

Watershed Agricultural Council

2016 STRATEGIC PLAN



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Development Services Associates*

2016 Watershed Ag Council Strategic Plan

INTRODUCTION	1
STRATEGIC CHALLENGES	2
#1. Organizational Governance	2
#2. Partnership & Public Relations	4
#3. Management Infrastructure	5
#4. Additional Organizational Challenges	6
PROGRAMMATIC CHALLENGES	7
Ag Program Challenges	7
Conservation Easement Program Challenges	8
East of Hudson Program Challenges	10
Economic Viability Program Challenges	10
Forestry Program Challenges	11

INTRODUCTION TO THE 2016 WAC STRATEGIC PLAN

For over 20 years, the Watershed Agricultural Council (WAC) has played a critical role in identifying and implementing environmental protection and economic viability initiatives related to working landscapes within the New York City's watersheds. In the 23 years since its founding, WAC has grown and matured. It oversees more than 350 active whole farm plans and has completed over 1300 forest management plans. Its conservation footprint includes 25,000 acres of conservation easements, over 120,000 acres of managed forest acreage and more than 165,000 acres of farmland. WAC's annual budget is more than \$15 million and it has a staff of nearly 50 employees and 24 subcontracted staff.

In early 2015 WAC's leadership began conversations with Development Services Associates about completing a strategic review of the organization and its programs. WAC completed its first comprehensive strategic plan in 2004 and updated that plan in 2010. Since WAC's mission, vision and values were thoroughly vetted during the 2004 and 2010 strategic planning cycles, the current strategic planning process focused on WAC's effectiveness at achieving its overall mission and whether its programs are effective at accomplishing their deliverables. A primary goal of this process was to identify new and/or revised strategies to further WAC's mission and provide a foundation for the long-term success of the organization.

The strategic plan is divided into two main sections:

1. Strategic Challenges – that addresses the organization level strategic challenges and recommendations; and
2. Programmatic Challenges – where challenges facing the Agricultural, Conservation Easement, East of Hudson, Economic Viability and Forestry Programs are discussed.

It is important to note that there are some programmatic challenges that also require broader organizational focus and involvement. By far, the most important of these deals with the Ag Program design and the sustainability of its BMP implementation strategy.

THE STRATEGIC CHALLENGES

It's important to remember that when the Watershed Ag Council was founded there were no guarantees that it would be successful. WAC has been effective in making progress toward its mission and has a history of accomplishments. Those accomplishments have helped to maintain water quality without the need for mandatory regulations, while ensuring that farms and forests remain a vital part of the Watershed communities.

After 23 years, WAC has matured as an organization. What started as a staff of three employees is now a staff of nearly fifty, with an additional 24 staff contracted through its partner agencies. Over that same 23 years WAC's budget has grown from roughly three million dollars to over fifteen million dollars. The fact that WAC is now one of the largest land trusts in New York (if not the northeastern U.S.) means that it has an obligation to steward its 25,000 acres of conservation easements 'in perpetuity'.

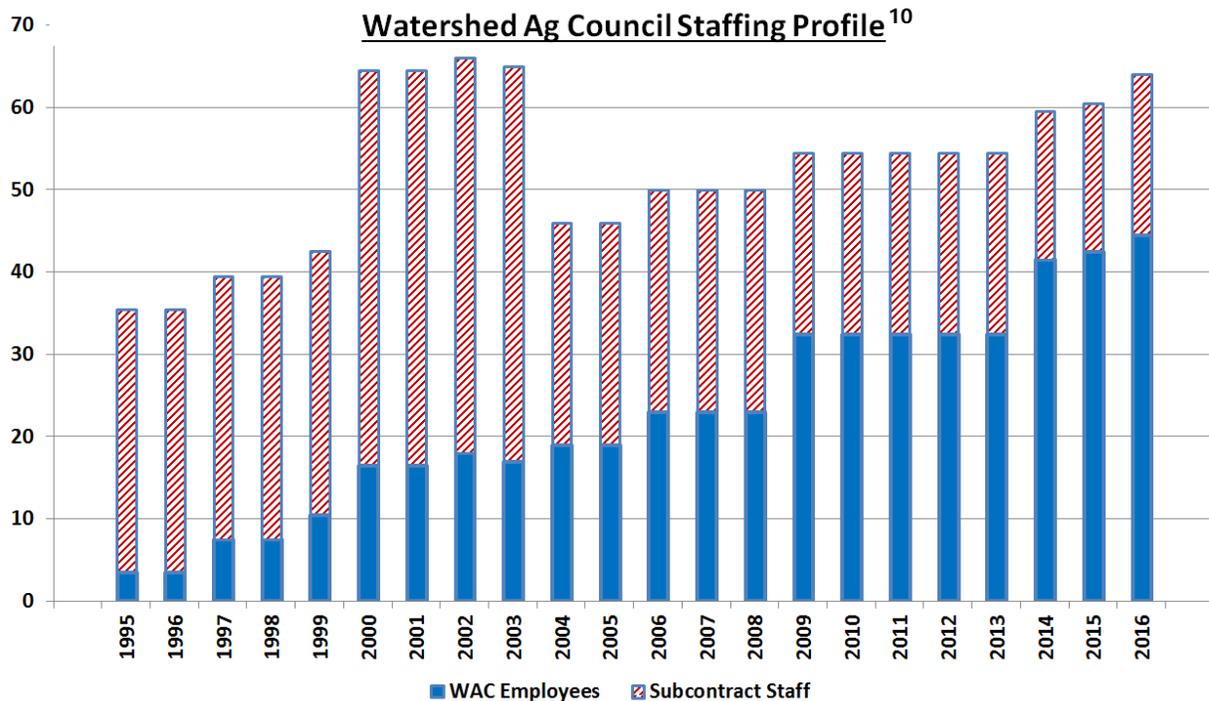
Yet the sustainability of any nonprofit organization is built on more than just the strength of its staff and its programs. As an organization grows and matures, organizational capacity and infrastructure become increasingly important. As this strategic plan indicates, while there are areas for improvement across several of WAC's program areas, some of the more pressing challenges to its continued long-term success and sustainability are its organizational capacity and infrastructure. Addressing those challenges will help WAC adapt to changes in its external as well as internal environment, and help it become more effective at utilizing its program and human resources.

The following is a summary of the challenges identified during the strategic planning process and some recommendations for improving WAC's organizational capacity and infrastructure.

Strategic Challenge #1 – Organizational Governance

When WAC was founded its program activities were primarily carried out by staff contracted through outside agencies.¹ That staffing structure required a board and committee governance model that can best be characterized as a 'working board', where Council directors and committee members were deeply involved in the decision-making of the organization. As WAC has grown and hired its own staff, it has developed program policies and guidelines that have enabled its board and committees to shift more toward an 'oversight and governance' model. This shift from a 'working board' to 'oversight and governance' model is important, yet it is clear that there are still many vestiges of the 'working board' model with WAC's Council and committees. The Council and its committees

¹ See the Watershed Ag Council Staffing Profile below.



spend most of their time listening to reports about operational activities and concerns. Council and committee members often get too involved in discussions about the details of program and staff activities. The result is the Council and committee members often spend hours in meetings, yet the most persistent and difficult organizational issues remain unaddressed and unresolved.

Recognizing that an organization's work on improving its governance functions is a continuous process, we recommend WAC consider the following:

- a) Ongoing Council/Committee Training – In the past WAC has conducted periodic board training, usually as the result of recommendations contained in some type of strategic review. WAC should work with an outside agency/consultant to develop an ongoing curriculum of board training that not only addresses the basics of board responsibilities, but provides advanced learning experiences for tenured Council and committee members.
- b) Annual Council/Committee Self-Assessments - The Council Chair, working with the Executive Committee, should work to implement a board and committee self-assessment process. These self-assessments should focus on the overall board/committee effectiveness, as well as the effectiveness of their members, and be conducted annually.
- c) Develop Annual Council/Committee Work Plans – To help ensure that Council and its committees remain focused on improving their governance functions, they each should develop work plans that include the initiatives they will undertake to improve their governance abilities, including implementation of the recommendations found in this report.

² Headcount data provided by WAC's Finance Department.

- d) Track All Recommendations – To provide the necessary leadership and oversight, Council should receive and review a quarterly report from the Executive Director updating the status on the recommendations from this report.
- e) Council/Committee Recruitment Strategy/Plan – Recruiting qualified Council and committee members has been an ongoing challenge for WAC. While finding qualified board members is a common challenge for many nonprofits, one of biggest barriers to WAC's board recruiting is the limitations it places on the board recruitment process. WAC needs to broaden its recruitment process and become more diverse.
- f) Adopt Staff Tools that Facilitate Council/Committee Governance – There are several tools that the Council and each committee should consider having staff adopt to enable the shift to more effective governance. These include the use of regular management memos and dashboards/scorecards, as well as adopting the principles of completed staff work.

Strategic Challenge #2 – Partnership & Public Relations

Since its formation, engaging public participation and developing partnerships have been key to WAC's success. From the outset, agencies such as the local Soil & Water Conservation District, the Natural Resource Conservation Service and Cornell Cooperative Extension have been critical partners for implementing its core programs. New York City's Department of Environmental Protection (DEP) has been a primary funding partner, accounting for 94% of WAC's total funding over the past twenty-three years. The critical role that these partnerships play for WAC is even recognized in its mission statement. While much of the organizational success of WAC's programs can be directly attributed to partnering organizations and landowner participation, there are some ongoing challenges with its partnerships and with navigating the political climate of implementing watershed protection programs.

We recommend WAC consider the following actions as first steps toward improving its partner and public relations:

- a) Establish Partnership Meetings – The Executive Director and Council Chair will prioritize improving partnership relationships through regular meetings that identify problems early and work to find solutions.
- b) Create & Implement a Public Relations Plan – Charge the Executive Director, working with Council and staff, to develop a public relations plan that supports and furthers WAC's mission.
- c) WAC's Advisory Committee – WAC's Advisory Committee needs to be reconstituted and revitalized. Consideration should be given to the frequency of the Advisory Committee meeting (perhaps annually) and the purpose of future Advisory Committee meetings.

- d) Strengthen Mechanisms for Participant Feedback – While WAC does have some tools to gather participant feedback, these tools are designed to assist the program and not for gathering participant feedback for Council and/or committee use. Implement a feedback mechanism that Council and committees can use to assess how participants view WAC, its programs and their value.

Strategic Challenge #3 – Management Infrastructure

As WAC has grown and matured as an organization, there are aspects of WAC's management infrastructure that have not kept pace. For instance, the Ag Program has grown from a staff of a 6 just eight years ago to a staff of nearly 20 today, yet the management structure for the program has not changed. Likewise, as WAC's programs and staff have grown and matured, so has the need for cross program coordination. Yet management structures and processes have not been put in place to ensure that problems related to cross-program communication and collaboration are proactively identified and addressed. At the same time, while some of these issues have been identified by WAC's management team, Council lacks the mechanisms to get visibility to these issues, prioritize them, and hold management accountable for resolving them. The recommendations that follow will help to address this situation.

- a) Employee/Management Feedback Mechanisms – Council needs to have some mechanism for assessing the internal 'health' of its employee environment. Council should work with the Executive Director, the Senior Leadership Team, the Employee Leadership Team and the Human Resources Director to implement employee and management feedback mechanisms. Consider the use of employee surveys.
- b) Restructure the Senior Leadership Team to Promote a More Proactive and Cross-Programmatic Approach – Several issues identified throughout this report stem from a basic breakdown in cross-programmatic communication. WAC's Executive Director should consider implementing the proposal made by several managers to revamp the structure and purpose of the monthly Senior Leadership Team meeting.
- c) WAC Ag Program Restructuring – The need to reorganize the staffing structure of the Ag Program is addressed in detail as part of the Ag Program recommendation (see below). Completion of that recommendation is a key enabler for the Ag Program Manager becoming a more effective partner with their program counterparts.
- d) Management Training Program – While WAC has budget resources to support employee training, it does not have a defined training curriculum to prepare its employees to become effective managers or help existing managers improve their managerial skills. WAC should consider working with a training partner/consultant to develop and deliver a management training program.

Additional Challenges Requiring Council Involvement/Focus

There are three programmatic recommendations that require Council's involvement and/or focus – one from the Ag Program, one in the Conservation Easement Program and related to the Economic Viability Program. The Ag Program challenge is the most serious and requires Council's direct involvement. The Conservation Easement related recommendation needs Council involvement because the proposed recommendation requires the Council and entire organization's commitment and participation. The Economic Viability Program challenge requires Council's focus because of the cross-programmatic nature of any potential solution and the fact that the Executive Director (not the EV Program staff) should be responsible for bringing the matter to resolution.

- a) WAC Ag Program Strategy Revision – The current Ag Program implementation strategy is unsustainable and needs to be updated for the 21st century (see Ag Program recommendation #2). WAC should consider convening an ad hoc task force composed of representatives from Council, the FAD regulators and DEP to research, develop and implement a new design for the Ag Program. This effort needs to be led by members of Council. Steps also need to be taken to address program funding requirements during the interim (see Ag Program recommendation #1).
- b) Conservation Easement Committee – The need for improvements across WAC's governance structure were identified above. One committee with the greatest need for improvement is the Conservation Easement Program Committee. WAC should consider pursuing accreditation through the Land Trust Alliance accreditation program. The topics addressed in the Land Trust Alliance accreditation extend beyond the Easement Program, its staff and its committee to include Council and the entire organization. Council and WAC staff need to be ready to support this effort.
- c) The Farmlink Initiative – The Economic Viability Program recommendations, WAC's Farmlink initiative has suffered from a lack of resources and staffing. Although the program has been housed within the Economic Viability Program, it may be a better fit in another program area – such as the Conservation Easement or Ag Program. The Executive Director should convene a cross-programmatic work group to assess whether there is a fit for the Farmlink initiative within WAC and, if so, how to best staff, resource and manage the initiative.

PROGRAMMATIC CHALLENGES

In addition to the strategic review process, an in-depth review of the Ag Program and more limited reviews of the Conservation Easement, East of Hudson, Economic Viability and Forestry programs were completed. The programmatic challenges identified from those program reviews along with recommendations for addressing them are presented below.

Ag Program Challenges & Recommendations

The Ag Program is WAC's largest and oldest program area, accounting for more than half of all program staff and nearly half of the organization's annual budget.³ The challenges and recommendations summarized below address the West of Hudson Ag Program. (Refer to the East of Hudson Program section for comments about that Ag Program.)

- 1) The BMP Implementation Strategy is Unsustainable – With an annual BMP implementation budget of \$2-3 million, the current BMP backlog is estimated at over \$31 million. At the same time, the need for repair and replacement of the aging population of existing BMPs has grown to an estimated \$1 million per year. While implementation of the BMP Prioritization Process has helped to organize the backlog, it does not offer a strategy for addressing it. WAC needs to pursue the funding required to stem further growth in the BMP/repair/replacement backlog. While an argument can be made that making further investments is not sensible without having a sustainable strategy (see #2 below), it is hard to see how any strategy for moving forward would involve walking away from commitments already made or existing BMPs that need to be repaired or replaced.
- 2) Lack of Effective Program Goals/Targets – As the issues with the BMP and repair/replacement backlog demonstrate, the current Ag Program approach needs to be redesigned. This process will require a joint effort between the Watershed Ag Council, DEP and the FAD regulators. The Council should convene an ad hoc task force to establish the goals and objective for a 21st century Watershed Ag Program.
- 3) Emphasis on Stewardship Behaviors – From its inception, the Ag Program has recognized that implementation of physical/structural BMPs was only one piece of the overall program. While programs such as the Nutrient Management Credit program and the Precision Feed Management program are part of the Ag Program, these are relatively small in scope when compared to the staffing and resources dedicated to implementing structural BMPs. For many Watershed Ag Program participants, structural BMPs are synonymous with the Watershed Ag Program. There is broad agreement among WAC staff, its partners and its stakeholders that more balanced focus needs to be given to stewardship behaviors. WAC should consider the creation of a Conservation Stewardship Partner program. This program would not replace, but supplement the current Whole Farm Plan participant program.

³ WAC's total FY16 spending in was approximately \$17.1 million, with Ag Program spending totaling \$8.1 million, and \$2.5 million of the remaining spending going toward land acquisition (unaudited 2016 results).

- 4) BMPs At-Risk Due to Transitioning Farms – After more than twenty years of recruiting, the Ag Program now also has a mature base of program participants. As the base of program participants ages, these farmer operators will reach the point where they will be transitioning out of farming. Nearly 34% of the Ag Program participants are over the age of 65. Another 30% are aged 55 to 64 years old.⁴ We estimate that as many as 87 whole farm plans will transition over the next ten years, and an additional 98 farmers with whole farm plans will transition out of farming over the next twenty years. The total value of BMPs on these 185 farms is estimated to be nearly \$30 million. The Ag Program should consider implementing a program to address farmland at-risk due to farm operator transition.
- 5) Ag Program Staffing Structure is a Barrier to Being More Proactive – As can be seen from some of the issues identified above, the Ag Program needs to become much more proactive in dealing with issues and opportunities as they arise. The most significant challenge to being proactive is its current staffing structure. In just eight years WAC's Ag Program staff has grown from 6 to 20 people, yet the organization structure has remained virtually unchanged. This means that the Ag Program Manager now has sixteen direct reports in addition to managing relationships with another 20 staff in partner organizations. WAC should consider restructuring the Ag Program staffing by creating five new Ag Program Coordinator positions. The creation of these new positions requires no additional headcount and any required compensation adjustments should be able to be handled within the scope of the current budget guidelines. Implementation of this staffing structure will allow the Ag Program to streamline its decision-making processes and eliminate some meetings.

Conservation Easement Program Challenges & Recommendations

Although it has a much smaller staff than the Ag Program, the Conservation Easement Program is the second largest program in terms of WAC's spending, with annual outlays averaging \$3.4 million over the last ten years. What distinguishes the Easement Program from WAC's other programs are the easements themselves. By entering into easement contracts, WAC has become a land trust and has responsibilities under state and federal laws to steward its eased lands in perpetuity. This makes governance and oversight of the Conservation Easement Program different than for WAC's other programs. While the Easement Program has been successful at protecting water quality by conserving nearly 25,000 acres of working lands, there are some important challenges the program faces.

- 1) Easement Committee Governance – Council and WAC's Executive Director need to work with the Easement Committee Chair and Program Manager to improve the committee's oversight and governance. Decision-making should be delegated to staff where prudent, practical and legally permissible. To facilitate this transition, the following steps should be considered.

⁴ Farm operator ages bases on 2012 Delaware County Ag Census Data available from the National Agricultural Statistics Service Quick Stats (<https://quickstats.nass.usda.gov>).

- a) Streamline staff reporting.
 - b) Delegate decision-making for approvals within guidelines.
 - c) Have WAC/DEP staff address issues prior to committee meetings.
 - d) Pursue Land Trust Alliance accreditation.
- 2) Cross-Program Integration/Collaboration – There are some distinct advantages that WAC has over other land trusts when it comes to its Conservation Easement Program. For one, WAC has a ready-made base of 288 farms and more than 1300 forest landowners involved in its programs that provide a ready-made base of prospects for its Easement Program. Yet, there can be challenges involved in having a land trust program in an organization mostly geared toward program implementation. For example, despite the fact that they are “agents of the corporation” (and therefore bound by the same obligations as WAC), Ag Program staff do not always understand or appreciate their role in easement stewardship and enforcement.

The fact that it may be difficult for WAC staff to reconcile the different program goals and objectives of WAC’s Ag and Forestry Programs with its Conservation Easement Program is understandable. The problem is that this leaves it to WAC’s program participants to figure out the relationships between one program and another, and then to navigate those relationships. This is not only unfair to program participants; it undermines the potential for WAC’s programs and makes WAC ‘look like its left hand doesn’t know (or doesn’t want to know) what its right hand is doing.’ As noted above (Strategic recommendation #3.b), the Executive Director needs to provide more consistent attention and focus on cross-program integration and collaboration. This should include the following items related to the Conservation Easement Program.

- a) Engaging other program staff in the easement solicitation process.
 - b) Assess whether the Farmlink initiative fits within WAC and how to staff/fund.
 - c) Integrate other program staff in the stewardship & enforcement process.
 - d) Better coordination/alignment of Ag, Forestry & Easement program approaches.
- 3) Forest Conservation Easement Pilot – First identified as part of the 2007 FAD, the Forest Conservation Easement Pilot was finally launched in 2015. While the program has relatively well-defined policies and guidelines, the goals of the pilot program (how to determine whether it has been successful) have never been defined. We recommend that the Conservation Easement Program clearly document what the pilot is intended to accomplish.

East of Hudson Program Challenges & Recommendations

Overall, the East of Hudson (EOH) Program has protected over 10,000 acres of working lands, with 66 active whole farm plans and nearly 550 BMPs implemented totaling over \$5 million. One key factor that distinguishes the East of Hudson’s Ag Program from the West

of Hudson Ag Program is the relative uniqueness of the program staff's competencies and skills sets within the region that each operates. It's not the size of the East of Hudson Ag Program staff, nor that they have more expertise than the West of Hudson Ag Program. What sets the East of Hudson program apart is that there are so few other organizations with the expertise and capabilities that WAC has in the East of Hudson region. The local Soil and Water Conservation District offices in the region have more limited resources and tend to focus almost exclusively on municipal (town and village) projects. Likewise, the Cooperative Extension offices tend to focus their limited resources on topics with greatest demands among their consumer base – namely, horticulture, nutrition and youth development. The result is that WAC's East of Hudson Ag Program has become "The" go-to organization for issues related to conservation, water quality and working landscapes. So much so, that when municipalities and local land trusts are looking to develop projects related to farming, they seek out WAC's technical assistance.

One challenge facing the East of Hudson Program has been the activation of a water filtration plant for the Croton water supply system. As a result, New York City DEP has deemed the watersheds that feed directly into the Croton system as "low priority" for BMP funding and admittance into the East of Hudson Ag Program. 84% of the East of Hudson's currently active farms and 94% of its potential for new program participants are located in these lower priority basins. Recognizing the East of Hudson Program's relatively unique capabilities and the challenges it may face with funding projects on farms located in areas designated as 'low priority' basins, we suggest that program staff consider exploring opportunities for other sources of funding.

Economic Viability Program Challenges & Recommendations

The importance of addressing the economic viability of working landscapes has been a key principle for the Watershed Ag Council since its earliest days.⁵ Over the years WAC has undertaken a number of initiatives to focus on enhancing the economic vitality of the farming and forestry industries within the region, and its 2011-2014 Strategic Plan identified "increasing WAC's role in enhancing the economic viability of agriculture and forestry" as one of WAC's four strategic priorities.⁶ To support this priority, WAC developed an Economic Viability Strategic Plan for its program in 2012. Although program staff turnover delayed implementation of that strategic plan, many of the goals it outlined have been achieved. Discussions with Economic Viability (EV) Program staff and the EV Committee indicate that many of the strategic priorities from the 2012 EV Strategic Plan

⁵ "The New York City Watershed Agricultural Program" (an undated fact sheet from the early program years outlining program mission and objectives).

⁶ Watershed Agricultural Council, *2011-2014 Strategic Plan* (2010), p. 9.

are still priorities for the program. Given the significant resources and skill sets needed to be successful at the various types of economic viability work in general (i.e. economic development, business development and market development), and the relatively modest resources that WAC has available for its various EV initiatives, the EV Program will need to prioritize its efforts and do a better job identifying the cost/benefits of its initiatives relative to their impacts on farms and forest related businesses. Some suggestions that WAC should consider include the following.

- 1) Build Consensus Around EV Program Initiatives – The EV Program cannot be all things to all people. The EV Committee members need to be hard-nosed about the long-term plan for implementing the EV Program strategy. This should result in staff laying out the specific steps the program will take over the next three to five years to implement the Committee's priorities. That long range plan will inform staff's annual work plans and identify areas where additional efforts and/or resources may be needed. It should also serve as the basis for staff to demonstrate progress and give the EV Committee a way to evaluate whether the program is on-track.
- 2) Implement Outcome Based Evaluation for the EV Program – Before the EV Committee undertakes new initiatives it should make certain that staff develop evaluation tools that focus on outcomes and impacts as opposed to program activities.
- 3) Re-evaluate the EV Program Role in Farmlink – The EV Committee has made it clear that the Farmlink initiative is a very low priority. The EV Program staff should work with WAC's Executive Director to assess whether there is a fit within WAC for the Farmlink initiative and, if so, to how to best staff and manage the program.

Forestry Program Challenges & Recommendations

Although the Forestry Program has evolved and grown over the past twenty years, it has remained true to the its founding principles. Those principles are carried out through program initiatives focused on planning, implementation, education and training, research and demonstration projects, efforts to enhance the economic viability of forests, and support for forest conservation. The Forestry Program has completed more than 1300 forest management plans and its conservation footprint includes over 120,000 acres of forests.

Despite these successes, the Forest Program has been proactive about evaluating its initiatives and revising or updating its processes. In 2009, Forestry Program staff began evaluating the program's approach to forest management planning. This led to a major restructuring of its planning initiatives to make them more effective, while reaching a broader audience. Likewise, in 2015, program staff worked with the Forestry Committee to revamp the structure and focus for committee meetings. The result is that committee members now have more effective tools to oversee program progress, which allows them to spend more time providing input and direction for staff on key issues facing the

program. The Forestry Program is a benchmark within the organization both in terms of its focus on program evaluation and in its program governance.

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