



## Case Study

### Monetizing an Eco-Asset to Support Historic Preservation & Conservation

#### Client Challenge

The Hermitage Museum and Gardens needed to solidify its financial position and increase membership interest.

- Located in Norfolk, VA, the Hermitage includes an early 20<sup>th</sup>-century historic house museum with a worldwide art collection, contemporary exhibition galleries, and a visual arts studio, surrounded by twelve acres of formal gardens, natural woodlands, and educational wetlands. The Lafayette River borders the site on three sides, a tributary of the tidal estuary that threads through the Hampton Roads region.
- In operation for over 70 years, the Hermitage's leadership saw that the organization was at an operational crossroads and needed to tap new assets and expertise.

#### Opportunity

The Hermitage's natural resources constituted a significant, untapped eco-asset. Existing programs incentivized conservation of this asset, but also posed hurdles.

- To conserve the land and its resources, the Hermitage would need assistance in understanding how a conservation easement could apply to the tidal wetlands.
- To claim tax incentives for a conservation easement, the Hermitage would need a reputable appraiser and assistance in monetizing the credits.
- To work through the conservation process, the Hermitage's executive team would need persistent, creative, knowledgeable guidance.

#### First Earth|2030's Solution

The Hermitage's leadership found the complementary expertise and professional representation they needed in the First Earth|2030 team.

- Comprehensive start-to-finish project guidance is a hallmark of First Earth|2030.
- First Earth|2030 reduced risk and accommodated the Hermitage's nonprofit status by involving the Virginia Department of Taxation and a reputable conservation appraiser to build the case for the application for conservation tax credits.
- First Earth|2030's professional expertise and creative thinking helped solve the challenge of outlining the tidal wetlands to protect them in the conservation easement.

#### Results

First Earth|2030 helped its client:

- Conserve significant waterfront lands and natural resources from development.
- Tell a new story about the organization's public benefit.
- Monetize one of its most significant untapped assets in excess of \$2 million in capital.