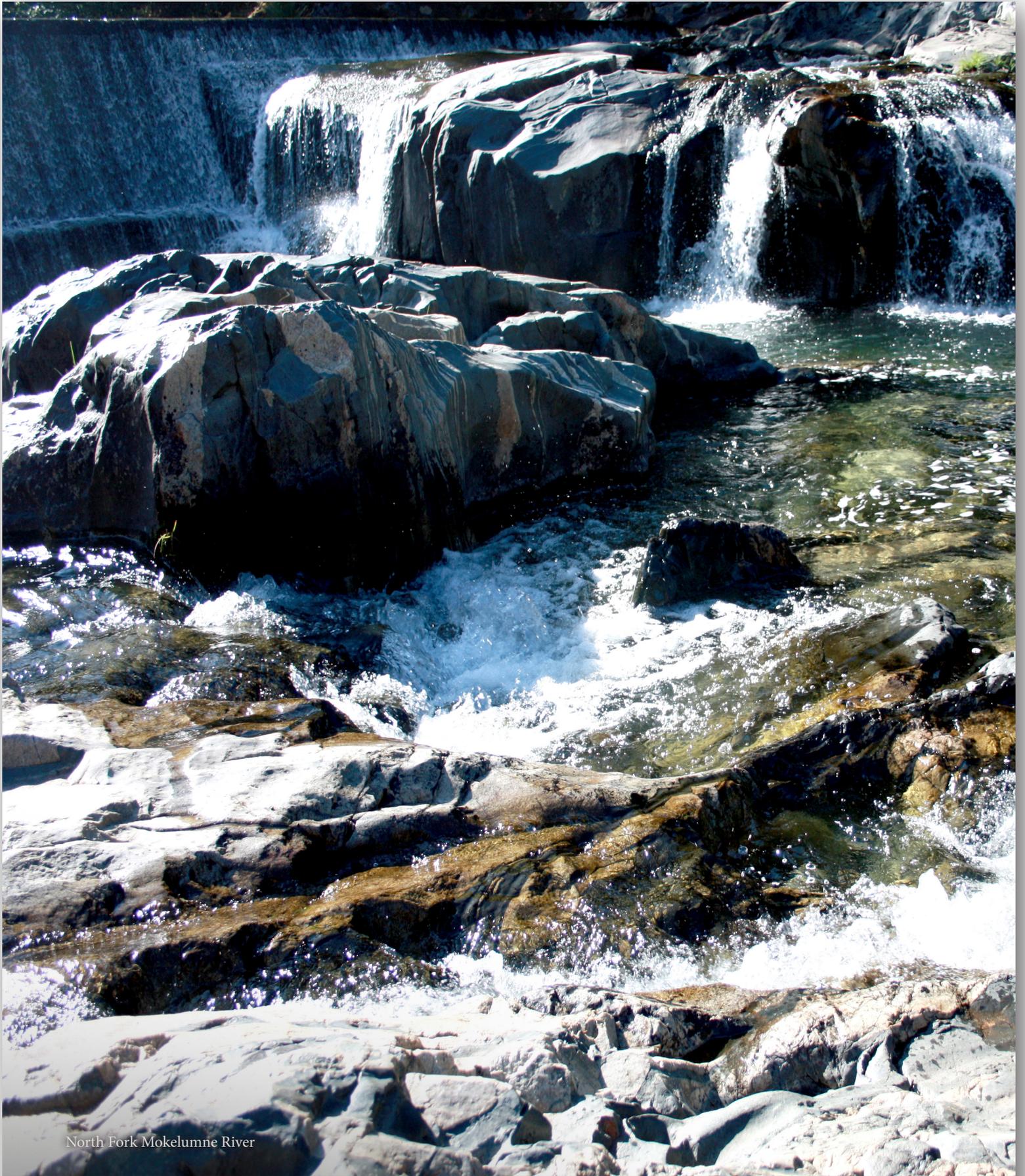
Directors with Land Trust Experience



Ann Cole was appointed to the Stewardship Council Board by the Trust for Public Land in 2016 and has contributed a valuable land trust and conservation perspective to the Board, the Watershed Planning Committee, and Conservation Easement Work Group since her arrival. Ann has been the Executive Director of the Mendocino Land Trust since 2013. Before that, Ann practiced law in the San Francisco Bay Area and was with the Trust for Public Land for ten years as both a Senior Project Manager and the Associate National Director of Projects. At the Trust, Ann completed numerous conservation deals and led a project review team for their national headquarters. After moving to Mendocino County, Ann directed the Leadership Mendocino Program and served on the Board of Mendocino County Public Broadcasting before joining the Mendocino Land Trust.

Soapy Mulholland was appointed to the Stewardship Council Board by the Central Valley Regional Water Quality Control Board in 2007 and has served in a leadership role for the Stewardship Council for over eight years. She has been Vice President and Chair of the Watershed Planning Committee since 2009 and has provided valuable expertise on the Conservation Easement Work Group. Soapy brings a wealth of experience through her involvement in the land trust, ranch management, land development, conservation, and agricultural fields. Soapy is the President and CEO of the Sequoia Riverlands Trust (SRT). She joined SRT as Executive Director in March 2002. She currently is Vice Chair of the Leavens Family Ranches LLC Board of Directors and serves on the Executive Committee of Tejon Ranch Conservancy Board of Directors; the Aldo Leopold Award selection committee; the Sierra Nevada Conservancy cabinet; Stakeholder to five Groundwater Sustainable Agencies in Tulare County; Advisory Committee for Sustainable Conservation; Working group for the California Economic Summit; and the Graham Osborn Ditch Water Company Board, on which she has served for 20 years.





North Fork Mokelumne River

Land Conservation Program



Sterling Lake

Land Conservation Program Update

The Stewardship Council Land Conservation Program is in the midst of implementing a Land Conservation Plan to preserve and enhance over 140,000 acres of PG&E Watershed Lands. These lands are located across 21 counties in the Sierra Nevada and Cascade ranges and the Eel River Watershed. The goal is to protect and enhance six beneficial public values (BPVs): outdoor recreation, sustainable forestry, agriculture, habitat, open space, and historic and cultural resources. The Stewardship Council continues to work with PG&E on the donation of a significant portion of the Watershed

Lands to qualified entities, to establish conservation easements, to promote new collaborative partnerships, and to fund enhancement projects.

Moving Forward with Land Donations and Conservation Easements

Approximately 38,500 acres of Watershed Lands are anticipated to be donated to 13 organizations recommended by the board, and 12 nonprofit and public entities have been recommended to hold conservation easements on the Watershed Lands.

Continued on next page

All entities will protect the BPVs of the Watershed Lands in perpetuity. The Stewardship Council provides endowments to each conservation easement holder to fund the cost of monitoring, stewardship, and legal defense and enforcement of conservation easements. Conservation covenants held by the Sierra Nevada Conservancy will be established on lands donated to the United States Forest Service.

To date, the Stewardship Council Board has approved 49 Land Conservation and Conveyance Plans for conservation easement, conservation covenant, and fee title donation transactions. These plans describe how the transactions satisfy the requirements of the Settlement Agreement and Stipulation on 46,352 acres. A total of 19 transactions have closed to date. Nine conservation easements have been recorded on 4,700 acres retained by PG&E at the Doyle Springs, Iron Canyon, Kern River, Narrows, Lower Bear Area, Middle Fork Stanislaus River, Fordyce Lake, and Merced River planning units. PG&E has conveyed a total of 3,089 acres in fee to the University of California, Tuolumne County, Auburn Area Recreation and Park District, Placer County, and the United States Forest Service.

Environmental Enhancement Program

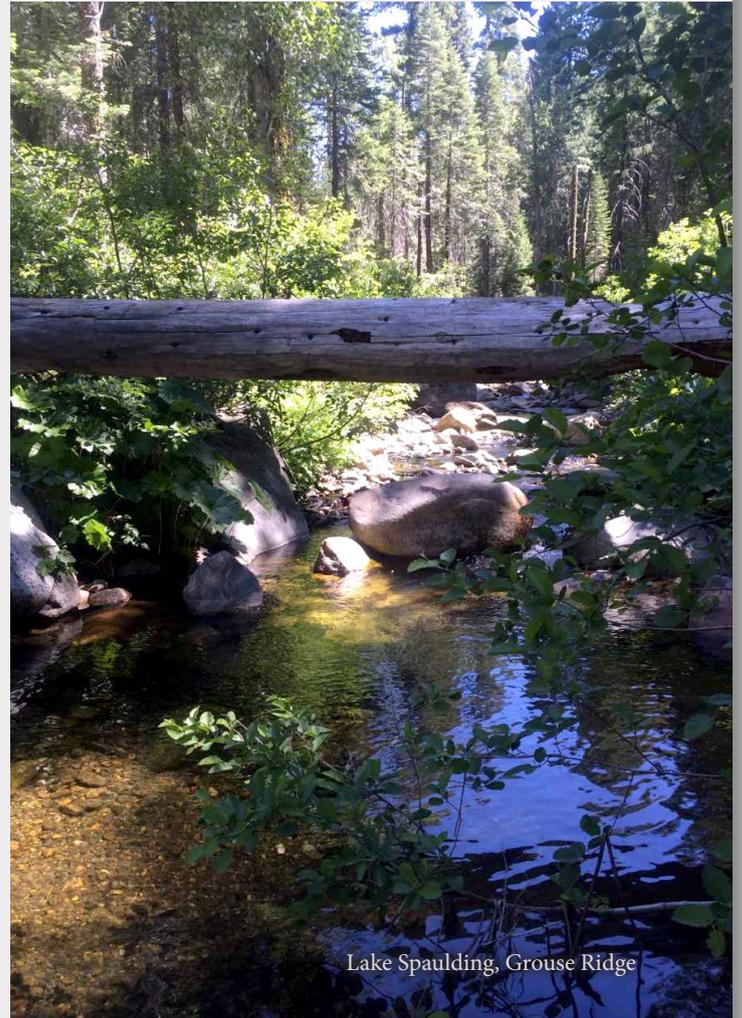
The Stewardship Council Enhancement Program awards grants for projects that enhance the BPVs of the Watershed Lands and promote partnerships between the landowner, the conservation easement holder, local communities, youth, and/or other stakeholders. Stewardship Council staff has been working to identify high priority enhancement projects drawing on information and ideas generated by stakeholders through the Stewardship Council’s public outreach process, as well as input from recommended future landowners and conservation easement holders. To date, the Stewardship Council has awarded 19 grants, totaling approximately \$2.8 million, to 12 organizations for enhancement projects and anticipates making additional grant awards in the future.

Selected Conservation Easement Holders
Bear Yuba Land Trust
California Department of Fish and Wildlife
Ducks Unlimited
Feather River Land Trust
Mendocino Land Trust
Mother Lode Land Trust
Northern California Regional Land Trust
Placer Land Trust
Sequoia Riverlands Trust
Shasta Land Trust
Sierra Foothill Conservancy
Western Shasta Resource Conservation District
Selected Fee Title Donees
Auburn Area Recreation and Park District
California Department of Forestry and Fire Protection (CALFIRE)
California Department of Parks and Recreation
Fall River Resource Conservation District
Fall River Valley Community Services District
Madera County
Maidu Summit Consortium
Pit River Tribe
Placer County
Potter Valley Tribe
Tuolumne County
United States Forest Service
University of California Regents for lands to be managed by the Center for Forestry or the Sierra Foothill Research and Extension Center

Donation of Lands to the University of California to Facilitate Climate Change Research

In December of 2016, 1,459 acres at Grouse Ridge in the Lake Spaulding planning unit in Nevada County were transferred to the University of California (UC). The Stewardship Council has recommended over 6,000 acres be donated in fee to UC to be managed by the UC Berkeley Center for Forestry. The Grouse Ridge Forest is the first research forest property to be transferred and will provide an opportunity for students of all levels within the UC system to gain research experience on issues critical to the state. Specifically, the Grouse Ridge Forest will be used to study the effects of climate change on forest ecosystems and forest management techniques. In a press release from the UC Cooperative Extension from January of 2017, J. Keith Gilles, Dean of the UC Berkeley College of Natural Resources and professor of forest economics, stated that these donated acres are important “as a space for studies on both mitigation of and adaptation to climate change.” Bill Stewart, Forestry Specialist and Co-Director of the UC Center for Forestry and Center for Fire Research and Outreach, stated that this new addition of research forest land will be a “living laboratory to help learn how we can increase the resiliency of these critical watersheds over the next century.”

The Stewardship Council has recommended that UC receive a donation of two additional forested properties at the Pit River planning unit in Shasta County, and at the Bear River planning unit in Placer and Nevada Counties. These three land donations will nearly double the current research forest acreage owned by UC and will extend the opportunity for diverse climate change and forest management research in the Sierra Nevada and Cascade regions. The PG&E Watershed Lands donated to UC will be protected from uses that would significantly impair the BPVs by a conservation easement held by a local land trust.



Lake Spaulding, Grouse Ridge

“A living laboratory to help learn how we can increase the resiliency of critical watersheds over the next century”

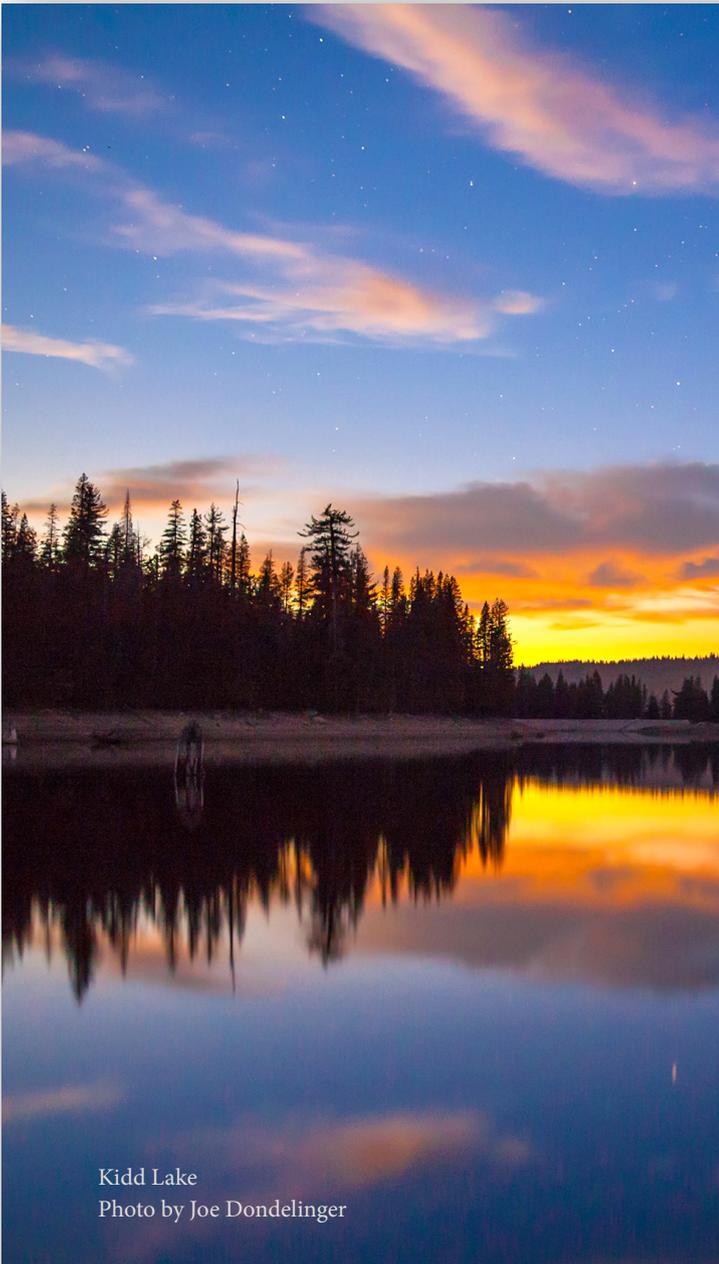
Bill Stewart, UC Center for Forestry and Center for Fire Research and Outreach

Land Trust Highlight: Placer Land Trust

Founded in 2002, Placer Land Trust (PLT) is a non-profit organization working to protect and enhance Placer County's open space, natural and agricultural lands, and recreational areas including parks, trails, and natural playgrounds. The Stewardship Council has selected PLT to hold conservation easements over more than 6,200 acres in the Lower Drum, Fordyce Lake, Lake Spaulding, and Bear River planning units. This diverse portfolio of lands includes critical forest and watershed habitat as well as valuable public recreation areas including lakes, trails, and public parks.

To date, two fee donation transactions with the conservation easement held by PLT have closed in Placer County. In June of 2016, 16 acres were transferred to the Auburn Area Recreation and Park District (ARD) at Christian Valley Park in Auburn. ARD has been operating programs at the park since 2001. Owning the park lands outright gives ARD the ability to plan for the long term, rather than only for year-to-year programming and improvements. Additionally, a transfer to Placer County of 10 acres at the Bear River, Pinecroft Reserve property in the Lower Drum planning unit was completed in early 2017. The newly acquired property is adjacent to the Bear River Campground which is managed by Placer County.

PLT and PG&E also recently completed and closed their first PG&E retained lands transaction, 248 acres at the Fordyce (Kidd and Cascade Lakes) planning unit, a popular destination for recreation. PLT is working on five additional PG&E retained land conservation easements with PG&E. The two parties will work closely together in the coming years to complete the remaining retained lands transactions, develop annual work plans, and conduct annual monitoring visits on each property.



Kidd Lake
Photo by Joe Dondelinger



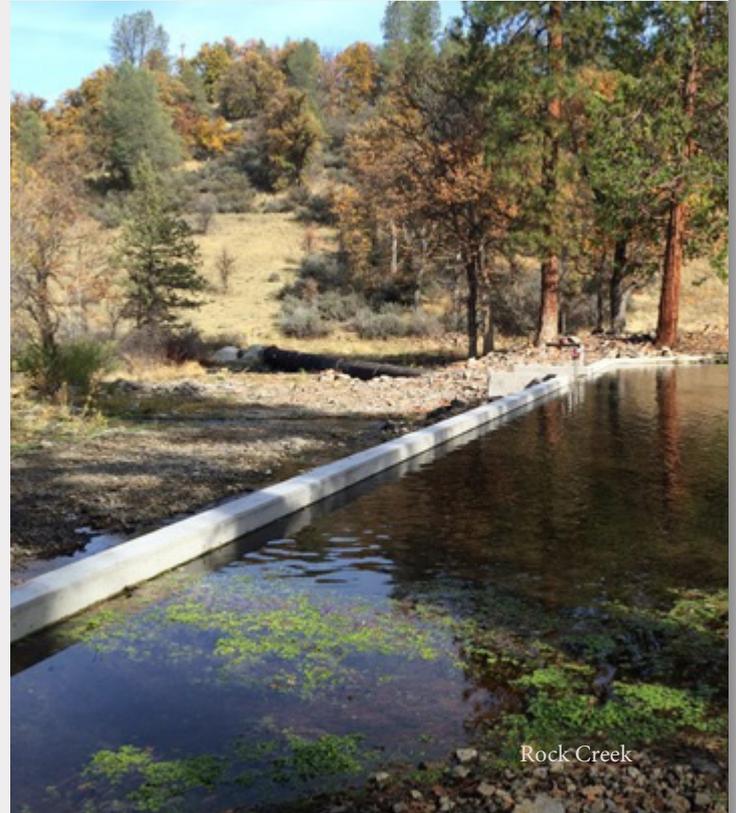
Christian Valley Park Dedication

Rock Creek Meadow Restoration Project and Shasta Crayfish Reintroduction

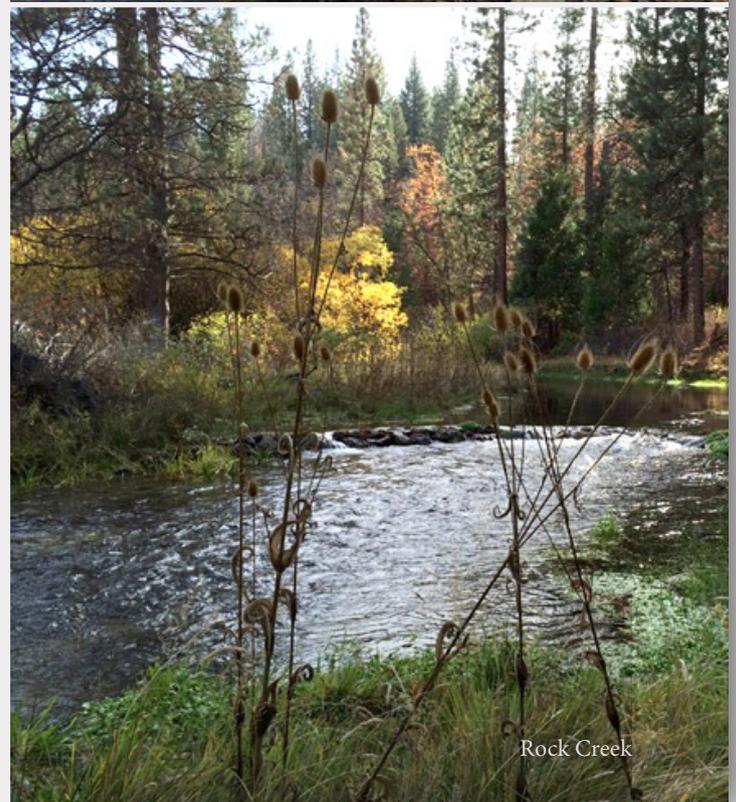
The Rock Creek Meadow Restoration Project, a joint venture between Spring Rivers Foundation, the United States Fish and Wildlife Service (USFWS), California Department of Fish and Wildlife (CDFW), UC Davis, Fall River Unified School District, and Spring Rivers LLC, was funded by the Stewardship Council to revive and re-water a channel of Rock Creek and restore the surrounding meadow to create a supportive environment for the Shasta crayfish, an endangered species. In 2016 the project partners restored and re-watered approximately 650 feet of Rock Creek channel and created approximately 13,550 square feet of refuge habitat for the federally and state-listed endangered Shasta crayfish by relocating the CDFW Crystal Lake Hatchery water diversion dam downstream of Rock Creek Meadow.

Between 2015 and 2016, after permits and designs were in place, restoration of the historic stream channel was completed and a new diversion dam and supply line were constructed at the downstream end of the Rock Creek Meadow. The final phase, the crayfish reintroduction, will likely be completed by the end of 2017.

The Stewardship Council Enhancement Program is also funding three Youth Initiative Programs in conjunction with the Rock Creek Meadow enhancement project. Over the past year, Spring Rivers summer interns have learned firsthand about the work aquatic ecologists and restoration biologists do in the field by helping with revegetation and restoration of the Rock Creek channel. Post restoration, Fall River High School Advanced Biology students are also helping monitor aquatic insects in Rock Creek, and students involved with the UC Davis Restoration Ecology for Endangered Species program will be conducting additional monitoring of the restored Rock Creek channel in the coming years.



Rock Creek



Rock Creek

Hat Creek Restoration Project

Located in Shasta County, Hat Creek is part of one of the largest freshwater spring systems in the country and is the first ever designated Wild Trout Stream established by CDFW. In 2014, CalTrout, a non-profit organization whose mission is to protect and restore wild trout, steelhead, and salmon species and their habitat throughout California, was awarded a \$1.4 million enhancement grant to restore a 1.5 mile stretch of PG&E land at Hat Creek and to enhance public access to the project area. The Stewardship Council grant also provided funding to the Pit River Tribe to preserve the long-history of Native American ancestral ties to the area and to Lomakatsi Restoration Project for engaging tribal adults and youth in meaningful restoration through their established workforce training and employment program.

Significant progress has been made on the Hat Creek Enhancement Project since the funding was awarded. In 2015, the majority of the in-stream wild trout habitat work was successfully completed through introduction of natural debris into the creek bed, riparian plant maintenance as well as the removal of 6.3 acres of noxious weeds and introduction of native vegetation along the riparian boundary. In 2016, the project partners built a scenic picnic area and informational kiosk, relocated the parking lot to a less environmentally sensitive area, and completed the construction of 1.5 miles of trails along Hat Creek. Cal Trout also employed contractors to construct and install a pedestrian bridge which connected two trails used for fish and wildlife viewing and improved fishing access. Lomakatsi Restoration Project employed twenty Pit River Tribal members who provided leadership and expertise throughout the year to accomplish these critical project phases.

Going forward, the Stewardship Council grant will continue to fund maintenance of the trails, the parking area, and interpretive elements, as well as the native species and in-stream habitat monitoring.

The project partners are still working to protect several historic sites in the project area through additional fencing, landscaping and signage. The Stewardship Council grant will fund the continuation of the tribal youth initiative and tribal workforce program, which will assist in interpretive work as well as the ongoing maintenance of the project.



Lomakatsi Restoration Project employed twenty Pit River tribal members who provided the leadership and expertise throughout the year to accomplish these critical project phases.



Youth Outside



Youth Outside Update

Youth Outside 2016 highlights

In 2005, the Stewardship Council established a Youth Investment Program to support outdoor and environmental programming for youth. The Stewardship Council created the Foundation for Youth Investment (FYI) in 2010 to sustain this important work beyond the life of the Stewardship Council. In 2013, the Stewardship Council awarded a \$10.76 million grant to FYI to connect underserved youth in the PG&E service area to the outdoors.

FYI changed its name to Youth Outside in 2015 to reflect the heart of their work: connecting youth to nature by eliminating barriers, providing resources, and promoting outdoor programming as essential for building healthy lives and inspiring future stewards of our planet. Youth Outside established a Theory of Change in which key strategies were identified to increase its impact on the field of outdoor and environmental education.

Strategic Priorities

Youth Outside funds programs, develops leaders, and challenges assumptions about who values the outdoors. They advocate for the inclusion and representation of diverse populations, especially those who have had historical and systemic barriers to

Youth Outside Mission: Youth Outside connects youth to nature by eliminating barriers, providing resources, and promoting outdoor programming as essential for building healthy lives and inspiring future stewards of the planet.



accessing the outdoors, because of the magic that happens when young people connect to the great outdoors.

Board Development

In 2016, Youth Outside successfully on boarded a total of five new members to its Board of Directors. In addition to Kathleen Barbarino, Principal Business Analyst with PG&E; Liwen Mah, an attorney at Nature Conservancy; and Laura Vollmer, Policy Analyst at the University of California's Nutrition Policy Institute; they were excited to welcome Katrina Strafford, Vice President, Marketing at Unity Technologies and Scott Murray, an attorney with Apple. They also celebrated the contributions of two board members, Jayne Battey and Kara Kelly as their

Continued on next page

terms with Youth Outside came to an end. Youth Outside continues to actively engage prospective board members.

Fund Development

Youth Outside ended the 2016 year with 100% Board giving. Leading 2016 support came from The San Francisco Foundation (\$30,000 for Youth Outside's Outdoor Educators Institute), the Clarence E. Heller Charitable Foundation (\$15,000 for OEI), and several small grants for general support from the PG&E Corporation Foundation, Palo Alto Medical Foundation, Skoll Foundation, and the Martin Foundation, in addition to a growing base of individual donors.

Programs

2016 Grantee Cohort Series

Youth Outside hosted the second year of the Grantee Cohort Series, aimed at creating opportunities for organizations to network, partner, and learn from each other. Grantees from both 2015 and 2016 came together to participate in the Series to explore what it means to remain a healthy and culturally relevant organization. The series culminated with a share-out from the participants on the ways in which they have been able to collaborate or plan to collaborate in 2017.

Cultural Relevancy Series

With a grant from the David and Lucile Packard Foundation and the Morgan Family Foundation, Youth Outside facilitated a Cultural Relevancy Series for environmental education organizations of the South Bay. This 6-session program was developed in response to the expressed need to build the capacity of organizations' leadership, staff, and board on cultural relevancy, equity, and inclusion. The Series culminated in October 2016 with presentations from each organization on their project and lessons learned.

Rising Leaders Fellowship

The second cohort of Youth Outside's Rising Leaders Fellowship launched in April 2016. The Fellowship supports the professional development of diverse, rising leaders who currently hold an entry to mid-level position within an outdoor programming or outdoor education organization. A cohort of ten participants successfully completed the program in December of 2016 and spent the final session presenting on the culturally relevant programming they developed in teams.

Outdoor Educators Institute

The Outdoor Educators Institute (OEI) has graduated 59 total participants since 2012, and in 2016, 78% of OEI graduates were placed into hired positions. Youth Outside received a \$30,000 grant from the San Francisco Foundation to increase the size of the OEI cohort. Fifteen participants successfully completed the four month long series. Each year, OEI partners with Bay Area outdoor and environmental organizations to provide trainings ranging from adaptive outdoor experiences to kayaking and rock climbing.

Grantmaking Highlights

In 2016, Youth Outside awarded a \$500,000 Infrastructure Grant to the Trust for Public Land to help complete the restoration of Hilltop Park in the Bayview neighborhood of San Francisco. The \$6.7M renovation project was funded largely by AB32, but completed thanks to a coalition including Trust for Public Land, San Francisco Recreation and Parks Department, the community organization Parks 94124, and local residents, in an effort to bring open land and space to children in all areas of the city. Youth Outside was proud to allocate the \$500k Infrastructure Grant to support the development of park designs identified by Bayview residents as critical to making Hilltop Park a safe and vital community resource. The park reopened to the public on December 3, 2016.

Youth Investment Program



Youth Outside 2016 Grants

In 2016, Youth Outside awarded multi-year grants to 19 organizations, totaling \$820,000. These grants serve youth in several regions of PG&E's service area, providing transformational outdoor education and open space experiences. Additionally, Youth Outside supported ten partner agencies by granting a total of \$30,000 for program delivery of the Outdoor Educators Institute. For more information, please visit youthoutside.org.

2016 Multi-Year Grants

Brothers on the Rise \$15,000 awarded in 2016, second and final installment of a grant award for their programs which provide access to nature to low-income urban youth of color, integrating outdoor-based life skills, leadership development, and environmental career opportunities.

Brown Girl Surf \$15,000 awarded in 2016, second and final installment of their grant award to support programs that integrate awareness of marine and coastal ecology through hands-on explorations and projects, while surfing. This program provides girls with an opportunity to confront and overcome fear, and develop skills in self-reliance, confidence, and leadership.

Center for Land-Based Learning \$18,000 awarded in 2016 for a program inspiring and motivating people of all ages to promote a healthy interplay between agriculture, nature, and society through their actions and as leaders in their communities.

Gateway Mountain Center \$45,000 awarded over a two year period in support of their youth development and wellness programs for underserved teenagers in the Placer and Nevada counties to open young people's hearts, minds, and bodies to their inner and outer environments, and to their role as

stewards of our world through outdoor and environmental programming.

Growing Up Wild \$20,000 awarded in 2016 for their bilingual nature adventure program that helps economically disadvantaged youth and families in the Watsonville area develop a connection to nature, life skills, and physical fitness.

LandPaths \$41,000 awarded over a two year period. LandPaths connects youth of all backgrounds to nature, encouraging the mutually beneficial relationship that exists between people and the land. With great intention and efforts made to reach those not typically represented in the outdoors, LandPaths finds innovative ways to make the outdoors relevant, accessible, and welcoming to historically underrepresented populations, particularly the Latino community.

Literacy for Environmental Justice \$20,000 awarded in 2016 for their programs that serve underrepresented youth from the Bayview-Hunter's Point neighborhood, engaging teen interns, and recruiting hundreds of youth to participate in diverse nature-based projects and environmental advocacy.

Sunrise Middle School \$40,000 awarded over a two year period to provide outdoor programs to middle school students who are at risk behaviorally and academically that: 1. Provide students with important tools for building self-confidence, teamwork and leadership 2. Help students find peace and balance in the midst of chaotic inner city life 3. Teaches students about science, the natural world, and healthy living 4. Strengthen the bonds between students and teachers and 5. Inspire students to become stewards of the Earth.

The Mosaic Project \$20,000 awarded in 2016 for a program working towards a peaceful future by

Continued on next page

uniting young people of diverse backgrounds, providing them with essential community building skills, and empowering them to become peacemakers at their weeklong outdoor school in Napa. They explore their interconnectedness to the natural world, to each other and their communities through environmental science and socio-emotional curriculum and programming.

Native Alliance of the Sierra Nevada Foothills (DBA Sierra Native Alliance) \$20,000 awarded in 2016 for programming that empowers Native youth and families in the Sierra Nevada Foothills through education, cultural resources, and environmental activities.

Our Wilderness Now \$20,000 awarded in 2016 in support of their community-based programming that empowers youth through nature connection, many of whom are developing their first sensitivity to stewardship of the environment.

Pie Ranch \$15,000 awarded in 2016, second and final installment of their grant award to get young people outdoors for hands-on learning and leadership experiences in environmental stewardship, sustainable gardening and farming, community-building, nutrition, and food justice.

Project Avary (Alternative Ventures for At-Risk Youth) \$20,000 awarded in 2016 for their early intervention and long-term prevention programming for children of incarcerated parents (CIP). Project Avary relies on outdoor education and recreation as a key strategy in improving the lives of CIPs and to break their social isolation. Youth are involved in meaningful and impactful outdoor activities and nature based leadership and career building opportunities, increasing the likelihood that the outdoors will become an integral part of their young adult lives.

Student Conservation Association \$20,000 awarded in 2016 to connect young people to nature and the outdoors to set them on a path to thriving, healthy lives through a continuum of hands-on conservation service opportunities.

The Warrior Institute \$41,000 awarded over a two year period for their programs which provide holistic, innovative solutions to organize and build indigenous leadership in the northern California region by forging new generations of young leaders with balanced (ki:maw) minds, bodies, and spirits who are empowered to create health, economic equality, and environmental justice for the next seven generations and beyond.

Waterside Workshops \$15,000 awarded in 2016, second and final installment of their grant award for providing hands-on learning and outdoor recreation, coupled with nature-based therapeutic services, to help heal their participants, 70% whom are survivors of major trauma.

Watsonville Wetlands Watch \$20,000 awarded in 2016 to foster wetland stewardship among youth by building their personal connection with the wetlands and increasing their understanding of the important ecological functions that the wetlands serve.

Youth Enrichment Strategies \$20,000 awarded in 2016 to provide outdoor camp and community experiences for teens to develop leadership and life skills that promote successful transition to adulthood, and to expose youth to careers in the outdoors.

Outdoor Educators Institute \$30,000 distributed between ten partner organizations that delivered programs and training during the 2016 OEI program. Partner organizations included:

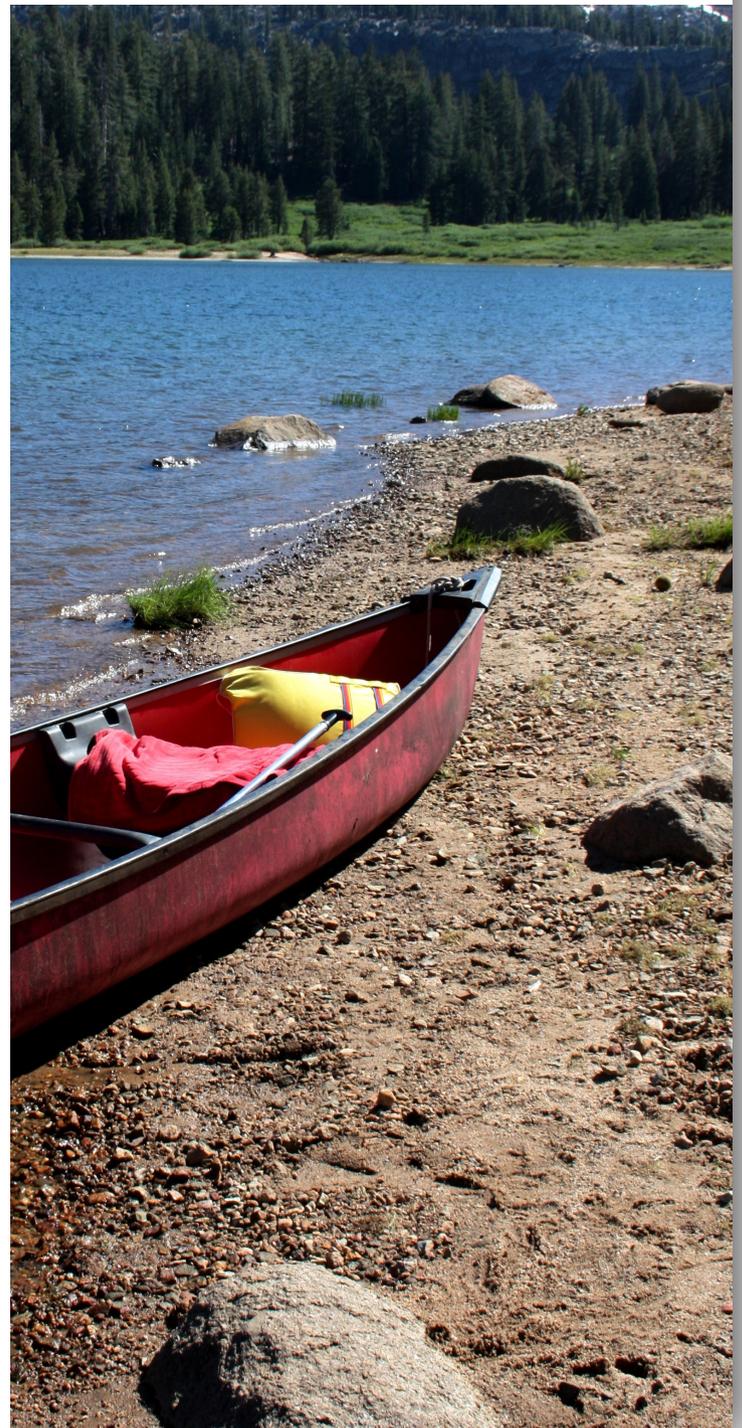
- Acta Non Verba
- Bay Area Wilderness Training
- BEETLES
- Crissy Field Center
- Environmental Travelling Companions
- Foster Calm
- Nature Bridge-Golden Gate
- Outward Bound California
- Pacific Leadership Institute
- YES Nature to Neighborhoods

Land Trust Training and Apprenticeship Program

In 2016, with a portion of our remaining Youth Investment Program funds, the Stewardship Council provided a grant to the California Council of Land Trusts (CCLT) to advance a Land Trust Training and Apprenticeship Program (TAP) for young adults ages 18 to 26. The Stewardship Council's grant is supporting a pilot internship program for seven summer interns and the development of a comprehensive scoping plan for an internship program that would provide a pathway for youth to enter the non-profit conservation profession. CCLT's recruitment and staff development tools and approaches will help the land trust community attract a future workforce that reflects the diversity of landscapes land trusts protect, as well as the changing demographics of the state of California.

The four participating land trusts for the summer internship program are: Feather River Land Trust, Mendocino Land Trust, Sequoia Riverlands Trust, and Wildlife Heritage Foundation. The land trusts selected their interns from over 40 applicants from across the state. CCLT provided a three-day intern training on general conservation basics, land trust structure and operations, and opportunities in conservation. Throughout the 8-week summer internships, CCLT will be in frequent communication with the interns to provide support and get feedback on their experience.

With the development of the scoping plan and the pilot project this year, the Land Trust Training and Apprenticeship program will have a solid foundation to expand to the broader land trust community.



Financial Position

Assets	2016	2015
Cash and cash equivalents	258,455	4,152,486
Investments	45,048,522	45,432,338
Grants receivable	-	-
Property and equipment, net	17,854	17,443
Other current assets	71,725	78,639
Total assets	45,396,556	49,680,906
Liabilities and Net Assets		
Accounts payable and accrued expenses	195,601	198,467
Grants payable	917,955	1,454,483
Total liabilities	1,113,556	1,652,950
Temporarily restricted net assets	44,283,000	48,027,956
Total liabilities and net assets	45,396,556	49,680,906

Activities

Support and Revenue	2016	2015
Grants	-	-
Investment income	562,828	262,319
Gain on disposal of property and equipment	1,214	1,295
Total support and revenue	561,614	263,614
Expenses		
Land Conservation Services	4,210,387	6,029,961
Youth Investment Services	96,183	11,381
Total expenses	4,306,570	6,041,342
Change in net assets	(3,744,956)	(5,777,728)
Net assets, beginning of year	48,027,956	53,805,684
Net assets, end of year	44,283,000	48,027,956

The Stewardship Council's most recent audited financial statements are available for download at the website or via hard copy by calling 916.297.6660.



Ending Cash and Investments

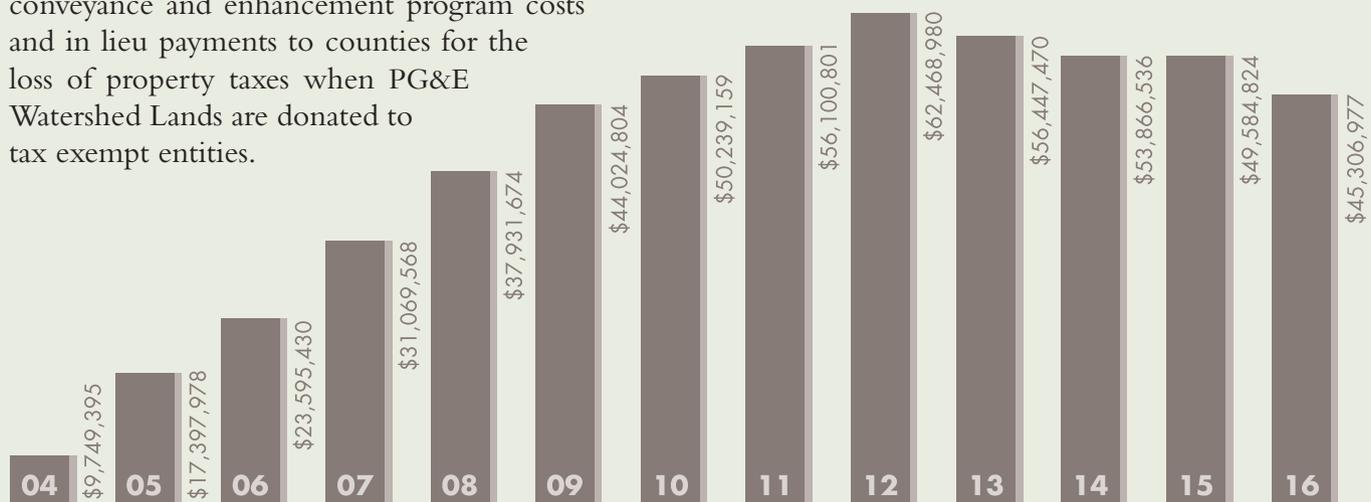
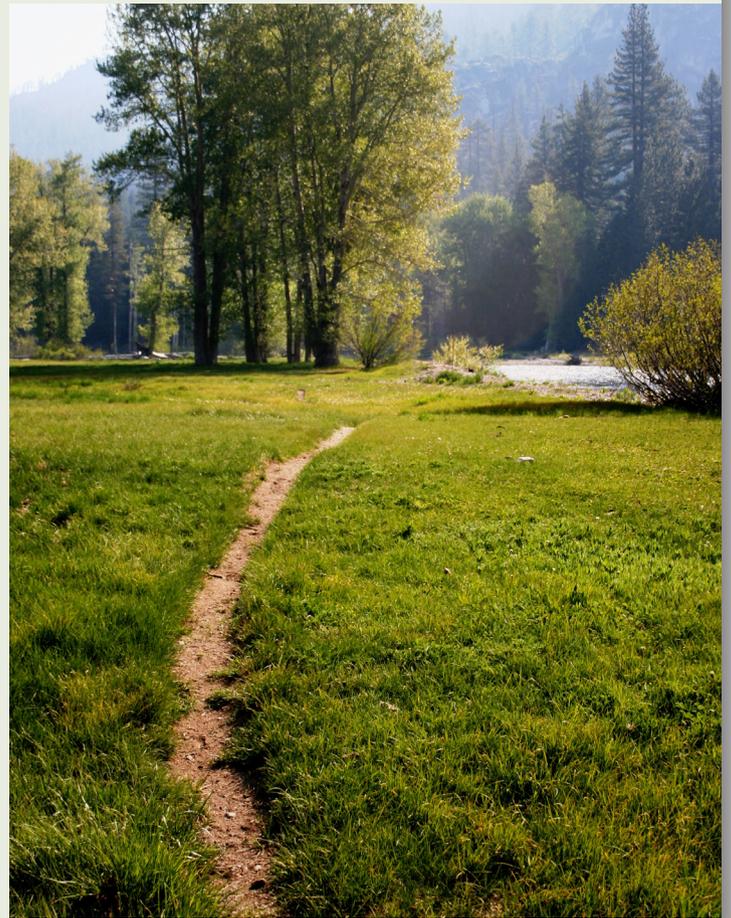
Managing Our Investments

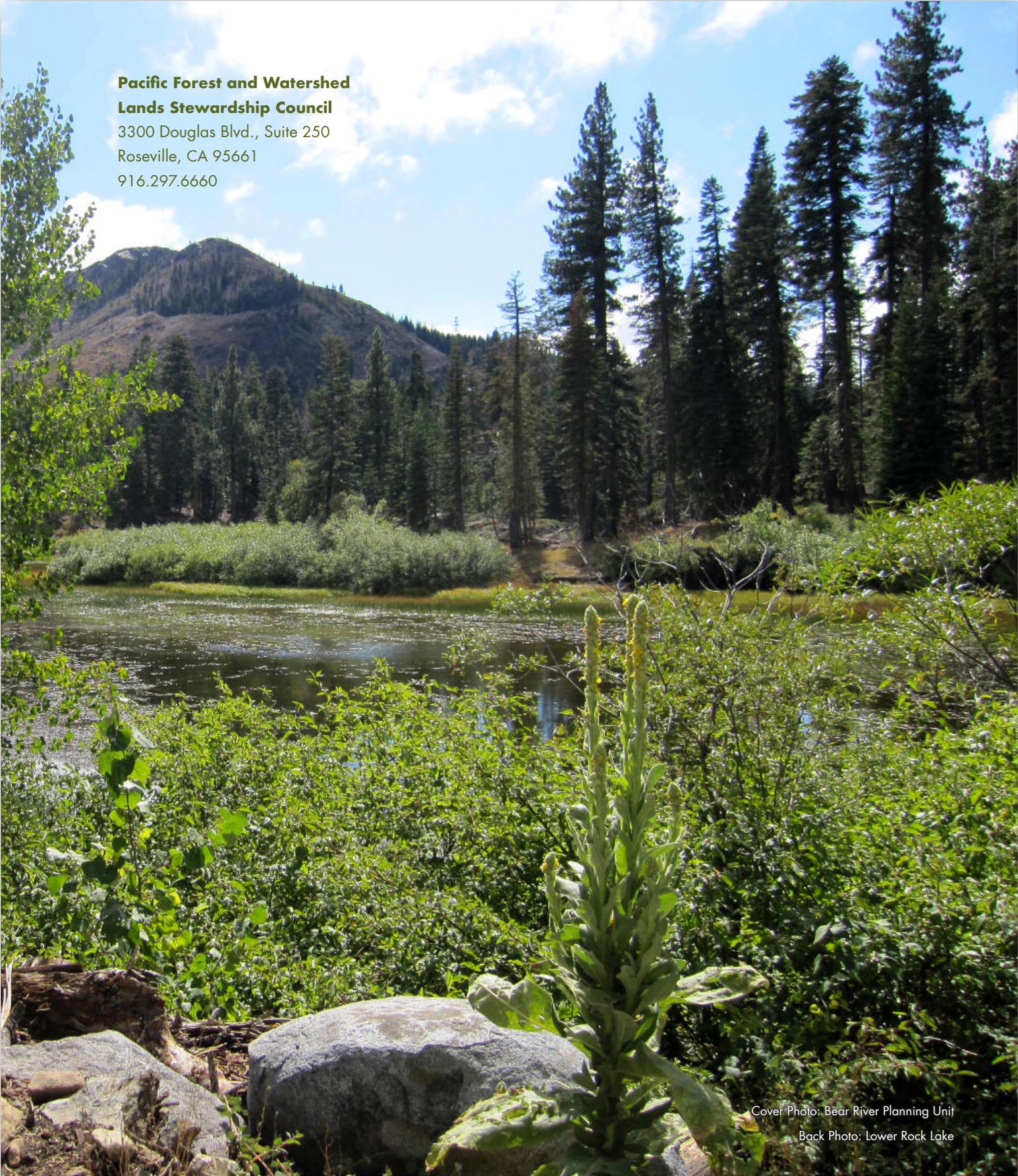
The Stewardship Council continues to manage its funds with great care to preserve funds for future land conservation program activities. Our goal is to minimize risk while earning a return on investments that outpaces inflation. To achieve this goal, the Stewardship Council invests in a diversified pool of high-quality, fixed-income securities and low-duration, fixed-income mutual funds.

The Stewardship Council's conservative investment strategy has resulted in our tenth consecutive year of positive returns. We preserved the principal of ratepayer funds with a 1.1% return in 2016.

Financing Our Efforts

Pursuant to the settlement of PG&E's bankruptcy in 2003, PG&E agreed to fund the Stewardship Council with a \$100 million dollar commitment of PG&E ratepayer funds. PG&E made installment payments of \$10 million dollars annually, with the tenth and final installment payment paid in 2013. The Land Conservation Program received \$7 million dollars annually while the Youth Investment Program received \$3 million dollars annually. A substantial amount of the funds received are reserved for land conveyance and enhancement program costs and in lieu payments to counties for the loss of property taxes when PG&E Watershed Lands are donated to tax exempt entities.





**Pacific Forest and Watershed
Lands Stewardship Council**

3300 Douglas Blvd., Suite 250
Roseville, CA 95661
916.297.6660

Cover Photo: Bear River Planning Unit

Back Photo: Lower Rock Lake

www.stewardshipcouncil.org