

May 2022 - Questions and Answers and Clarifications

Q1. Who is currently on MALT's board?

A. Board President is Bob McGee, Vice Chair is Tamara Hicks, Diana Giacomini Hagan (Treasurer), Andrew Riesenfeld (Secretary), Kristine Ball, Bill Barboni, Marcia Barinaga, Barbara Boucke, Andrew Giacomini, Janine Guillot, Lynne Lamarca Heinrich, Tim Kehoe, Caitlin Landesberg, Paul Martin, Molly Myerson, Rebecca Patton, Lisa Poncia, Dave Schrader, Iris Shim, and Vivien Straus.

Q2. How does MALT transfer funds to the Marin Resource Conservation District (Marin RCD)?

A. MALT doesn't transfer funds, it grants funds to the Marin RCD as part of its Stewardship Assistance Program (SAP). Since 2011, MALT has granted more than \$1 million to the Marin RCD. The RCD is MALT's SAP partner; therefore, the \$1 million+ is grant money for Marin RCD's work implementing SAP projects. More information about SAP can be found on our <u>Stewardship Assistance webpage</u>.

Q3. Does the grant money for the SAP come from Measure A?

A. No. The grant money for the SAP comes from contributions from individual MALT donors.

Q4. Did MALT approve an easement for Peter Martinelli while he was a member of the MALT board? A. MALT followed its conflict-of-interest policy in place at the time, and Martinelli recused himself and wasn't a part of any discussion or decision or vote on the easement project. MALT updated its <u>conflict of interest policy</u> in 2019.

Q5. How much has MALT spent in Measure A funds since 2012 to purchase conservation easements? A. MALT has applied for and been granted \$13.3 million in Measure A funding to protect 11 farms and ranches totaling 6,691 acres. Details are on our Measure A web page.

Q6. Does MALT purchase easements in the Point Reyes National Seashore?

A. No. The Point Reyes National Seashore is federal land and solely administered by the National Park Service (NPS). There are no MALT agricultural easements within the Point Reyes National Seashore. Some MALT easement holders lease land directly from the NPS. For more information, see the Point Reyes Seashore Ranchers Association website.

Q7. Explain MALT's assets of \$30 million, as described in MALT's audited financials for July 1, 2020-June 30, 2021.

A. Our July 1, 2020-June 30, 2021 <u>audited financials</u>, show \$30 million in assets—which includes ongoing operating funds; assets for stewardship to enable MALT to monitor the conservation easements in perpetuity; assets for land preservation to enable MALT to purchase easements including matching Measure A and other public grants; and investments to generate ongoing working capital to fulfill our commitments.

Q8: Does MALT make a profit? Where does MALT receive its funds from?

A. No. MALT is a nonprofit organization that receives financial contributions from donors and uses those funds for its stewardship projects and easements. MALT also applies for and receives grants from public agencies.

Q9. During the period from July 1, 2020-June 30, 2021, how much did MALT receive in grants and individual contributions?

A. MALT received about \$4 million in individual contributions and grants during that period.

Q10. What portion of those grants came from government sources?

A. None.

Q11. Did MALT have a profit of \$1.8 million during the time from July 1, 2020-June 30, 2021?

A. No. MALT is a 501(c)(3) nonprofit organization, so we do not have profits. We had a positive change in net assets of \$1.8 million, resulting from a combination of net assets released from restriction, positive investment returns, and fundraising.

Q12. What did MALT spend \$5.8 million on from July 1, 2020-June 30, 2021?

A. Our operating expenses were approximately \$5.8 million.

Q13. Does MALT receive Measure A money from the County?

A. No. The County sends Measure A funds to an escrow account when a conservation easement is purchased. MALT does not receive Measure A money.

Q14: Aren't some of the landowners violating the Williamson Act and the terms of their easements by generating income from short-term rentals and hosting weddings and events? Why isn't MALT enforcing easement terms? Why do those landowners get preferential treatment?

A. The purpose of MALT easements is to enable properties to remain in agricultural use for the production of food and fiber, and we interpret all easements with that purpose in mind. If limited events, lodging, and related activities are not interfering with agricultural use and can help allow property owners to financially support agriculture, we believe they are generally consistent with our easements.

At the time some of MALT's earlier agricultural conservation easements were written, many agritourism-based events were not envisioned, and thus are not explicitly addressed.

Q15. What is currently happening with new easements?

A. We have 7 easements in the active pipeline totaling more than 4,600 acres, with an estimated cost of more than \$21 million.

Q16: What is MALT doing to help all of Marin County with the drought?

A. In 2021 MALT allocated \$500k for the Drought Resilience and Water Security (DRAWS) initiative, available to all Marin County farmers and ranchers. The impact of the first year of DRAWS: Of the 40 projects approved for DRAWS grants, 28 have been completed; 15 are on properties not protected by MALT easements, and 7 of these 15 have been completed. The Board recently allocated an additional \$250k, bringing the total to \$750k in DRAWS funding available.

Q17: Isn't there a conflict between Bob McGee's position as MALT Board president and benefits to Straus Dairy?

A. No. Bob McGee is an executive of Straus Family Creamery. He is not an executive of Straus Dairy, nor does he have any financial interest in the dairy. Straus Family Creamery and Straus Dairy are completely separate businesses.

Q18: Have there been any MALT transactions with the Straus Dairy while Bob McGee has been on the MALT Board?

A. No. There have been no transactions with Straus Dairy while Bob has been a Board member.

Q19. As a Board member, wouldn't Bob McGee have a vote on MALT transactions with the Straus Dairy?

A. Since Straus Dairy owner Albert Straus also owns the Creamery, Bob would recuse himself if there is any MALT business related to the Straus Dairy. There have been no transactions with Straus Dairy while Bob has been a Board member.

Q20: What is the difference between Straus Dairy and Straus Family Creamery?

A. The Straus Family Creamery is a business that purchases certified organic, Non-GMO milk from dairies across Marin and Sonoma counties to make its organic dairy products. More here. Straus Dairy Farm is a separate business – a dairy owned by Albert Straus.

Q21: Does Albert Straus own the Straus Home Ranch?

A. No. Straus Home Ranch is a business owned by Vivien, Michael and Miriam Straus, Albert's siblings.

Q.22: Are Vivien, Michael and Miriam Straus involved in the Straus Dairy or Straus Family Creamery? A. No. (Both Vivien and Michael previously worked in marketing roles at the Creamery — Michael from 1994-1998, and Vivien 1994-2005. Neither of them ever had, or do have, ownership in Straus Family Creamery or the Straus Dairy.)

Q.23: When did Straus Dairy Farm receive an easement from MALT?

A. In 1992. MALT paid \$664,564 for an easement on the dairy (aka Blake's Landing Farms).

Q.24: Did Straus Home Ranch receive an easement from MALT?

A. Yes. In 1992, MALT paid \$223,768 for an easement on Straus Home Ranch.

Q.25: Weren't the Straus farm and enterprises once one business?

A. Until their parent's death in 2003, Straus Home Ranch and Straus Dairy were both owned by Bill and Ellen Straus. After their deaths, the siblings separated ownership of the land, such that Albert owns the Straus Dairy (aka Blakes Landing Farms) and Vivien, Miriam, and Michael own Straus Home Ranch. Straus Family Creamery has always been a separate enterprise owned solely by Albert Straus.

Q.26: Is MALT co-founder Ellen Straus related to the Straus siblings?

A. Yes, Ellen Straus was their mother. She passed away in 2002.

Q.27: Was Ellen Straus on the MALT Board when MALT closed the Straus-related easements? A. No.