

**The 3rd Annual Northwest Community Forest Forum
Presented by the NW Community Forest Coalition
May 9 - 10, 2016
World Forestry Center, Portland, Oregon**

The NW Community Forest Coalition hosted the 3rd annual Northwest Community Forest Forum at the World Forestry Center in Portland, Oregon. Attending this two-day conference were 78 participants and 14 speakers from eight states. Community-owned forests represent a unique model of forest ownership as it uses community management of forests to generate economic as well as social and ecosystem benefits. It also fosters the understanding of connections among people, communities, and the land. The forum was the third annual gathering that brought together community organizations, land trusts, legal advisors, investors, state and federal agency representatives, and civic and business leaders involved in community forest management. The forum built on past years' discussions on the challenges and barriers to expanding the practice of community forestry throughout the Pacific Northwest as well as innovative solutions that practitioners are exploring in the face of these challenges. Access to funding and financial resources remain one of the biggest challenges, coupled with the fact that land conservation is a decreasing priority for municipalities and counties facing budget shortfalls for basic services. Other challenges include long-term investment of time and human resources to build public support, packaging and marketing of stewardship projects and initiating collaborative efforts within communities. With these challenges in mind, participants discussed the role of communications, access to funding sources, and the need for outreach.

The first day included an optional field tour of two community forests: Mt. Adams Community Forest in Glenwood, WA and Hood River County Forest in Hood River, Oregon. The discussions during day two of the event focused on the following themes:

Benefits of Community Forests

While it was commonly acknowledged that community forestry brings economic and ecological benefits, the type of benefit perceived by an individual or a stakeholder group inherently depends on the values he/she applies to the land. Some benefits are more tangible than others. Tangible benefits include recreational opportunities (hiking and hunting), economic returns from timber harvest, protection of high priority wildlife and habitats, increases in job opportunities, and economic returns from ecosystem services. It was noted that monetizing ecosystem services has its own set of challenges, especially in rural areas that lack large investment companies who could potentially invest in such services. Tangible benefits also make projects more attractive to investors. For instance, it was noted that restoration projects are probably the most effective in securing funds simply because the outputs and benefits are more tangible.

In addition to the noted benefits, there are subtle but equally important benefits that sometimes go unrecognized. Community forests bring local citizens directly into the practice of management of these forest systems. People exercising local control by creating their own ethics of stewardship and accountability builds a stronger personal connection and investment in forest outcomes. Additionally, community forests are potential grounds for forest-based experimental learning and sometimes allows for public access on lands where it would not have been possible otherwise.

Challenges and Barriers to Community Forest Projects

1. Availability of financial resources: The conception and implementation of community forest projects face considerable economic, social, legal and bureaucratic challenges. The

availability of funds and funding sources remains the biggest challenge for interested stakeholders. Challenges associated with both public and private sector funding sources were highlighted.

- **Public sector funding sources:** There is considerable funding in the form of grants and loans from various government agencies that are operating at different scales — from local municipalities and counties to state and federal agencies such as the U.S. Forest Service (USFS) and its Community Forestry Program and the Department of Ecology's Water Quality Program in Washington. However, such funds are often coupled with criteria that might not be feasible for small scale community forest projects. For instance, USFS' Community Forestry Program's requirements include a minimum of 50% cost share, mandatory public access, a minimum of 75% forest cover and 100% private ownership. Washington's Department of Ecology's Water Quality Program requires the applicant to be a public entity. Additionally, funds allocated to municipalities and counties are less often directed toward community forest projects, which are perceived as lower priority needs compared to other initiatives such as infrastructure development. In addition, there is concern over diverting local government funds to such projects with the assumption or perception that it would negatively impact the tax base.
- **Private sector funding sources:** The second most significant source of funding is from the private sector and includes corporations, foundations, and individuals. It was noted that the number of funding sources and the amount of financial resources in the private sector are quite significant; however, much of the potential funding has remained untapped due to the low awareness of community forest projects amongst the private sector. In general, community forest projects have been unsure how to effectively package their initiatives in a way that is attractive to investors or have clearly aligned with an investment portfolio. Additionally, the scale of the projects is sometimes a barrier because many smaller scale projects tend to get overlooked by investors seeking higher returns.

2. Other Challenges: Other mentioned challenges include:

- **Time and human resources:** it often takes considerable time and energy to help educate people about an issue and garner ample public support to start a community forest project. The co-operative land and forest management planning process can be quite time intensive. Conservation organizations often are understaffed and rely on volunteers for awareness and outreach efforts, which can be inadequate.
- **Communication:** Closely related to the challenge of time as a resource is communicating the right message to stakeholders and developing a deeper understanding of their shared values. Persistent and consistent communication is sometimes missing simply due to deficient staff capacity.
- **Vision:** Many projects start with a good plan; however, without a long-term vision, it is difficult to sustain the interest of the public and gather ongoing investors and funds.
- **Building collaboration:** sometimes community forest projects involve two or more local communities and that requires additional bureaucratic and public collaboration, which are added obstacles.

Innovative Solutions and Opportunities to Promote Community Forestry

- **Accessing financial resources:** Packaging and marketing of community forestry projects is key to accessing more resources, especially from the private sector. This is largely dependent

on the type of investor and the investment portfolio. While some investors connect with the broader benefits to the community and their shared values, others prefer a more bottom line approach that has explicit investment returns. Effectively translating community stewardship into sound investment projects for private sector impact investors is key for growing community forestry. Investors are yearning for a powerful story and so the onus is on land trusts and other community organizations to package projects in a deliberate, compelling way. Advised funds such as those held by the Oregon Community Foundation provide access to donors whose interest align with community forest objectives. These donors however typically find out about projects via applications to the competitive grant program. There is no way to apply for advised funds directly.

High net worth individuals who are conservation oriented can also be a source of funding. This source usually has the fewest strings and reporting requirements, and depending on the donor can result in capital that is available sooner than other sources.

It is key to stay informed about donors' and foundations' priority issues as they evolve.

Finally, financial tools for land conservation such as recreational easements hold strong potential in furthering community forestry actions.

- ***Intelligent communication:*** Communications cannot drive the effort in community forestry but it can advance the vision by building support and attracting funding. Communication is largely dependent on the audience: local community members versus public and policy makers. While communication is very place and audience specific, two general strategies were mentioned: one where the approach concentrates on general and broader value of community stewardship, and the second where focus is on specific actions happening at the local level that makes a tangible difference.

Communication with the public is most effective when local channels such as local newspapers, town hall meetings, and surveys are used. The key to connecting with the local community is finding common ground and developing shared values. Peer-to-peer communication at the grassroots level is also important — hearing from communities and individuals who have gone through the process is reassuring and validating for a community that is about to start the process. Finally, a decentralized form of governance and management, which is a characteristic of community forest projects resonates well with both local government institutions and communities, and such aspects of community forestry need to be highlighted when interacting with these stakeholder groups.

- ***Aggregation of projects:*** Since small-scale projects tend to get overlooked by larger funding sources, it might be worth exploring the potential of aggregating several small-scale community forest projects based on geography, forest characteristics, or land use.

The way forward for Northwest Community Forest Coalition

The conference concluded with a brainstorming session to reveal the priorities and next steps for the Northwest Community Forest Coalition. The discussion covered actions related to finance and funding, marketing and outreach, policy and advocacy, and governance and ownership.

- Within the finance sector it was suggested that the Coalition could:
 - Explore innovative finance approaches (even internationally) to replicate or adapt in the Pacific Northwest

- Facilitate the growing interest in aggregating smaller community forest projects into a larger portfolio that could attract institutional investors
- For communications, marketing, and outreach, the group suggested ways:
 - to develop aggregate success stories (including those on working lands)
 - develop key messages and talking points that can be provided to legislators and investors during meetings
 - develop ways to market community forest products.
- The next steps in policy and advocacy for the Coalition included:
 - Establishing formal connections with the Washington Wildlife and Recreation Program and other programs that would help elevate the status of community forests in the region
 - Increasing peer learning opportunities across states
 - Changing the carbon legislation to include forests as a tool for mitigation and adaptation
 - Exploring favorable tax incentives.

The conference was organized by the NW Community Forest Coalition Members including:

Chelan County Natural Resource Dept
 City of Anacortes
 Columbia Land Trust
 Cowlitz County
 Deschutes Land Trust
 Ecotrust
 Forterra
 Great Peninsula Conservancy
 Hood River
 Jefferson Land Trust
 Mt. Adams Stewardship Group
 Nisqually Land Trust
 North Coast Land Conservancy
 Oregon Coast Alliance

Oregon Coast Community Forest Association
 Oregon Coast Forest Association
 Pinchot Institute for Conservation
 Schwabe, Williamson and Wyatt
 Sustainable Northwest
 The Climate Trust
 The Nature Conservancy
 US Forest Service
 US Forest Capital
 Wallowa Resources
 Washington Association of Land Trusts
 Whatcom Land Trust
 World Forestry Center

With administrative support by Sustainable Northwest and the World Forestry Center.

Financial support was provided by:

US Forest Service
 US Forest Capital
 Wallowa Resources
 Columbia Land Trust
 Yarg Foundation
 Hancock Timber Resource Group
 Schwabe Williamson and Wyatt
 Campbell Global
 The Climate Trust

Ecotrust Forest Management
 The Nature Conservancy
 The Trust for Public Lands
 Beneficial State Bank
 The Conservation Fund
 Ecotrust
 Mason Bruce and Girard
 Mt Adams Resource Stewards