
THE PINCHOT LETTER

News from the Pinchot Institute for Conservation

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Conservation Partnership to be Renewed as Grey Towers Reopens Its Doors

On Saturday, August 11, conservation leaders from around the country will gather at Grey Towers National Historic Landmark in Milford, Pennsylvania, to mark its public reopening after a three-year multi-million dollar renovation. Ceremonies will also mark the rededication of the Pinchot Institute for Conservation to the mission for which it was established at Grey Towers by the Pinchot family. The Pinchot Institute will celebrate and renew its four decade-long partnership with the USDA Forest Service and especially the staff at Grey Towers, in one of the longest-running and most successful public-private partnerships in conservation.

The renovated Grey Towers will feature greatly expanded and improved conference facilities, making it more conducive to the Pinchot Institute's increasing number of programs and activities there. Grey Towers has developed a devoted following among people who have had the privilege of meeting there. It is a special place where spirited discussions on conservation issues have taken place for more than a century, first as the home of Gifford Pinchot and today as the home of the Pinchot Institute. This historical context, and the unique retreat setting, seem to lend a sense of greater purpose to the dialogues that take place here today, whether in programs designed to

help develop emerging leaders in the Forest Service or in conservation seminars designed to bring together leaders from all sectors to examine the major trends and issues that will influence conservation in the future. Challenges in natural resource conservation that at first seem insurmountable, somehow become more manageable when considered in the broad sweep of history.

Through the generosity of the Pinchot family, Grey Towers and all that it symbolizes was made a gift to the Forest Service and to the American people in 1961, forty years ago this year. Two years later, Grey Towers was designated a National Historic Landmark, in recognition of both its historical and architectural significance to the country as a whole. President John F. Kennedy and a host of national conservation leaders from government, industry and nonprofit organizations came here in 1963 to dedicate Grey Towers, and also to dedicate the Pinchot Institute for Conservation as the Forest Service's own nonprofit partner organization at Grey Towers.

For much of the past four decades, the Pinchot Institute has conducted innovative policy studies, convened groundbreaking conferences and seminars, hosted programs aimed at strengthening leadership in natural resources

agencies and throughout the conservation community, and served as an important partner in a variety of other conservation education and public outreach activities. Under the leadership of Pinchot Institute President Al Sample, this partnership has become even stronger. The Institute has truly become a "leader in conservation thought, policy and action" and is assisting the Forest Service in many ways to advance the conservation mission at the heart of both organizations.

August 11, 2001 will be another historic day for conservation. It will mark the reopening of Grey Towers following an ambitious three-year
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Leadership in Forest Conservation Thought, Policy and Action

restoration effort aimed at making this special place the focus of conservation activity envisioned by the Pinchot family at the time of their gift. The Pinchot Institute is playing another key partnership role with Grey Towers, as a recipient of private contributions to assist in the completion of this historic restoration. These tax-deductible contributions are critically important, especially now as we strive to fulfill the match requirements of challenge grants we've received. For example, the deadline is fast approaching for one of these, a challenge grant

of \$116,000 received last year from the *Save America's Treasures* program (see page 5), a partnership between the White House Millennium Council and the National



Trust for Historic Preservation.

The re-opening of Grey Towers and the rededication of the Pinchot Institute are open to the public. Featured speakers will include Pennsylvania Governor Tom Ridge (invited), Congressman Don Sherwood, and Forest Service Chief Dale Bosworth.

Additional information can be found on the Pinchot Institute's website at www.pinchot.org, or by contacting Kendra Miller at (202) 797-6580 or kmiller@pinchot.org.

ABOUT THE PINCHOT INSTITUTE

The Pinchot Institute for Conservation is an independent non-profit research and education organization dedicated to leadership in natural resource conservation thought, policy, and action. The Pinchot Institute was dedicated in 1963 by President John F. Kennedy at Grey Towers National Historic Landmark in Milford, Pennsylvania, historic home of conservation leader Gifford Pinchot, to facilitate communication and closer cooperation among resource managers, scientists, policy makers, and the American public. The Institute continues Pinchot's legacy of conservation leadership as a center for policy development in support of sustainable forest management. Further information about the Pinchot Institute's programs and activities can be found at www.pinchot.org.

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Certification on State Trust Lands (Part 2): Forest Interests Converge in Support of Washington DNR Certification

On June 8 in Olympia, Washington, the Pinchot Institute and the Washington Department of Natural Resources (DNR) hosted a public briefing on the certification assessment of the DNR's management of the 1.2 million acres of west-side state trust lands. The certification assessed the compliance of DNR forest management practices with the requirements of the Forest Stewardship Council (FSC), an international nonprofit organization promoting responsible forest management through certification based on a comprehensive set of principals and criteria. The assessment was conducted by Scientific Certifications Systems (SCS), an Oakland-based firm affiliated with FSC.

The SCS report tentatively approved the DNR for certification, pending the agency's commitment to rectify a number of conditions identified in the report. The purpose of the briefing is to summarize the key findings and conclusions from the SCS examination of DNR forest management practices, and to discuss the potential for DNR to move forward on a commitment to certification. This decision must be made by the new Commissioner of Public Lands, Doug Sutherland. The assessment was begun during the tenure of the previous Commissioner, Jennifer Belcher, and continued without interruption under Sutherland.

That the report has been well received by groups on all sides is evidence of the potential that this project offers, and the importance of certification to the DNR and Washington citizens as a whole. At the meeting in Olympia presentations by SCS, the Pinchot Institute, and the DNR described the assessment process, and where this effort

fits within the Institute's broader nationwide study of the applicability of certification on public forest lands. A second set of panelists provided perspectives from the environmental, industry, and retailer communities of Washington. These included comments from the Washington Environmental Council, Sierra Club of Washington, Simpson Investment Company, Mount Baker Plywood, and the Home Depot. All of the speakers supported the certification of Washington's trust lands, though all expressed concerns they hope will be addressed as part of the certification. The consensus view that certification is a step in the right direction is a greater multi-lateral endorsement than was expected from the start. Indeed, it communicates to the state that certification is a worthy goal for several reasons. This perspective was shared by the DNR Chief Land Steward Bruce Mackey, who indicated that the DNR must now examine the implications of the report's recommendations before committing to certification.

The SCS report recommended the state for certification without pre-conditions. However, a set of 27 conditions must be rectified according to various schedules. Some are cosmetic and can be accomplished by changes in language, others are more substantial. The most significant conditions arise from the SCS determination that the DNR is harvesting above sustainable yield. The condition requires that the DNR recalculate annual allowable cut (AAC), and reduce harvest levels by extending

rotation ages from 65 to 85 years or increasing green tree retention in even-age management areas. These changes could reduce trust revenues, and therefore might exceed the DNR's administrative jurisdiction. In such case, as suggested by the DNR at the meeting, the Board of Natural Resources will render a decision by vote. In the meantime the DNR has already begun to re-assess inventory data, and to develop growth and yield models under various policy scenarios. The recalculation of AAC will be completed by early 2002, at which point the agency will better understand the implication of SCS conditions. It is a data-intensive process that will need aggressive action to be completed in the suggested timeframe.

Another significant challenge to the DNR is the re-definition and designation of high conservation value forests. These include old growth and non-T&E species. DNR's management and documentation of high conservation value forests were deemed inadequate by the assessment team. Moreover these and similar resources are the principal focus of criticism from environmentalists in the state. As a consequence, any change the DNR makes to satisfy this condition will be closely scrutinized.

Other conditions in the report focus on capacities that the agency has been unable to develop because requested funding has not been granted by the state legislature. Such issues include inadequate staffing of wildlife and fisheries biologists, the backlog of cumulative impact assessments, and the establishment of a permanent reserve system. If anything, future funding for the agency may decrease, requiring substantial creativity to support these and other



efforts. The requirements in the SCS report for the state to “demonstrate significant efforts” to obtain the necessary funding invokes an uncertain threshold for resolving these issues, and is of concern to environmental groups. It will be a challenge for SCS, and indeed the Forest Stewardship Council, to determine where the standard must supercede the political realities faced by the agency, or when an honest effort is adequate.

These are difficult issues that will be closely tracked by all interest groups and the media. They will also be among the important lessons that will be described in the Pinchot Institute’s final report on the certification pilot projects on public lands. Whatever the outcome, this effort has been a remarkable contribution to advancing the dialogue between the agency and the citizens of Washington, and improving the stewardship of state trust lands.

For more information please contact Will Price at (202) 797-6578, willprice@pinchot.org, or Catherine Mater at (541) 753-7335, mater@mater.com.



Allocating Cooperative Forestry Funds to the States: Block Grants and Alternatives

The Pinchot Institute recently released a report titled “*Allocating Cooperative Forestry Funds to the States: Block Grants and Alternatives*.” In FY 2000, Congress asked the USDA Forest Service to provide an independent study “to assess the feasibility and potential for enhanced program efficiency by block granting all or portions of the Cooperative Forestry program.” The Pinchot Institute was awarded a contract by the Forest Service to conduct this study, and convened a panel of eight independent experts to report on the merits and drawbacks to such an approach.

The Forest Service’s Cooperative Forestry program is charged with administering programs that enhance the management, protection, and stewardship of forest resources on state and private lands throughout the United States. These programs provide technical and financial assistance to rural and urban citizens to help them care for their forests and sustain their communities. The programs, which are funded through the federal government’s budgeting and appropriations process, are managed in accordance with the Forest Service’s State and Private Forestry division’s national priorities, and implemented locally through a series of grants to state forestry agencies. State forestry agencies and others have questioned whether a block-grant approach to allocate such funds would enable each state to receive a greater share of the total appropriated funds, and

allow the states greater flexibility to manage such funds.

The panel, chaired by Perry Hagenstein, invited representatives from numerous forestry organizations to offer comments on the delivery of the Cooperative Forestry programs to ensure that all relevant issues were identified and addressed. The panel’s ensuing report examines several options, including block grants, to enhance the effectiveness of Cooperative Forestry programs.

The recommendations go beyond a simple evaluation of the merits and drawbacks of administering Cooperative Forestry programs through block grants to the states. The issues in funding Cooperative Forestry programs are complex and the opportunities for better serving the public are great. The Pinchot Institute intends for this report to challenge the Forest Service, the state foresters, and other stakeholders to be open to these opportunities and innovative in their responses. The Pinchot Institute provided briefings on the findings and recommendations to Congress, Forest Service leaders, and interested stakeholders.

The report is available electronically at www.pinchot.org/pic/cfnews.htm or can be requested in hard copy by calling (202) 797-6580 or emailing neblock@pinchot.org. Questions or comments about the study should be directed to Nadine Block at (202) 797-6585, neblock@pinchot.org.



INSTITUTE RAISING MATCH FOR PRESTIGIOUS *SAVE AMERICA'S TREASURES* GRANT



The Pinchot Institute for Conservation is in the final months of a campaign to raise \$103,000 in matching funds from individuals, foundations and corporations to renovate the Letter Box—a two-story stone structure on the grounds of Grey Towers National Historic Landmark—Gifford Pinchot's former Milford, Pennsylvania home. The Letter Box originally served as an office and archive in the years following Pinchot's service as two-term Governor of Pennsylvania and first Chief of the U.S. Forest Service. Upon completion, this restored building will be the site of a premiere conservation and education outreach center for both children and adults in the upper Delaware River Valley region, the Commonwealth of Pennsylvania, and across the nation.

The Letter Box is one of 62 sites in the United States recently selected to receive a grant from the *Save America's Treasures* program—a public-private partnership between the White House Millennium Council and the National Trust for Historic Preservation—dedicated to preserving our nation's irreplaceable historic and cultural treasures for future generations.

Grey Towers Director Ed Brannon states, "This grant not only provides funds for a much-needed part of the renovation project, but it also recognizes Grey Towers as a crown jewel in American conservation history. Selection in this program validates the importance of this site as the birthplace of conservation in our nation."

Money raised for the project will fund new heating and air conditioning systems, special ultra-violet window shades to protect early volumes of forestry and conservation books that will be housed there, and selective restoration of the interior space. Restorative treatments will also be applied to 20 original political cartoons relating to Pinchot's fight for conservation; several early volumes of books on natural resource history; an historic 1899 map of the U.S. Territories and Insular Possessions; and Pinchot's library holdings, which include an historic set of *Audubon* volumes.

The Letter Box, which was designed in 1925 by famed architect Chester Aldrich, served an important role in Gifford Pinchot's political and personal life. An active letter writer, Pinchot has more papers at the Library of Congress than any other civilian. The Letter Box is celebrated as the birthplace of his letters and many innovative thoughts and writings on forest conservation, and his autobiography, *Breaking New Ground*.

In 1963, the Pinchot Institute for Conservation was dedicated at Grey Towers by former President John F. Kennedy to continue Pinchot's forest conservation legacy. Given this, the Forest Service chose the Institute as the non-profit partner responsible for raising the matching funds required by this grant to restore this historic treasure.

For more information on how to invest in this unique opportunity, please contact Lori McKean at (570) 296-9630 or Kendra Miller at (202) 797-6580.



The Letter Box

Developing the Ecosystem Management Workforce

Building sustainable communities in natural resource dependent areas requires finding ways to protect natural ecosystems, while at the same time promoting local economic development. In 1993, this challenge became an urgent one for the timber-dependent communities of the Pacific Northwest. Throughout this region, changes in public land management policy, under the federal government's Northwest Forest Plan, resulted in a sharp decline in timber production and a shift in priorities to restoring watershed for spotted owl and salmon habitat. As the logging and sawmill industries in the region declined, local communities struggled to cope with the corresponding loss of jobs. As a remedy for this predicament, the Northwest Economic Adjustment Initiative that accompanied the Plan, assigned federal funds to the Jobs in the Woods program—an initiative to provide training and family-wage jobs in watershed restoration for displaced workers.

Nearly eight years later, the communities of the Northwest are still working to transition their local economies from an extractive to a stewardship base. In response to the need for training in ecosystem management, a number of community-based programs have sprung up throughout rural Washington, Oregon, and California, offering coursework and on-the-job training, as well as job placement. Students of ecosystem management are trained in a wide range of skills including, stream restoration, surveying, ecological analyses, thinning, reforestation, and geographic information systems applications (GIS). They also receive business training to prepare them for bidding on government contracts. The breadth of training enables workers to continually find

work despite seasonal changes and shifting land management priorities. For land management agencies, contracting high-skilled ecosystem workers means that they can order complex restoration procedures on critical habitat and have it done by a single crew with minimal supervision. Ultimately, these programs help workers build stronger relationships with the land and with land management agencies.

For many workers who complete their ecosystem management training, however, the opportunities for employment are unsteady. The traditional design and procurement approach to service contracts on federal lands favors the lowest bid, often disadvantageous to local, high-skilled labor. Short-term contracts for single activities encourage contractors to hire low-skilled workers and invest little in on-the-job training. New procurement methods, such as best value and task order contracting, offer some hope for creating meaningful ecosystem employment. The future of the ecosystem workforce will depend on the development of contracts that bundle together multiple tasks, fund on-the-job training, and favor local contractors over distant ones.

Meanwhile, the developing ecosystem workforce faces challenges of equitability and inclusiveness. In Oregon's Willamette Valley, logging clearcuts have traditionally been reforested by mobile teams of workers, the majority of whom are Latino immigrants, who spend the summer planting season traveling from contract to contract. Besides tree planting, this mobile workforce is responsible for a variety of forest maintenance activities including thinning, slash burning, erosion control, and trail construction. With the rise of ecosystem management training,

former timber workers in the region are also learning to perform forest restoration work. This is cause for concern among the members of the mobile workforce who are worried about being excluded from the training and high skilled jobs, not to mention the service contract work that they have traditionally performed. The Willamette Valley Reforestation Demonstration Project, which offers a Spanish language ecosystem management training program, and the multicultural Alliance of Forest Workers and Harvesters are two resources that are helping this mobile workforce gain access to higher-skilled ecosystem employment. With an increasingly louder voice, this community of interests is continually alerting others of their rights and abilities.

Interest in building an inclusive, highly trained ecosystem workforce is not confined to the Northwest. Communities, government, and land managers are looking for opportunities to create family-wage jobs while restoring ecosystems in other parts of the country as well. Even urban ecosystems may offer a source of employment for skilled managers and technicians. As training and job placement programs are tried elsewhere, the experience gained from Jobs in the Woods will provide valuable input.

To facilitate learning and action, the Pinchot Institute, with support of The Ford Foundation, will be sponsoring a series of workshops beginning in the fall that address the prospects and challenges of expanding employment in ecosystem management. For more information, please contact Peter Kostishack at (202) 797-6582, or at peterk@pinchot.org.



Non-Industrial Private Forests and Their Owners

The importance of non-industrial private forests (NIPFs) to the overall forestland picture in the United States cannot be overemphasized, and the statistics that tell this story abound. In total there are an estimated 747 million acres of forest in the U.S. (amounting to 7% of the world's forests.) Of this, 63.3% (or 472 million acres) is private—80 million acres of industry land and 393 million acres of non-industrial land (NIPFs). So approximately 4% of the world's forests are owned by 10 million woodland owners in the U.S.

There is no other country in which private citizens are responsible for so much ecological wealth. This is a great opportunity for forest conservation, and so over the last few years the role of small private landowners has been the topic of much thought and discussion. Consulting foresters, county extension agents, and policy-makers at the state and federal level are scratching their heads, wondering how to engage these 10 million landholders across the nation, hoping to get them committed to forest management over the long term and save millions of acres from development.

However, despite the hard work of many, it is an opportunity that still somewhat eludes us, and woodland owner associations sometimes complain that it is unrealistic to expect NIPFs to profitably meet the conservation goals of the rest of the country. Unlike other categories of ownership in the U.S., private forestlands are increasingly fragmented and sold for development. Every year approximately 2 million acres of NIPFs are broken into pieces smaller than 100 acres (Birch 1996). Decreases in parcel size limit the viability of timber management and increase the likelihood of transferal to individuals who are not interested in

actively managing the forest. These and other factors increase the probability of eventual conversion to non-forest cover, and between 1982 and 1997, 11.5 million acres of private lands lost their forests (Birch 1996).

There are other disturbing statistics indicating that the quality of forests are declining as well. For example, in the last 20 years the average diameter of hardwoods harvested on private timberlands in the South has decreased by 20% (RPA 2000). For softwoods the decrease is even greater (27%), but this is largely driven by conversion to plantations. Interestingly, the greatest decline in size for these two decades occurred in the Rocky Mountain region, where the average diameter harvested in 1997 was 49% smaller than in 1976. The only exception to these declines are the northern hardwoods, where average diameter harvested increased 6.7% over the same period. But the oft-cited rebound of the Northern forest is mostly due to mid-century abandonment of farms, and may not hold up over the long-term. Therefore, the role of NIPFs in preserving U.S. hardwood forests is especially critical. With most of the federal lands located in the West, and the industry focusing on softwood fiber production, NIPFs own almost four times the hardwood volume found on the combined holdings of industry and the Forest Service, or 71% of the total national inventory (RPA 2000).

Fragmentation trends have been countered in the field by extension agents and public and private foresters. By linking with forestland owners they have encouraged participation in state and federal programs, most of which lead to the development of forest management plans (FMPs). Their efforts employ many tools that will help to retain ownership and improve stewardship. The

most notable of these is the Stewardship Incentive Program (SIP), which provides tax-incentives for landowners to work with foresters in developing forest stewardship plans. Other approaches include an evolving set of conservation-oriented tools like easements, bargain sales, and several types of tax-saving donations (e.g. land trusts). The former encourage landowners to keep and manage their lands—the latter to transfer title to those who will ensure they remain as forests.

Some states have been more successful than others in reaching their forestland owners. Overall, most states report that the percentage of NIPFs that have developed management plans is still relatively low. For example in Pennsylvania, Oregon, and Wisconsin less than 20% of the NIPFs have formalized management plans (Finley and Jacobson 2001; Reed 2001). This still is quite an accomplishment for these NIPFs and the agencies that are working with them. It means that 100,000 owners in Pennsylvania have plans. But it also indicates that the 400,000 citizens who own the remainder of Pennsylvania's 12.6 million acres of NIPFs do not. Moreover, there are an additional 40,000 new owners in Pennsylvania every year who must be reached (Finley and Jacobson 2001). Similarly, Alabama's admirable "TREASURE" forest program has enrolled 1,600 forests comprising two million acres; but again, as the nation's second most forested state, the bulk of the acres and owners must still be reached (Glover and Jones 2001).

So far a relatively limited percentage of landowners have the tools that will help them, in the end, afford to keep their forests. The programs that these states administer focus heavily on improving forest management, through voluntary adherence to

guidelines like Best Management Practices (BMPs). These and other tools help owners manage for timber in an environmentally responsible manner; but while they are crucial elements for maintaining the ecological health of the nation's forests, they can be a net "cost" to the landowner—both in time and money. Moreover, the challenge of getting owners to stick to the guidelines falls heavily on the shoulders of an overextended cast of state and county organizations. In the end, few states have a good sense of how many program participants are using the tools that foresters helped develop and how this then affects long-term ownership decisions (Ellefson et. al 2001).

Meanwhile the trends in the forest industry will also make it increasingly difficult for NIPF owners to profitably manage for timber, and thus offset the expense of keeping their land. Despite the best efforts of extension agents and consulting foresters, accelerating productivity and efficiency gains on industrial lands promise to widen the gap with NIPF costs for similar stumpage. Moreover NIPFs are increasingly farther from mills, which in turn are increasingly ill-suited for processing their timber, or even accepting their mode of delivery.

The outlook is troubling unless NIPFs can cover costs through payments for the other types of services they offer. Fortunately, proposals for this type of compensation continue to emerge. Conservation easements are becoming more widely implemented. Organizations like The Conservation Fund, The Nature Conservancy, and Pacific Forest Trust are providing materials and guidance that are now reaching many landowners (Best 2000). Among these groups, the Pacific Forest Trust (PFT) has helped distill the science on carbon storage in forests, to develop a pricing structure, and test the application of payment for forest-

carbon sequestration. The key for NIPFs will be to develop a management regime that merits payments for carbon storage. For example, the PFT estimates that to compete with development, carbon sequestration services will have to garner at least \$20/ton C to justify retaining forests in timber management on prime Douglas fir lands (Wayburn 2000). These returns are not considered unrealistic, but they must be grounded with the emissions of CO₂ that they are supposed to offset. It is reasonable to envision NIPFs managed as a carefully-structured portfolio that profitably combines carbon payments, no-development conservation easements, recreational permitting, and timber management.

However, the network of state foresters, county extension agents, and consulting foresters, is not yet fully exploring this combination of options. Indeed, it is unfair to expect that all these approaches can be in their toolbox quite yet, since some are only now becoming feasible, and not everywhere. For carbon, requisite fee structures, binding legal agreements, and verification services are not fully developed. Even the more widely accepted tools like conservation easements vary regionally in prominence and compensation.

But perhaps the barrier to slowing conversion is not just the difficulty of reaching landowners with feasible and adaptable packages, but a misunderstanding of why forests are being sold in the first place. When asked, landowners are not necessarily selling because they are uninterested in forest management, or cannot cover expenses.

Recognizing the complexity of the factors entering the decisions faced by NIPF owners and the uncertainty on the fundamental reasons for conversion, the Pinchot Institute and Senior Fellow Catherine Mater, embarked on a study funded by

USDA's Wood Education Research Center. The study focused on "non-joiners," or those NIPF owners in the U.S. who are not members of a forestland owner association, and whose lands are particularly prone to conversion. The first goal was to document what NIPF owners say are the primary reasons for owning and selling lands, and what tools and assistance have been most useful in meeting their goals and dealing with other pressures. The study included a similar inquiry with state foresters, SAF chairpersons, and anti-growth/sprawl groups. It was based on in-depth interviews in 9 states with 107 landowners, 44 professional foresters, 25 environmental groups, and the Society of American Foresters (SAF) chair. The second goal has been to compare each set of responses, determining whether NIPFs cite the same issues and needs that are cited by the foresters and others who devise and deliver programs. Later, we will develop materials (e.g. handbooks) based on the insights from these analyses, to illuminate gaps between programs and needs, and suggest how current programs might be improved and other approaches developed.

Most of the interviews have been completed and compiled (ongoing interviews are targeting the offspring of the landowners that were interviewed.) The preliminary results paint an interesting picture that matches other similar studies, but differ in some crucial respects. The demographic aspects of the selected NIPFs closely match findings in other studies. For example, most of the parcels range from 50 to 500 acres (68%). Almost half (47%) of the interviewees have owned their land for more than 40 years. The remaining 50% break down as follows: <10 yrs.=14%, 10 to 19 yrs. = 13%, 20 to 29 yrs. = 15%, and 30 to 39 yrs. = 11%. For all NIPF owners in the study 63% purchased their lands and the rest inherited them. Other study

questions inquire about timber management experience, participation in government programs, and familiarity with a broad range of tools, like conservation easements and certification (Figure 1).

This data, and the questions asked of the other respondent categories, build a good foundation to understand selling and management decisions. One of the most surprising results, which bears more investigation, is the low ranking respondents gave to factors like estate taxes, government regulations, and management costs in making decisions on whether to keep their land (Figure 2). Instead, owners are more concerned by the lack of interest expressed by their children. An unforeseen emergency need for cash also figured prominently as a factor driving conversion both in the owner's lifetime and once transferred. Finally, medical costs were also cited as important. All three of these concerns are typically outside the scope of services provided by public programs and administered by public and private consulting foresters. They are more deeply sociological. At the very least

these types of responses highlight a need to re-examine the goals set for public policies and program delivery.

The Pinchot Institute is continuing with interviews and analysis, and developing a guide for several audiences. A handbook based on these results should be a valuable contribution to policy-level and field-based efforts to encourage NIPF owners to keep their lands as forest. These landowners need to be supported in the most effective manner if we, as a country, expect them to steward the nation's natural heritage.

For more information on this study please contact Will Price at (202) 797-6578, willprice@pinchot.org, or Catherine Mater at mater@mater.com.

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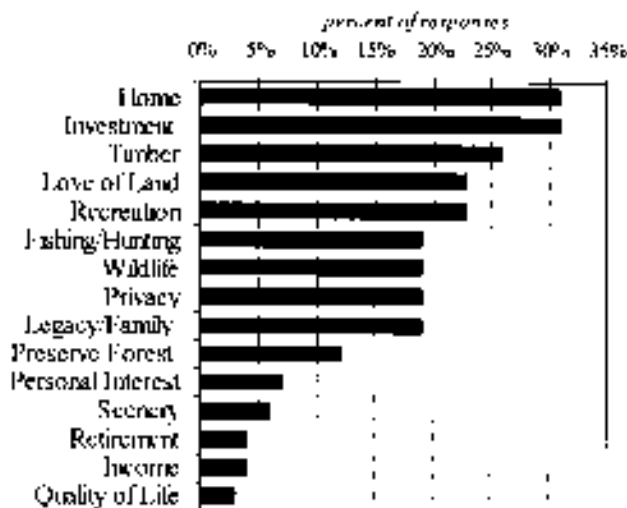
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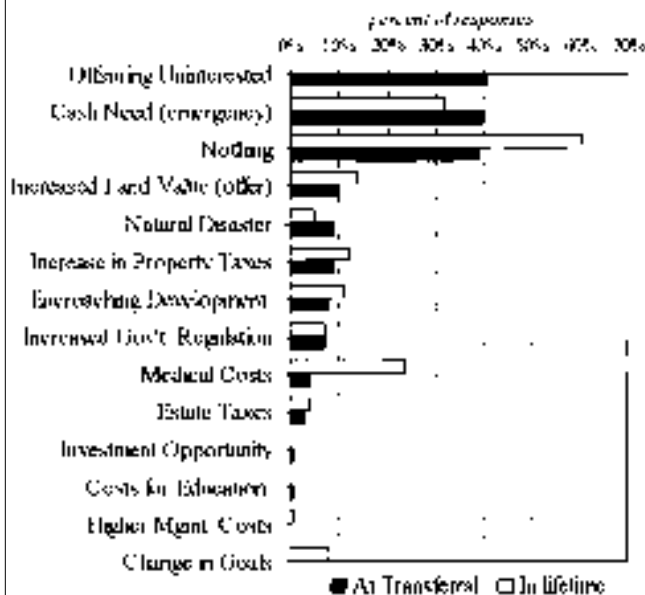
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(Figure 1)
REASONS CITED BY RESPONDENTS
FOR OWNING FORESTLAND



(Figure 2)
REASONS CITED BY RESPONDENTS FOR
SALES OF LAND TO NON-FOREST USES



Building Effective Management Teams on National Forests

As new teams of people come together, it is important that leaders provide the right kind of guidance so that they focus on appropriate priorities. In these days of increasing complexity and a changing work force, all leaders are faced with a growing challenge of finding ways to ensure optimum teamwork.

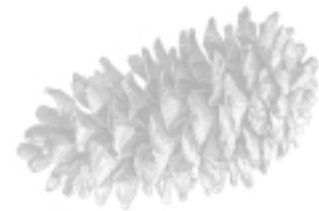
Over the last six months, the Pinchot Institute has assisted three new National Forest Supervisors and leaders of three other organizations in making transitions with new teams. By working with these new leaders, a "transition" strategy was developed that produced a broad,

well-rounded introductory "snapshot" of the organization so that the leader had a feel for needs, issues, opportunities and priorities. The intent was to shorten and leverage the new supervisor's start-up period and to also position the entire team for a focused approach.

Traditional team strategies often focus on how the team structures itself. While form is essential, a team also requires essence. The Pinchot Institute helped these leadership teams to identify significant forces impacting the management unit, prioritize critical work, and develop work plans. The work identified opportunities for change over the

following months. Additionally, counsel and training was provided on team dynamics, resolution of conflict and strategies for change. As a result, these teams now have a description of their purpose, values, talents and vision which will determine their essence as well as their structure.

For more information, please contact Bob Breazeale at (202) 797-6576 or at bbreazeale@pinchot.org.



WHY BECOME A PINCHOT ASSOCIATE?

Join us in achieving Gifford Pinchot's vision to protect and manage forests. Make a tax-deductible contribution of \$100 or more to become a Pinchot Associate.

How does your investment help others?

It provides resources to ensure our flexibility to collaborate nationwide with all of America's people—from rural landowners to federal policymakers—to sustain natural resources and build economic capacity through our educational programs, research on forest-management policies, and technical assistance for on-the-ground activities.

How do you benefit?

- ✿ Feel good about helping others;
- ✿ Keep informed of timely issues through *The Pinchot Letter*;
- ✿ Receive advanced notification of our workshops, seminars, conferences, and newly released publications;

- ✿ Enjoy special recognition in our annual report;
- ✿ Receive invitations to special events we host in your community, Washington, DC and at Grey Towers.

For more information on how to join this insightful group of conservationists, please contact Kendra Miller at (202) 797-6580 or kmiller@pinchot.org.



Pinchot Institute for Conservation #1010

Mary Mitsos to Join National Forest Foundation

This summer, the Pinchot Institute bid a heartfelt farewell to Mary Mitsos, who will join the staff of the National Forest Foundation (NFF), at its new headquarters office in Missoula, Montana. Mary came to the Pinchot Institute in 1996 from the University of Michigan, where she had just completed graduate studies in natural resources and economics. Mary's work at the Pinchot Institute focused initially on the long-term management of municipal water supply areas as a potential source of broad information on the economics of sustainable forest management. She soon became involved in the Institute's ongoing work in community forestry, most notably the Institute's efforts to foster the development of land stewardship contracting as a tool for both facilitating sustainable economic development in rural communities and promoting better long-term stewardship of forest resources surrounding these communities.

Mary came to oversee a broad array of Pinchot Institute projects relating to community-based forest stewardship. She served as a participant on the Forest Service's Collaborative Stewardship Team, and as a board member at the National Network of Forest Practitioners.

Mary has made many valuable contributions to the Institute's work in community forestry, and she will be greatly missed. Her work in this area will continue under the auspices of NFF, however. All of us at the Pinchot Institute look forward to continuing to work with her as part of the ongoing partnership between the Institute and the National Forest Foundation, and the growing network of organizations nationwide working to advance community-based approaches to natural resource conservation and stewardship.



Michele Frome Joins Pinchot Institute Management Team

Michele Frome joined the Pinchot Institute for Conservation as Director of Finance and Administration in March 2001. She replaces Susan Stedfast, the Institute's former Director of Operations and Legal Affairs, who left us to pursue fulltime motherhood.

Michele brings over 20 years of experience in the non-profit conservation field and tremendous breadth and depth of expertise in financial management, project management, organizational development, and training. Her experience includes serving as Director of Training for

the Environmental Law Institute from 1987-1993 and Executive Director of the Institute for Conservation Leadership from 1993-1996. Prior to joining the Pinchot Institute, she worked for five years as a fundraising and organizational development consultant.

She received her Bachelor of Arts degree in Economics from Williams College in 1975 and her Masters in Public Administration from the John F. Kennedy School of Government at Harvard University in 1981. She currently serves on the Board of Directors of Partners in Parks, Inc.

Institute Welcomes New Research Fellow

Peter Kostishack has recently joined the Pinchot Institute as a Research Fellow with the Community-based Forest Stewardship Program and has begun examining the challenge of connecting local workforce capacity with employment opportunities in ecosystem restoration (see article this issue, page 6). He brings to the Institute experience working with communities on forest and natural resource management projects in diverse landscapes including the Bolivian and Peruvian Amazon and the Honduran Mosquitia. Prior to coming to the Institute, Peter supported conservation organizations throughout California with GIS maps and analysis while working with the non-profit organization, GreenInfo Network in San Francisco. He holds a Masters of Environmental Science degree from the Yale School of Forestry and Environmental Studies and a Bachelors degree in biology from Harvard University.



FROM THE PROFESSIONALS

From the Professionals is a tri-annual column of finance and investing tips from different members of the professional services industry. The opinions represented here are the writer's own, and do not reflect those of their affiliated firms or of the Pinchot Institute.

Do Good and Cut Taxes

Julian Block, J.D., L.L.M.

Most of us go the easiest, most familiar way and just write checks when we make charitable contributions. So the charity gets the cash; donors get to deduct those amounts.

But anyone who plans to donate a sizable sum should be aware of another way that can save considerably more taxes. Instead of sending checks, a savvy strategy is to donate appreciated properties—stocks, mutual fund shares, real estate or other investments that have gone up in value since their purchase and, as you have owned them for more than 12 months, would be taxed long-term capital gains when they are to be sold.

In this case, you get a double dip of tax savings: First, you can deduct the assets' current market value; second, you avoid all of the capital gains taxes. In the end, you lose a maximum of 20% of your gain to federal taxes—a levy that drops to 10% if you are in the 15% tax bracket—plus applicable state income taxes.

EXAMPLE. Suppose you intend to give \$20,000 to the Pinchot Institute. Also assume that your long-term stockholdings include some shares that you acquired for \$8,000 and are about to unload for \$20,000.

You reap significant tax benefits by contributing stock worth \$20,000, rather than the same amount of cash. Going the stock route makes no difference to the Institute, a tax-exempt entity that incurs no taxes when it sells the shares and ends up with close to the same amount of cash. But it does make a decided difference in the size of your tax tab. Besides the savings generated by a deduction for a \$20,000 cash gift, you sidestep the tax as much as \$2,400 that is due on the \$12,000 gain if you sell the stock.

STRATEGY. Uncertain about whether to surrender your position in some appreciated stock? Then consider donating the stock and using the money that you would have otherwise donated to buy back the shares for their current market price. That way, tracking the numbers in the example, you preserve a charitable deduction of \$20,000, as well as eluding tax on the \$12,000 gain. Moreover, brokerage commissions aside, a repurchase of the stock enables you to measure any gain or loss on a subsequent sale against the new, higher cost of \$20,000, not the original one of \$8,000.

PAPERWORK. For gifts of stock or similar property to count as deductions for this year, you must complete delivery of those donations by December 31. Make sure to allow enough time for completion of the legal paperwork.

If you unconditionally deliver or mail a properly endorsed stock certificate to the Institute, the donation is considered completed on the date of delivery or mailing, provided the certificate is received in the ordinary course of the mail. But if you deliver the certificate to your bank, broker or the issuing corporation as your agent for transfer into the name of the Institute, the donation is not completed until the date the stock is transferred on the corporation's books—a process that could take quite a while.

Julian Block is a nationally recognized attorney who has been singled out by the New York Times as a "leading tax professional" and by The Wall Street Journal as an "accomplished writer on taxes." Block is well known for his ability to translate complicated tax laws into plain English and to offer simple, tax-saving strategies through his nationally syndicated column, "The Tax Advisor," and through numerous books. His advice can also be found on websites, such as keen.com.



Support the Conservation Legacy

Would you like to help support the conservation efforts that Gifford Pinchot started? By making a Combined Federal Campaign (CFC) contribution to the Pinchot Institute for Conservation, you can make that happen.

For nearly four decades, the Pinchot Institute and the USDA Forest Service have shared a valuable and productive partnership, one based on a shared mission to advance conservation and the sustainable use of natural resources. Dedicated in 1963 by President John F. Kennedy at Grey Towers National Historic Landmark (former home of conservationist

Gifford Pinchot), the Pinchot Institute supports the Forest Service's work nationwide through independent policy studies, technical assistance, and public education on emerging issues in sustainable forestry and natural resource conservation.

Winter 2001 marks the fifth year in which the Pinchot Institute has participated (**charity #1010**) in the United Way Combined Federal Campaign, a nationwide, annual campaign that supports nonprofit organizations that reach out to people and communities in need to help make this world a better place. Established by Executive Order in 1961, the CFC is one of the few on-the-job fund raising campaigns in existence, one that make employee's gift affordable through payroll deduction.

We invite you to partner with us in continuing Gifford Pinchot's legacy by making a tax-deductible contribution in your upcoming CFC campaign. Since the CFC will not release donors' names without their permission, we are unable to acknowledge your generosity unless you check the box indicating that you DO want your name, street, and/or email address to be released.

With over 3,000 nonprofits participating annually in the CFC campaign, we want don't want to miss out on an opportunity to keep you informed of exciting events at Grey Towers and our work that directly supports yours. Together, we can spread the roots of forest conservation!

For more information, please contact Kendra Miller at (202) 797-6580 or kmiller@pinchot.org.



Combined Federal Campaign

The Pinchot Institute participates in the Combined Federal Campaign as #1010. All gifts are tax-deductible.

UPCOMING EVENTS

August 11, 2001

Milford, PA

Grey Towers Historic Landmark Grand Reopening. For more information, contact Kendra Miller at (202) 797-6580 or at kmiller@pinchot.org.

September 5-8, 2001

Washington, D.C.

2001 National Urban Forest Conference, "Investing in Natural Capital in Urban Places: A Green Revenue Stream for Metro America." American Forests. For more information, contact Kasey Russell at (304) 345-7578, or kaseyrussell@citynet.net.

September 8-11, 2001

Hoopa, California

National Network of Forest Practitioners 11th Annual Meeting, "Back to the Land, Back to our Roots." For more information, please contact Wendy Gerlitz at (503) 449-0009 or visit their website at www.nnfp.org.

September 13-17, 2001

Denver, Colorado

Society of American Foresters National Convention. For more information please log onto www.safnet.org/calendar/natcon.htm or call (301) 897-8720.

September 29, 2001

Nationwide National Public Lands Day

For more information, contact The National Environmental Education & Training Foundation at (202) 833-2933 or log onto www.npld.com.

September 29-October 2, 2001

Baltimore, MD

Land Trust Rally 2001. Land Trust Alliance. For more information, contact Heather Bradley at (202) 638-4725 or at hbradley@lta.org.

THE GREY TOWERS CONNECTION

Jerome J. Anthony
Lt. Col. USAF (retired)



The Pinchot Family had a profound effect upon improving the lives of thousands of people. The history of Pennsylvania would have been totally different without the influence of William Penn and the Pinchots. I have firsthand knowledge of the prominence of the Pinchot name. Having lived in the northeastern region of Pennsylvania from birth until the completion of high school, I was able to absorb the emanations of the necessary economic and political changes in the great state of Pennsylvania. The study of history is vital. Many people have crafted humanitarian reform movements in the Keystone State, but nothing can compare with the accomplishments of the Pinchots.

Let us consider the establishment of the Forestry School in Milford. Gifford Pinchot was the chief spokesman for scientific forestry management in the United States. His advanced thinking was the model for the conservation movement. From the standpoint of employment, my family was lifted from abject poverty to relative prosperity because of Governor Pinchot's road building program. I am descended from three generations of coal miners, and life was far from easy when we lived in small shanties. One of our rented "houses" caved in because it had been built over a mineshaft. Subsequently, the landlord sought to burn the house down in the middle of the night, quite likely for the purpose of collecting insurance.

As supporters of Governor Pinchot, my family was invited to a picnic at Grey Towers in Milford. Why did coal miners and their relatives have such an affinity for Pinchot? The Governor was a staunch advocate for mine safety. Also, he had compassion for the health of miners, many of whom were suffering from "black lung" disease. And how could our relatives cease to remember that the entire Pinchot family had been at the forefront in assuring the right to vote for women?

I'll never forget Grey Towers as long as I live! I was probably eight years old when I first visited, and thought I had gone to heaven. Pinchot, the tall angler with the handlebar mustache, was not the least bit patronizing as he shook the hand of a poor boy. How gracious he was as he escorted me into the front room to meet his wife, Cornelia! She was lounging on a settee, and two large dogs completed the welcoming committee. Naturally, I sat on the floor to play with the pets, but I also carried on an animated conversation with Cornelia, who seemed to enjoy giving me her undivided attention for at least ten minutes.

After telling Cornelia about our family's tragedies (because I was aware of her deep concern for the needy), I knew that Mrs. Pinchot would intercede to help many escape the web of poverty. In our case, we soon moved from the anthracite area to a rural district of Susquehanna County. My father used his dynamiting skills to blow up stumps and rocks while helping to construct Pinchot's macadam roads. What a sense of freedom our family felt with the open space and the fresh air!

From that point in my life until the present time, I have steadfastly given my active support to Pinchot's policies and to the Institute itself. Is it any wonder that my wife and I experience joy every time we visit Grey Towers?

Lt. Col. Jerome Anthony (USAF) has spent his life serving this country on both the environmental and military fronts. After serving in both WWI and the Korean War, he worked in the 1137 Special Activities Squadron, focusing mainly on problem solving and policy issues. Upon his retirement from the armed forces, he served as the town supervisor for Forest City, Pennsylvania. As his article reveals, Anthony is an avid supporter of the environment, battling daily for reform and conservation. He suffers from "Pinchotitis," his self-named passion for conservation. This has been the driving force behind his national efforts to plant trees and spread seeds with a fervor that only a true forester could possess. He is joined in these efforts by wife Marjorie, a retired teacher, with whom he co-wrote not only this article but also a historical novel. The two are long-time donors of the Pinchot Institute.

THE PINCHOT LETTER

News from the Pinchot Institute for Conservation

FAX / MAIL-IN RESPONSE FORM

☐ I would like to receive notice of *The Pinchot Letter* via email.

☐ I would like to include my friend or colleague on your mailing list to receive *The Pinchot Letter*, I will fill in their mailing information below.

☐ I would no longer like to receive *The Pinchot Letter*, please remove my name from your mailing list.

Name _____

Company _____

Address _____

Email _____

Phone _____

Fax _____

Additional remarks/comments/suggestions:

Please fax to (202) 797-6583
or mail to:

Pinchot Institute for Conservation
1616 P Street, NW
Suite 100
Washington, DC 20036

Thank you!

IN YOUR OPINION...

Recently, the Pinchot Institute received an overall superior rating from Dun & Bradstreet, the leading provider of business information worldwide. The rating was based on the opinions of 20 organizations with whom we work. In addition to their thoughts, we would be delighted to learn yours.

How did you initially hear about us?

If you could characterize us in three words or less, which would you choose? _____

Why? _____

In your own words, please describe what we're trying to accomplish? _____

Is this something you believe in? _____

In your opinion, what are our strengths? _____

Our weaknesses? _____

Thank you for your time and attention! Please fax or mail this questionnaire to:

Pinchot Institute for Conservation
1616 P Street, NW
Suite 100
Washington, DC 20036
Fax: 202-797-6583



CONTINUING THE PINCHOT LEGACY

YOU CAN MAKE A DIFFERENCE IN FOREST CONSERVATION

How can *YOU* make a difference in forest conservation? Partner with us by making a fully tax-deductible gift to:

- ✿ The **Working Capital Fund** — to help us provide decision makers with timely information and analysis on key issues in natural resource policy.
- ✿ The **Endowment Fund** — to ensure our future, and offer internships and scholarships to future natural resource professionals.
- ✿ The **Grey Towers Fund** — to offer training workshops and educational conferences at Grey Towers, the Institute's home.

OR

- ✿ Become a **Pinchot Associate** and receive advanced notification of our activities and publications; special mention in our annual report; and invitations to events held in your community, Washington, DC and at Grey Towers.

Other tax-advantaged ways to help us conserve America's forestlands are to:

- ✿ Donate online via our website, <http://www.pinchot.org> or at <http://www.justgive.com>.
- ✿ Have your employer maximize your investment through its matching gift program.
- ✿ Donate appreciated securities through your broker or a donor advised fund, like Fidelity Investment's *Charitable Gift Fund*.
- ✿ Establish a gift that guarantees you income for 20 years post-retirement.

For more information on these and other ways to make an investment, please contact Kendra Miller at (202) 797-6580 or kmiller@pinchot.org.

PINCHOT INSTITUTE FOR CONSERVATION

Leadership in Forest Conservation Thought, Policy, and Action.



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Combined Federal Campaign

The Pinchot Institute participates in the Combined Federal Campaign as #1010. All gifts are tax-deductible.