



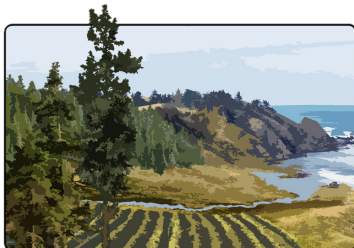
Meaningful Conservation Incentives for Small Forest Lands

Outcomes of Workshops in

Longview, Oct 17 2019

Shelton, Oct 18, 2019

South Bend, Oct 19 2019



Cascades To Coast

Landscape Collaborative

Designing for Resilience

Overview

The [Cascades to Coast Landscape Collaborative \(CCLC\)](#) hosted events in mid-October in Longview, Shelton and South Bend (Fig. 1). These focused on conservation incentives and their role in sustaining small family forests over the long term. The events featured a talk highlighting a new, innovative regional incentive program called the [Southwest Washington Small Forest Lands Conservation Partnership](#). It also included an open discussion on how to improve incentives for Small Forest Landowners (SFLOs). Over 65 SFLOs and representatives of land trusts, agencies and NGOs attended.

A “collaborative” in name only, is no collaborative at all. This is what has been wanting in today’s forestry dialogue. Rather than confronting one another as adversaries; your collaborative approach holds out hope of uniting forces for ‘good goals’ albeit not necessarily a singular common goal. Timberland owners are an independent lot and have many diverse objectives. This diversity applied across the land-landscape maximizes heterogeneity and in turn resiliency. - Longview Participant

The CCLC advertised this as the kickoff to a speaker series focused on issues relevant to local farm and forest producers and interested partners. The idea of a speaker series originated at a [working lands forum](#) hosted the previous year in Chehalis, Washington by CCLC. At that forum, audience-members spoke of the need for more outreach and education on topics of interest to their community. They identified the importance of incentives over regulations to achieve conservation and viable working forests. Since then, the CCLC has organized what will be a quarterly “working lands” speaker series, and has kicked it off by taking on this topic of incentives.

Why focus on incentives for small forest landowners?

Conservation incentive programs are a popular means of engaging private landowners to improve and protect water quality, fish and wildlife habitat, and biodiversity. In Washington, these programs range from federal and state financial assistance to local government tax

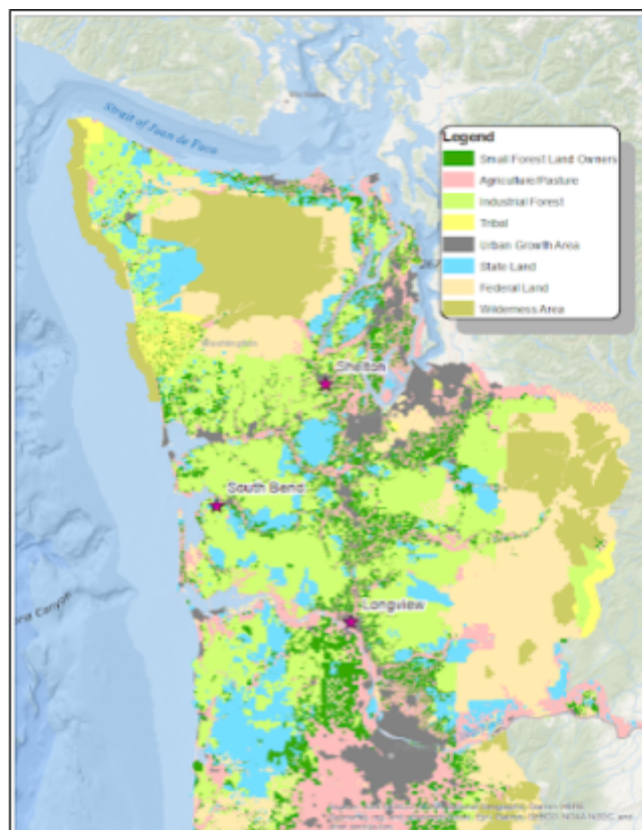


Figure 1. Map of CCLC planning area in Washington and landcover.

relief to private recognition and technical assistance programs. Conservation incentives are inducements offered by government and non-governmental organizations to encourage private landowners to undertake voluntary conservation actions on their property

Small forest lands comprise a significant part of the Cascades to Coast region (Fig. 2) and are a significant part of the culture, economy and livelihood of the region. These tree farms also provide a variety of ecosystem values and services.

A challenge to these preserving these values include the risk of conversions of small forests to non-forest uses. Other challenges include an aging demographic among SFLOs combined with uncertainty of how to pass their lands to the next generation of forest owners. A complex mix of macro and micro economic pressures influence decisions about the management of small forests.

On top of all this are the various state and federal regulations that impact what SFLOs can and cannot do with their forest resources. Most SFLOs are committed to good stewardship and appreciate the wildlife and ecosystem services that their lands provide. Therefore, it is necessary to have effective and efficient incentive programs that support those values for SFLOs and the greater public.

Incentive programs are important tools to encourage private forest stewardship while providing important societal values. At the landscape scale, incentive programs can play an important role in helping achieve many of the region's shared landscape values, including:

- Sustainable and resilient landscapes and ecosystems;
- Economically viable and culturally vibrant working lands and rural communities;
- Intergenerational farm/forest ownership and stewardship;
- Secure and functional ecosystem services (e.g., water quality);
- Biodiversity.

John Mankowski presented on a variety of incentive programs, each of which fell under one of six different categories (Fig. 2). Appendix 1 lists examples of programs he highlighted by category.

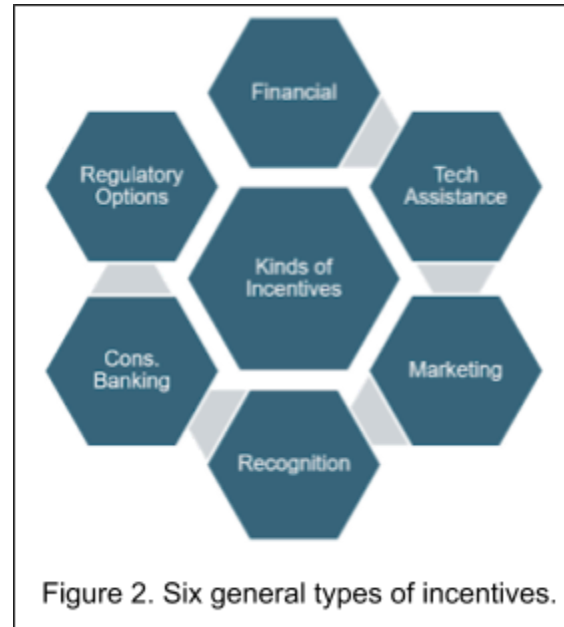


Figure 2. Six general types of incentives.

Southwest Washington Small Forest Lands Conservation Partnership

The event featured a talk by Washington Department of Fish and Wildlife's Farm Bill Coordinator, Mike Kuttel Jr., who highlighted a new, innovative regional incentive program called the [Southwest Washington Small Forest Lands Conservation Partnership](#) (SFLCP). He described how SFLCP can provide eligible small forest landowners in an eight county area (Fig. 3) with a variety of incentives to encourage natural resource conservation practices on forest lands. The incentives he described fall under three categories:

- financial assistance;
- assurances for regulatory predictability; and
- technical assistance.

Mike described two forms of financial assistance SFLCP provides. One is a cost share program for landowners to implement conservation practices. This flexible program provides landowners with cost share funds to encourage them to undertake a variety of eligible conservation practices. The other financial incentive is the Healthy Forest Reserve (HFRP) program, which purchases forest conservation easements from landowners with lands that can serve the habitat needs of Marbled Murrelet.

Another form of incentive Mike described falls under the category of regulatory

predictability programs. This includes a program that provides regulatory assurance in the event that Fisher (*Martes pennanti*), which currently is a



Candidate for listing under the Endangered Species Act, becomes a listed species. Another program is part of the HFRP to provide options for regulatory predictability for landowners who conserve sensitive species.

The final form of SFLCP incentive falls under technical assistance. Here Mike described how the the eight conservation districts in the region will take a lead role in this aspect of the program. To aid this part of the program, the Washington State Conservation Commission provided funds to pay for stewardship foresters who will provide technical assistance to landowners. These foresters are also the main contacts for landowners interested in participating in the SFLCP.

Open discussion on conservation incentives for small forest landowners

The program concluded with an open discussion so the CCLC could hear from audience members. Specifically, the CCLC wanted to use this part of the meeting to learn how forest landowners view incentives and incentive programs. Specifically, this final part of the meeting focused on a discussion about the following questions:

- What elements of an incentive program make it appealing or successful?
- What barriers prevent/discourage you from participating in incentive programs?

The CCLC wished to use this as an opportunity to learn from those who use non-regulatory incentives to see how they are working and where they could be improved. As some of us on the CCLC work for agencies that oversee some incentive programs, the CCLC may be positioned to take what we heard from audience members to try to make incentive programs work better for SFLOs.

Appealing Features of Incentives

During this part of the meeting, participants



Participants at Shelton event.

commonly cited that strong and trusted relationships with the people who provide support services as an appealing feature. An example of this is when a representative of the agency overseeing an incentive has a trusted personal bond with local landowners and can empathize with them. We also heard about the importance of having a single point of contact representing the incentive program who is knowledgeable and reliable.

Another feature many audience members brought up was simplicity. We heard this mainly in relation to the need for a simple and comprehensible application process. Other important features brought up by audience members included programs that provide:

- opportunities for landowners recognition;
- promotion and marketing of forestry with positive messaging;
- flexibility and can adjust to landowner needs; and
- sufficient funds to make it worthwhile.

Unappealing Features and Barriers

While good relationships are important features that draws landowners to particular incentive programs, poor relationships can turn a landowners away.

Characteristics of this cited during the discussion included a lack of transparency or a sense of distrust of the agency or organization overseeing the program. What leads to that distrust can include agencies that either do not keep their promises or who seem to have ulterior motives. Under the category of poor relationships, audience members also cited a lack of empathy as well as a lack of support or unresponsiveness as turnoffs to participating in an incentive program.



Participants at South Bend event.

Other important features brought up by audience members included programs that are seen as having:

- too many penalties or punitive clauses;
- having unforeseen consequences or risk;
- untenable terms of contract;
- Opaque, overly complex or burdensome application process or requirements; and
- poor or mixed messaging.

Other Discussion

The groups discussed other topics related to incentive programs including a discussion of which forest incentive programs do and do not work well. They also discussed gaps or features that could or should be built into incentives programs but currently are not. Please refer to Appendix 2 for a detailed description of discussion points from the last part of the meeting.

Recommendations

Based upon our dialogues, the following are key recommendations in the near and long term.

- Create an easy to access tool/resource for landowners to navigate the suite of different incentive programs.
- Conservation Districts are an important interface between landowners and many different programs. Others include DNR's Small Forest Landowner Office, WSU's Extension Forestry Services, NGOs, and private consultants.
- In Washington, Farm and Forestry Association chapters are networks that can help distribute information about different incentive programs.
- Staff agencies so they can recruit and retain program managers and assistants.
- Reform some programs to allow for great flexibility and trade-offs (e.g. a landowner putting in a forest pond should get some regulatory relief on buffers)
- Identifying challenges that are not currently covered by incentives.

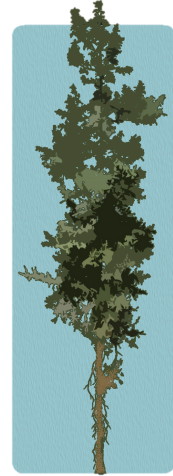
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Visit our website for more: www.ctoclc.org For more information, contact:

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Thanks to our Leadership Team:



Appendix 1. Different Types of Incentive Programs

This is information from John Mankowski's presentation, "Incentives to Conserve Working Forests".

Type of Incentive	Incentives
Financial	Env Qual. Incentive Program* (EQIP) – NRCS, cost share on forest health, habitat, water quality
	Cons Stewardship Program* (CSP)– NRCS, additional funding for conservation above EQIP
	Landowner Incentive Program (LIP) – USFWS to states to protect habitat on private land
	Fish Passage Program – USFWS, funding and technical assistance for fixing fish barriers Partners for Fish and Wildlife Program – USFWS, grants to owners for habitat restoration, focus on at-risk species
	Forest Riparian Easement Program (FREP)– DNR, 50-year term easements to SFLOs for timber left in RMZ. Oversubscribed
	Family Forest Fish Passage Program* (3F2P) – DNR, pays to fix fish passage barriers
	River and Habitat Open Space Program – DNR, buys permanent easement for unconfined CMZs, and listed species
	Easement programs – WWRP Forestland Preservation Program, Land trusts, WDFW acquisition,, USFS Forest legacy program, NRCS Healthy Forests Reserve Program*
	Pacific Forest Trust – NGO, conserve well-managed forests, easements
Technical Assistance	
	DNR Small forest Landowners Office
	Conservation Districts – 48 in WA, local ties to communities, ag and forestry, tech assistance for NRCS programs, fiscal agents for grants
	WSU Cooperative Extension Forestry - Coached planning, seminars, Family Forest Field Day, tours
	Forest stewardship planning (WSU, DNR, USFS, NRCS, WA Tree Farm Program)

	Lands Trusts – 32 in WA. Technical assistance to owners, fundraising, financial assistance, broker partnerships, easements
Marketing	
	Forest Stewardship Council – NW Natural Resources Group - cooperative
	Sustainable Forestry Initiative - Timber industry
	LEED - Green building standards - create demand
	WA Tree Farm Program certification
	Carbon Markets – RCPP - Pinchot.org – conduct carbon assessment, access to markets like CA,
Tax policy	
	Current Use Taxation (CUT) – tax deferral or reduction to forest (ag and open space) owners to be assessed at current use, rather than HBU.
	Public Benefit Rating System (PBRs) – allows counties to provide property tax relief to landowners participating in conservation actions. 16 counties, mostly in Western WA
Recognition	
	Outstanding Tree Farmer of Year – AM Tree Farm System
	WA State Tree Farm of the Year
	DNR Backyard Forest Stewardship Program
Conservation banking	
	Like wetland banks, but from broader resource values, biodiversity markets concept – Mazama pocket gopher
	Clark County – Pilot mitigation marketplace

Appendix 2. Feedback received from event participants during the open discussion.

Question	Response
What elements of an incentive program make it appealing or successful?	
	Generated from ground up
	Time and cost efficient
	Flexibility for changing needs and priorities of landowners over life of contract
	When agency has flexibility to adjust program requirement to landowner's needs
	Adequately funded
	Sufficient and stable funds
	Meaningful/sufficient payments
	Integrated tech and financial assist. Into single incentive program
	Funds interesting / fun work (e.g., nest boxes)
	Have knowledgeable people giving advice
	Relationships with POCs are good, helpful, and built on trust
	Has a POC who can provide reliable support through whole application process
	Marketed to both local and absentee forest landowners
	Programs that promote forestry
Programs that get new people into forestry	
Programs sold using positive messaging	

	Positive messaging
	Realistic time table
	SFLOs get recognition for their good work
	Requirements based on science
	One stop shop to reduce complexity
	Easy to work with
	Simplicity
	Ease of use
	Application process easy to understand
	When program overseen by white hats (CDs rather than a regulatory agency)
	Personal relationships with trusted point person (e.g., CD)
	Reps are knowledgeable of forest industry
	Good single point of contact
	POC has good connections with others who can provide tech support
	Low turnover with the POCs who work with landowners
	Reps overseeing program have close connections with local industry/community.
	Reps overseeing program attend WFFA mtgs and/or are WFFA members
	Reps and SFLOs have good interchange of ideas/concerns
	Reps who visit SFLO property are trusted, reliable, and empathetic
	Good personal relationships and trusts with those providing oversight/support
	Makes it easier to pass forest lands to offspring
	Encourage kids to stay in forestry

Question	Response
<p>What barriers prevent/discourage you from participating in incentive programs?</p>	
	Too much paperwork - tiresome cumbersome process
	Overly burdensome requirements
	Requirements that are too burdensome
	Incentive looks and feels too much like a regulation
	Negative messaging to sell the program
	Mixed messages from the different agencies providing assistance
	Payment rates not tied to inflation
	Insufficient payments (e.g., not enough to be an incentive)
	Underfunded programs
	When changes in political env. leads to changes in the standards/req of incentive program
	When there is a perceived lack of respect towards the SFLO
	Lack of empathy or resistance to SFLO needs
	Agency people can enter your land at will or too frequently
	Don't know what programs are available (e.g., obscure programs)
	When incentives is not well known to the intended users
	Insufficient staff resources for consultation / tech assist.
Lack of responsiveness from points of contacts	
Aversion to government programs	

	Program assoc with an agency who has a lot of baggage
	Lack of trust with agencies overseeing program
	Too many people (black hats) are walking on your property
	Agencies overseeing program don't keep their promises
	Impression that there is an ulterior motive behind the program
	Lack of transparency from reps
	Non-transparent application process
	Requirements that are pulled out of thin air (not based on science)
	Details of what can/cannot be allowed
	Territoriality
	Lack of coordination among partnering agencies
	Penalties if conservation work does not meet desired / expected outcomes
	Punitive clauses
	Unforeseen tax consequences (e.g., having to pay back taxes)
	Unintended consequences
	Potential for liability
	Landowner on the hook for too long - making it hard to make long-term plans
	Too many strings attached
	Too much turnover with those overseeing the programs

Question	Response
<p>What features should be built into incentives programs but currently are not?</p>	Protections from wildlife damage
	Creations of forests ponds
	Reduce overstocked stands to abate fire risk
	Provides assistance for acquiring seedlings
	Non-reg ways to keep forests from converting to homes
	Simple / flexible ways to transfer development rights
	Orgs reaching out to SFLOs to buy development rights
	Consistent funding over the long run
	Cost share can be met by in-kind contributions
	Ceiling for the landowner contribution for a cost share.
	Freedom from liability from potential litigation
	Cost share incentives for wildlife depredation of trees / crops
	Match up pro and con characteristics of incentives with actual incentive programs
	Incentives that help recruit new people into forestry
	Programs to bring younger generation into the business
	Some cohorts of landowners aren't getting involved in incentive programs
	Need to get SMFLs who don't view themselves as SFLOs to enroll
	Need to find ways to better reach out to absentee SFLOs to enroll
	Need to find ways to better reach out to absentee SFLOs to enroll
	More opportunities for early education.

	Programs that partner with groups that can provide interface between urban and rural land owners
	Relief from inheritance tax
	Funding for carbon sequestration