

**ULI Land Use Policy Forum Report
in Partnership with The Conservation Fund**

The Practice of Conservation Development: Lessons in Success

**Prepared by
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**Urban Land Institute/
The Conservation Fund Joint Forum**

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About ULI

ULI—the Urban Land Institute is a nonprofit education and research institute that is supported by its members. Its mission is to provide responsible leadership in the use of land to enhance the total environment.

ULI sponsors education programs and forums to encourage an open, international exchange of ideas and sharing of experiences; initiates research that anticipates emerging land use trends and issues and documents best practices; proposes creative solutions based on that research; provides advisory services; and publishes a wide variety of materials to disseminate information on land use and development. Established in 1936, ULI has more than 18,000 members in 60 countries representing the entire spectrum of the land use and development disciplines.

Richard M. Rosan
President

ULI Land Use Policy Forum Reports. ULI is in the forefront of national discussion and debate on the leading land use policy issues of the day. To encourage and enrich that dialogue, the Institute holds land use policy forums at which leading experts gather to discuss topics of interest to the land use and real estate community. The findings of these forums serve to guide and enhance ULI's program of work. The Institute produces summaries of these forums in its Land Use Policy Forum Reports series, which are available on the ULI Web site at policypapers.uli.org. By holding these forums and publishing summaries of the discussion, the Institute hopes to increase the body of knowledge that contributes to the quality of land use policy and real estate development practice throughout the country.

About The Conservation Fund

The Conservation Fund is a national nonprofit land conservation organization with offices throughout the United States. Since 1985, The Conservation Fund has acquired and protected more than 3.4 million acres of open space, wildlife habitat, and historic sites throughout the nation. It also assists partners in business, government, and the nonprofit sector with projects that integrate economic development with environmental protection. In recent years, The Conservation Fund and the Urban Land Institute have collaborated on a variety of projects, including development of a training course titled “The Practice of Environmentally Sensitive Development.”

Lawrence A. Selzer
President

Acknowledgments

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Contents

Introduction	2
Forum Summary	2
The Need for Conservation Development	2
Regulatory Issues: Ecological Planning and Design	4
Do People Care about Sustainability and the Environment?	4
Market and Economics	5
Stewardship	7
The Future of Conservation Development	8
Policy Forum Agenda	10
Policy Forum Participants	11

Introduction

In December 2002, the Urban Land Institute and The Conservation Fund convened a panel of 27 experts in Grayslake, Illinois, to discuss the topic “The Practice of Conservation Development: Lessons in Success.” The forum was intended to stimulate a dialogue on conservation development and how it can be used as a tool for land conservation, particularly in rural and exurban settings.

Participants included a diverse group of professionals from the real estate industry, including developers, real estate advisers, land use planning practitioners, designers, architects, and representatives of several major conservation organizations. They considered the following questions:

- What is conservation development, and what is it not?
- Why is conservation development important?
- Is conservation development the same as smart growth?
- How can conservation development be used as a tool for land conservation?
- What are the barriers to conservation design and how can they be overcome?
- Is conservation development a market niche, or is there potential for significant market penetration?
- Does conservation development provide an acceptable rate of return on investment?
- What tools and actions are needed to advance the practice of conservation development?

Forum Summary

The forum began with a welcome and opening remarks by forum cochairs James J. Chaffin, former ULI chairman and chairman of Chaffin/Light Associates of Spring Island, South Carolina, and George Ranney, Jr., president and CEO of Chicago Metropolis 2020 and developer of Prairie Crossing, a conservation development in Grayslake. A series of presentations and case studies followed that led to an exchange of views by forum participants. The program included a presentation by pollster Brooke Warrick, president of American LIVES, Inc.; a moderated discussion of ideas that emerged during the forum; and a discussion of tools and actions needed to advance the practice of conservation development.

The Need for Conservation Development

Edward T. McMahon, vice president of The Conservation Fund, set the stage for the forum with a presentation on the need for conservation development. He outlined the reasons why The Conservation Fund, a national non-profit land conservation organization based in Arlington, Virginia, had chosen to co-sponsor the forum with the Urban Land Institute and described how development could be used as a tool for conservation.

America's Land Conservation Challenge

The accelerated consumption and fragmentation of open land is America's number-one land conservation challenge and a top issue facing local and state government officials, McMahon said. According to the December 2000 update of the Natural Resources Inventory compiled by the U.S. Agriculture Department's Natural Resources Conservation Service, the total amount of developed land in the United States increased by 34 percent, or 25 million acres, from 1982 to 1997. From 1982 to 1992, land was developed at the rate of 1.4 million acres per year, but from 1992 to 1997, that rate accelerated to 2.2 million acres per year—more than 1.5 times the rate for the previous ten years. That means land development is increasing at a rate far faster than population growth. For example, between 1970 and 1990, the population of Cook County, Illinois, and the five other metropolitan Chicago counties grew by 4 percent, but the amount of land developed in those counties increased 33 percent.

From an environmental standpoint, conversion of natural areas and farmland to developed property has resulted in increased habitat fragmentation, loss of biodiversity, disruption of natural landscape processes, degradation of water resources, increased flooding, non-point-source pollution, and growing public and private costs for servicing disbursed development.

One of the major factors contributing to the accelerating consumption and fragmentation of open land is the increase in average lot size: while the size of the average America family has been shrinking, the average lot size has been growing. Likewise, the footprint of commercial development in suburban areas far exceeds that of such development in urban areas. Fragmentation of open land also has challenged the land development community by fostering a rising tide of opposition to new development. Local governments have responded with a wide variety of new laws and ordinances, with the most popular among them being open-space protection measures.

From 1998 to 2002, voters approved more than 83 percent of referenda proposing tax increases or bonds for open-space preservation. For example, in November 2002, Nevada voters passed with 69 percent of the vote a \$150 million bond issue to buy open space in the state—despite the fact that more than 85 percent of Nevada land is already owned by the federal government. However, most land conservation efforts have been reactive, haphazard, narrowly focused, and not coordinated with other efforts to protect natural resources or to shape and direct growth. Smart conservation, as well as smart growth, is needed, McMahan said. He defined “smart conservation” as conservation that is proactive not reactive, systematic not haphazard, conducted on a large scale rather than on a small scale, and that is coordinated with other programs and policies.

Can Greenfield Development Qualify as Smart Growth?

McMahon argued that smart growth principles can be applied to development on the fringe, and pointed out that for the foreseeable future, the majority of new development will continue to take place in greenfield locations. Given this market reality, two questions arise: once a site is selected, how can it be made as environmentally sensitive as possible, and how can development be used as a tool for conservation? Quoting Bill Browning of the Rocky Mountain Institute on the need for developers to pursue environmentally sensitive development, McMahon said: “It’s better to be half right than all wrong.” Today, about 1.2 million units of housing are built in the United States each year, most of which are in greenfield locations. Only a small number are in conservation developments—planned communities that have land conservation as a central organizing principle underlying their design; the conserved land may be farmland or natural areas (such as forests, prairie, or desert), environmentally sensitive land (such as endangered species habitat or wildlife movement corridors), or historically significant land (such as battlefields or archaeological sites.)

Steven R. Kellenberg, principal with EDAW, Inc., in Irvine, California, said there are three reasons for conservation development initiatives—to promote the general good, to overcome entitlement challenges, and to produce premiums for developers. He noted that environmentally oriented buyers constitute 33 percent of the population in Orange County, California, and they will pay a premium for housing in conservation development areas. He also

pointed out that studies by the U.S. Green Building Council show that there has been an increase in awareness and acceptance of environmental priorities in the marketplace.

Lee R. Rayburn, of the Community of Civano in Tucson, Arizona, said one of the major barriers to expanding the market for conservation development is the Realtor community, which does not understand or accept the viability of this type of development.

Chaffin added that merely saving open space is not enough; developers also need to consider the stewardship of the open space.

Randall Arendt, of Greener Prospects in Narragansett, Rhode Island, said the movement would benefit from creation of a clearinghouse of information on conservation development and open-space management.

Tom Gray, of Santa Lucia Preserve in Monterey County, California, noted that most developers at the forum were smaller developers, whom he believes are motivated by “a love of the land.” Robert Brownell, CEO of Bielinski Custom Homes in Waukesha, Wisconsin, the largest homebuilder in the state, responded that large developers want to do conservation development projects, but they face the questions of how to expedite the entitlement process and who will maintain the open space.

Jeff Kingsbury, vice president of sales and marketing at McStain Neighborhoods in Boulder, Colorado, said the United States is seeing a convergence of growing concerns: housing needs, global warming, land development rates, traffic problems, and health and community issues. He noted that whether developers approach the issue of environmental sensitivity from the standpoint of smart growth or profits, they need to focus on common problems and how to overcome them. Chaffin agreed, noting that only through collaboration and partnerships will developers solve the current problems facing their professional community. Developers need to collaborate with conservation organizations, he said.

Edward Noonan, of Edward Noonan and Associates of Chicago, developer of Tryon Farms in northern Indiana, commented that developers want to do the right thing, but often it is too hard because of entitlement challenges. Time is money, and developers default to conventional development patterns when regulations make conservation development too difficult, he said.

Regulatory Issues: Ecological Planning and Design

In the second presentation, Kellenberg focused on cutting-edge preservation techniques used to balance ecological and economic considerations, and on how to overcome barriers to conservation design. He focused on several projects EDAW has been involved with, particularly Rancho Mission Viejo, a mixed-use, 23,000-acre project in southeast Orange County, California, in which more than half of the open space is designated for preservation.

The company began planning for the project in 1997, adopting an unconventional approach that combined the California process for developing a natural communities conservation plan (NCCP) for endangered species protection with the U.S. Army Corps of Engineers special area management plan for watershed management. Because it is important to know how the land functions ecologically, this synthesis integrates management of upland and aquatic habitats, and area water management. An integrated conservation plan was developed for Rancho Mission Viejo that addressed water quality, habitat, wildlife migration, habitat preservation, and other concerns. Developers honored strict development guidelines and landscape requirements in the combined NCCP/special area management plan for the region. Kellenberg listed three regulatory challenges faced by the project—bureaucratic resistance to the process, coordination of local entitlement requirements with state and federal standards, and high upfront planning costs.

Among the lessons Kellenberg said his firm learned were that a good science database is important, all stakeholders must share a vision, broad goals must be set and tied to implementation criteria, and the land preserve must be defined to provide residents and development opponents with the predictability they seek.

Just as developers need predictability and certainty, so do conservationists, McMahon pointed out. The best way to reduce opposition to development is for all land development to occur within the context of the conserved land.

Arendt commented that when land conservation is part of the comprehensive plan, the community is less likely to oppose the land development. A regional perspective gives greater credence to the predictability, Chaffin added. Because interest in protecting open space is growing, the next 50 years should be very good for conservation development, he predicted.

Luther Propst, executive director of the Sonoran Institute in Tucson, said legislatures in the five fastest-growing states in the mountain West have shackled local governments, restricting their ability to do regional planning. Good things are happening as a result of landowner initiatives, but not because of local government initiatives, he said.

Jonathan Callender, vice president of the Kennecott Development Company in Murray, Utah, described the Envision Utah project, which brought many stakeholders together in a regional collaborative process involving all Salt Lake City area counties. This process, which asked citizens to allocate expected growth to development areas in the region, has reduced opposition to development, he said.

Graphic representation of choices is a great way to build consensus, noted Will Humphrey, Illinois director of The Conservation Fund. Gray responded that it is often impossible to achieve consensus, and that in the case of Santa Lucia Preserve, a small group of environmental extremists held out to the end. For them, “the perfect became the enemy of the good,” he said.

James P. Siepmann, president of Siepmann Realty Corporation in Waukesha, said he thinks the problem is aversion to change. Change is inevitable, he added, and people need to be educated about how change can make their communities better.

Do People Care about Sustainability and the Environment?

Warrick, with American LIVES, a leading real estate market research and polling firm based in Oakland, California, examined public attitudes toward sustainability and the environment.

Polling shows that people agree there is no inherent conflict between ecological sustainability and some form of economic growth and progress, especially when they are accompanied by technological and lifestyle changes, he said. People also realize that there is an environmental crisis, which justifies change. People are prepared to change their lifestyles, but only if the rationale and payoffs are evident and compelling, he said, and they are willing to spend more for products that are environmentally oriented and reduce waste. People also agree that equity issues must be addressed as a significant part of sustainability efforts.

Among Warrick’s other findings was that the typical homebuyer knows more about environmental practices

than about conservation development, sustainability, and smart growth.

There are several major challenges in the marketplace, he said, including:

- the typical homebuyer does not know what conservation development is and does not have a vocabulary to talk or think about it;
- regulators are likely to respond to public opinion regardless of the need for or efficacy of new regulations; and
- developers are hard pressed to sell to homeowners the advantages of conservation development, sustainability, or environmental practices, and builders are reluctant to abandon selling the advantages of homes offering more and bigger bedrooms and bathrooms and fancy features. An alignment between the stakeholders can be difficult. Many builders are successfully addressing the challenges in the marketplace, Warrick said. For example:
 - leading-edge builders are designing environmentally sensitive, energy-efficient homes and learning how to articulate what that means for the buyer, i.e., benefits, not just features;
 - leading-edge regulators are crafting new codes and realizing that there is a market basket of sustainable features that developers and builders are willing to include and that buyers, for the most part, are willing to pay for;
 - leading-edge developers are learning how to explain sustainable practices to their public and their builders; and
 - the development industry is good at copying.

In order to determine which features of sustainable development are important to the buyer, Warrick said developers must ask the following questions:

- Is the buyer willing to pay for it?
- Does it have a high perceived value? (It needs to be important and cost the developer less than the buyer is willing to pay.)
- Is it the right thing to do, and can the cost be neutralized?
- Are tax credits available for it if it promotes a benefit like clean air?
- Does it get the project approved faster?
- Does it appeal to a target market currently not being served?
- Is it part of a strategy addressing market creation or market share?

- Is it easy to explain to the buyer?
- Can the builder easily control how the message about it is conveyed?
- Does it contribute to getting the product on the home-buyer's shortlist?

Warrick discussed why some ideas and products don't move beyond the innovation stage. Green development accounts for only 2.5 percent of all developments in the United States, he noted, and it likely will remain a small percentage unless mainstream builders are brought into the field. The challenge is how to move green development out of the innovation ghetto. One way is to have a common language: if there is anything that promotes an idea, it is the existence of a common language to discuss it, he said. The vocabulary used to discuss these issues, however, remains ambiguous. The industry is still uncertain whether the subject is smart growth, conservation development, sustainable development, or green development.

For conservation development to take hold, it must reach the tipping point where an innovative idea suddenly gains acceptance. Warrick cited the fact that in 1962, only 2 percent of Americans were concerned about environmental protection. Rachel Carson's book *Silent Spring* caused that number to more than double in two years, and today, 80 percent of Americans identify themselves as environmentalists.

Warrick also noted that responsible development and sustainability might not be as important from a marketing standpoint as healthful living. People want to move to the neighborhood that is best for them and their families. What constitutes "best" is not just a function of greenness, or responsible development, or density. While all of these things may be important, developers must focus on what is specifically important to particular buyers.

Market and Economics

Kingsbury in his presentation sought to answer the following questions:

- Does conservation development appeal to the market?
- Does it represent just a niche market, or is their potential for significant market penetration?
- Does conservation development provide an acceptable rate of return on investment?
- Which investors/financiers are interested in providing capital for this product?

What Is the Market for Conservation Development?

Kingsbury, who has been the director of marketing for several signature conservation development projects—including Prairie Crossing; Hidden Springs in Boise, Idaho; High Plains Village in Fort Collins, Colorado; and the Stapleton Redevelopment Project in Denver—pointed out that conservation development is a niche market, but it is growing and, he said, it will become the norm within the next decade. He said developers are beginning to recognize the power of being a green builder. His company is continually working to raise the bar on green building because it has found it to be a profitable niche that appeals to at least a quarter of the population, he said.

Hidden Springs, a \$130 million land development that opened in April 1999, set aside an 810-acre preserve with a conservation easement, developed 25 miles of trails, developed a 100,000-square-foot town center, constructed a charter school, and implemented an innovative wastewater management system. When the project opened, houses were selling at a 10 percent premium, Kingsbury noted; today, they are selling at a 20 to 30 percent premium.

Prairie Crossing has preserved permanently 400 of 667 total acres—60 percent of the property. It includes ten miles of trails, a community-supported garden, restored native landscapes, a community barn and fitness center, a 22-acre swimming lake, and an innovative stormwater management system. Of the 362 houses, 272 have been sold. Houses originally sold at a 15 percent price premium; now they are selling at a 33 percent premium, he said. He also described High Plains Village and the Stapleton Redevelopment Project, making the following points:

- Conservation does appeal to a niche market. Early phases may have slower sales, but premiums will be achieved over time.
- Overall marketing costs will be the same as for conventional development, but the marketing mix will be allocated differently.
- Several national surveys, including some by American LIVES and the National Association of Realtors, show that homebuyers think natural open space, walking and biking trails, and gardens with native plants are extremely important in their housing choice.

Selling Green Development

Although builders believe that only 44 percent of homebuyers would pay \$2,500 or more for green features, Kingsbury said, a 2000 survey by *Professional Builder*

magazine found that nearly 90 percent of buyers said they would pay extra for green features and that 66 percent of them would pay \$2,500 or more extra for them.

He said that although conservation developments are a different product than conventional developments, they are competing for the same buyers. Conservation developers in marketing their homes must consider the resale market and emphasize amenities rather than square footage. The market for sustainable development is enormous—estimated at almost \$80 billion, Kingsbury said—and the market for green products and services is likely to increase for the next 15 to 25 years.

Homes in master-planned communities with permanently protected open space appreciate in value more than homes in large-lot conventional subdivisions, he said. For example, houses in Village Homes in Davis, California, a 240-unit green development constructed more than 20 years ago, sell for \$11 more per square foot than the average house in Davis. Likewise, studies show that homesites near parks and recreation areas have values 15 to 20 percent higher than those in other locations.

Health and wellness issues will become increasingly important in the green marketplace, he said. The most attractive features of environmentally sensitive development are those that provide a clear consumer benefit, not just those that appeal to an environmentalist's conscience. Developers should emphasize livability and community as competitive advantages, he said. Marketing should focus on open space per home site as opposed to price per square foot; dollar savings should be emphasized and not just energy savings. Finally, Kingsbury said, successful projects use a set of principles to guide design and development and to evaluate success.

Several participants remarked that developers should not assume that real estate brokers understand or have positive feelings about green development, and uninformed brokers can cause problems. Successful developers keep brokers in the loop and help them understand the value of conservation development. Marketing and messages should appeal at both the emotional and intellectual levels, participants said. Green building is premium building; it saves money, saves time, and provides a more healthful environment and a better quality of life than conventional building, they said.

Kingsbury ended his presentation by urging participants to “strive for the genius of the ‘and.’” By doing so, developers can balance environmental *and* economic objec-

tives; the two are not mutually exclusive but, in fact, can support one another, he said. As an example, he cited Prairie Crossing's stormwater management system: it saved more than \$1 million compared with a conventional curb and gutter system *and* improved water quality in the lake, which is used for swimming and as a passive amenity. Solutions that strive for the genius of the "and" may not be conventional or readily apparent, Kingsbury said, but if developers set finding them as their goal in design and development decision making, such solutions are attainable.

Prairie Crossing developer George Ranney commented that conventional developers were critical of his project even though his rate of return was 12 percent, compared with a typical return of 6 to 7 percent in the region.

A project's image and identity are extremely important to the overall marketing success, Gray noted. Chaffin added that differentiation of product produces an advantage in the marketplace.

Kellenberg said that to expand its market niche, conservation development needs to become attractive to national homebuilders, who are not impressed with construction rates of 35 to 40 units per year. Kingsbury responded that the Stapleton Redevelopment Project has an absorption rate of more than 600 houses a year.

Arendt noted that it took Grayslake residents and elected officials several years to understand the value of conservation development.

Stewardship

Michael Sands, environmental team leader at Prairie Crossing, examined operations and stewardship. He discussed:

- the steps needed to maintain and manage a project's green infrastructure once construction is completed;
- approaches for engaging project occupants in stewardship of the green infrastructure; and
- innovative approaches to funding and sustaining long-term stewardship programs.

Environmentally sensitive development will remain sensitive to the environment only if it continues to function in the resource-efficient manner in which it was intended when built, Sands said. Builders should ensure the permanent protection of conservation lands through implemen-

tation of conservation easements and stewardship agreements, he said. Also, stewardship provides an enormous opportunity for community residents to build a relationship with the land. Sands pointed out that most developers tend to focus on closing the deal and not on "raising the child." Conservation development will become endangered unless the project investment in green infrastructure is sustained over time.

Prairie Crossing came into being because of concern for a much larger area—more than 3,000 acres known as the Liberty Prairie Preserve, Sands said. Prairie Crossing—developed in response to the threat to the region's sense of place and community—has been successful not just because it preserved 400 acres within the site, but because it led to a regional conservation initiative that has gone a long way toward preserving almost 2,000 acres of adjacent land. Successive stewardship programs rest on education and community involvement. Funding for stewardship programs is also important, he said.

A number of environmentally sensitive developments have established natural-area stewardship funds for the restoration and/or management of natural areas on their project sites. Potential funding sources include transfer taxes, land trusts, joint ventures with conservation organizations, fees added to the costs of each unit that is sold, and annual management fees.

Among a number of examples of stewardship programs discussed were the following:

■ *Santa Lucia Preserve*. A 20,000-acre Preserve Land Company development with 350 homesites in Carmel Valley, California, the development includes 18,000 acres—90 percent of the land—designated as an ecological preserve. A conservancy was formed to manage, restore, and enhance the preserved land in perpetuity. Funding of the conservancy's efforts is guaranteed through an endowment established by the landowner from a dedicated portion of the sales price of each residential parcel. All lots share in ownership of the preserve.

■ *Prairie Crossing*. Developed by Prairie Holdings Corporation, the development has covenants requiring that one half of 1 percent of the value of each new home sale and resale go to the Liberty Prairie Foundation, which funds environmental stewardship and education programs in the Liberty Prairie Reserve—2,000 acres of land adjacent to the development.

■ *Rocking K Ranch.* A mixed-use resort and residential community developed by Rocking K Development near Tucson, Arizona, Rocking K funds a stewardship program with an initial grant from the development company of \$240,000 over five years. Subsequent funding is provided in deed requirements imposed on development that establish residential and commercial occupancy fees, real estate transfer fees, and a nightly hotel fee.

Sands also pointed out that a primary objective of environmentally sensitive construction projects is to heighten environmental awareness among residents. This can be done the following ways:

- using the site or a building on the site as an educational tool to demonstrate the importance of the environment in sustaining human life;
- increasing public awareness of appropriate technologies, of building and consumer materials that conserve energy and other natural resources, and of the waste associated with conventional materials;
- enhancing the appreciation of and nurturing human interaction with the natural environment; and
- relating cultural and historical understanding of the site.

Sands's presentation generated a great deal of discussion. Victoria Ranney, vice president of Prairie Holdings Corporation, noted that there is a real connection between conservation and community. There also is a radical difference between how most development is done and how it was done at Prairie Crossing, she said. She added that a charter school at Prairie Crossing plays an important part in the conservation development's success.

One of the fundamental aspects of conservation development is that it rebuts the pervasive myth that humans are not part of nature, said Siepmann. Every place evolves through its relationship with humans, and that change is already reflected in the plants and animals that live there before development begins. Human involvement with land is part of the natural process, and people need to understand better the relationship between man and nature, he said; stewardship programs can help to accomplish this.

Chaffin said the environmental education center at Spring Island provides a variety of programs designed to teach people about the environment and connect them with nature. Programs include a summer camp for children,

sea kayaking, bird watching, daily trail rides, and visits to an on-site interpretive center. A full-time naturalist runs the preserve and its programs, which are supported and managed by the Spring Island Trust. The trust is supported by a 1.5 percent fee on the initial sale of each lot and a 1 percent fee on subsequent sales.

Stewardship organizations need a focused mission and partnerships with other groups, Propst said. Steve Apfelbaum, president of Applied Ecological Services, discussed his company's restoration efforts and how to get residents involved in restoration programs. Most residents like to be involved in stewardship and community-building activities, said Harold Teasdale, developer of Jackson Meadow outside of Minneapolis.

The Future of Conservation Development

The final discussion focused on where the industry goes from here, which tools and actions are needed to advance the practice of conservation development, and what the industry's next steps should be. McMahon began the discussion by quoting Winston Churchill: "Americans always do the right thing—after they've tried everything else." Michael Pawlukiewicz, ULI director of environment and policy education, said interest in green building is growing exponentially. A recent U.S. Green Building Council conference in Austin, Texas, was expected to draw 1,800 people, but instead attracted 3,500. "It's amazing how interest in green building is growing," he said. "Builders are interested not just in the building itself, but in the horizontal land development issues." At the ULI fall meeting in Las Vegas, there was great interest in green building, and foundations also are becoming more interested in the subject, he said.

Brett Engelking, director of development for Bielinski Custom Homes, noted that green development will expand its market share only after there are more projects in more markets. Chaffin noted that conservation development is different from sustainable development. Matthew Moorhead, of the Nature Conservancy of Colorado, said land conservancies need to be able to say truthfully that conservation development is an appropriate tool for land conservation. Pawlukiewicz noted that small successes will propel the movement.

Kellenberg concluded by setting out the following ten-point program for pushing conservation development into the mainstream:

- create a definition of conservation development;
- identify mainstream, nonboutique development models;
- demonstrate the economic feasibility of conservation development for merchant builders;
- identify and publicize icon projects;
- identify and illustrate possible developer motivations and benefits;
- integrate nonprofit conservation organizations into the process;
- integrate conservation development into the ULI smart growth program;
- establish an institute or center for research on conservation development;
- publish a “how to” manual on conservation development; and
- have a joint national meeting or conference once a year on conservation development.

Arendt said a newsletter on conservation development is needed. Propst discussed the need to expand the conversation to include groups like the National League of Cities and National Association of Counties. McMahon said The Conservation Fund would take the lead on an implementation strategy. Chaffin reported that the results of the meeting would be distributed to the group and publicized in *Urban Land* magazine.

Policy Forum Agenda

TUESDAY DECEMBER 3, 2002

- Noon **Welcome and Introductions**
James J. Chaffin, *Forum Cochair, President, Chaffin/Light Associates, Spring Island, South Carolina*
George Ranney, Jr., *Forum Cochair, President and CEO, Chicago Metropolis 2020, Chicago, Illinois*
- 1:00 p.m. **Introduction**
Edward T. McMahon, *Vice President, The Conservation Fund, Arlington, Virginia*
- 2:30 p.m. **Ecological Planning and Design—Regulatory Issues**
Steven R. Kellenberg, *Principal, EDAW, Inc., Irvine, California*
- 4:00 p.m. **Tour of Prairie Crossing**
- 6:30 p.m. **Reception and Dinner/Speaker**
Brooke Warrick, *President, American LIVES, Inc., Oakland, California*

WEDNESDAY, DECEMBER 4, 2002

- 8:30 a.m. **Market and Economics**
Jeff Kingsbury, *Vice President of Sales and Marketing, McStain Neighborhoods, Boulder, Colorado*
- 10:15 p.m. **Stewardship**
Michael Sands, *Executive Director, Liberty Prairie Foundation, Grayslake, Illinois*
- 11:30 a.m. **The Future of Conservation Development**
Edward T. McMahon, *Vice President, The Conservation Fund, Arlington, Virginia*
- 12:30 p.m. **Adjourn**

Policy Forum Participants

Cochairs

James J. Chaffin
Chairman
Chaffin/Light Associates
Spring Island, South Carolina

George Ranney, Jr.
President and CEO, Chicago Metropolis 2020, and
President/CEO, Prairie Holdings Corporation
Grayslake, Illinois

Participants

Steven Apfelbaum
President
Applied Ecological Services, Inc.
Brodhead, Wisconsin

Randall Arendt
President
Greener Prospects
Narragansett, Rhode Island

Robert Baldwin
President
QROE Company
Derry, New Hampshire

Jack Broughton
Marketing Manager
Applied Ecological Services, Inc.
Brodhead, Wisconsin

Bob Brownell
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Bielinski Custom Homes
Waukesha, Wisconsin

Jonathan F. Callender
Vice President, Resource Development
Kennecott Development Company
Murray, Utah

Brett Engelking
Director of Development
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Robert Engstrom
President
Robert Engstrom Companies
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Tom Gray
Managing Principal
Santa Lucia Preserve
Carmel, California

Will Humphrey
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