

# **Supporting Rural Economies through Land Conservation in Maine**

A report to the Board of Directors of



Land for Maine's Future

November 2010

# ACKNOWLEDGEMENTS

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## Executive Summary

*“If you put representatives from all of Maine’s land trusts in one room, and asked them to tell their best story about economic development generated by land conservation, you’d be surprised to hear what is going on.”*

-Paul Gallay, (formerly) Maine Coast Heritage Trust

In fall 2009, the Land for Maine’s Future (LMF) program partnered with Coastal Enterprises, Inc. (CEI) – a statewide community development corporation and community development financial institution – on a research project to identify opportunities to integrate economic development and land conservation. LMF and CEI retained the consulting services of a graduate student in the Berkley Scholars program at the Yale School of Forestry and Environmental Studies.

The project arose because of the Land for Maine’s Future board’s interest in better understanding how it can attract land conservation projects that have direct economic benefits for their surrounding communities. The board does not see this as an effort to replace LMF’s traditional conservation work but to leverage it with sensitivity to opportunities to enhance the economic interests of the State. Indeed, most of LMF’s projects have some form of economic benefit and the board has taken steps over the past decade to encourage projects with this attribute. However, this effort is still in its early stages and the potential synergy between land conservation and economic development is not fully utilized.

For the past 20 years, LMF and its board have worked to highlight ways in which land conservation can be leveraged to support the economic and social well-being of Maine residents in addition to traditional conservation goals. Over time the social and economic components of land conservation have become more prominent, even in the absence of any requirements to elevate their role.

It could be argued that the time has come when economic development deserves a place on the list of conservation goals, alongside habitat and wilderness protection, viewshed preservation, and recreation access. On the flip side, conservation deserves an elevated place on the list of economic development goals, alongside job creation, infrastructure development, and business attraction. Land conservation today can be seen as part of a comprehensive economic development strategy. Communities should consider land conservation in their economic development plans and land conservationists should be consulted when strategies and investment priorities for economic development are set.

In the near term, LMF seeks to evaluate a project's economic impact in addition to traditional conservation work in its proposal scoring, and to reward applicants that can demonstrate support of community economic development goals, thus setting a precedent for future applicants. The board seeks to integrate these considerations within its existing evaluation system, not establish a new threshold requirement.

In the long term, LMF wishes to enhance the broader dialogue within the Maine conservation community and with community and economic development interests, about the synergies between economic development and land conservation. Moreover, it hopes to promote aligning the economic goals of communities with their conservation goals and ensure that they are mutually reinforcing and supportive.

These steps will maintain and strengthen the understanding among Maine voters that land conservation can enhance economic activity in a time when economic goals may seem to compete with environmental goals in the public arena.

LMF knows that many land conservationists are thinking about these issues. And while it is looking for ways to encourage credible, explicit inclusion of both qualitative and quantitative data about economic impacts in project applications,

the board does not want to make recommendations that will weaken state-level financial support for conservation finance. Nor is the board proposing land trusts take actions that would stress already scarce human resources or over-state the potential opportunities. Nevertheless, as Maine moves to protect and enhance its quality of place, conserved land is clearly one of its most unique and treasured assets. The challenge is for communities, land conservationists, business people, and economic development practitioners to take advantage of the economic opportunities that land conservation presents.

Our hope is to shed some light on what constitutes conservation-related economic development in Maine, create an intentional dialogue about how land conservation and economic development planning can be mutually supportive, strengthen communication among land conservationists and economic developers, and help voters understand that land conservation contributes to Maine's economic prosperity.

### ***Key Findings***

1. There is a difference between projects that generate economic benefits as a secondary product of their conservation objectives and those which are intentionally designed to integrate economic objectives along with traditional conservation aims.
2. Land conservation efforts are most successful when they are part of a clearly articulated, community-generated plan that recognizes their contributions to economic development, environmental preservation, and community enhancement.
3. Economic development and conservation efforts, traditionally understood as opposed, can be mutually beneficial and leverage scarce resources with the creation of new partnerships.

4. New land ownership and business paradigms for working landscapes create opportunities for generating economic development through conservation.
5. Communicating the economic contributions of conservation projects is critical to maintaining and increasing public support of conservation investments.

### ***Key Recommendations***

#### **Changes that can be implemented now:**

1. Recognize and reward projects that have purposely integrated community economic goals into their land conservation aims.
2. Develop a list of simple questions to be used in preparing Land for Maine's Future project applications that will guide applicants in demonstrating how they have integrated community economic development goals.
3. Encourage communication, relationships, and networks among economic developers and land conservationists.

#### **Areas where more work is needed:**

4. Use best practice examples to understand the synergies between conservation and economic gain and to inspire future applicants to take on conservation projects that connect conservation with community economic goals.
5. Explore how states, trusts, foundations, and other land conservation funders evaluate and reward economic impact in their funding decisions.
6. Identify the economic connections of previously-funded Land for Maine's Future projects. Projects that preserve working lands provide good models.

7. Identify opportunities for fostering economic connections in future Land for Maine's Future land conservation projects.
8. Help inform the national conversation that is emerging around the nexus of land conservation and economic development.



## **I. Background**

### ***A. Land for Maine's Future Overview***

The Land for Maine's Future (LMF) program funds the protection of lands that have exceptional natural or recreational value and, in doing so, protects Maine's ecological and cultural legacy as well as its economic vitality. The Maine Legislature created the LMF program to secure "the traditional Maine heritage of public access to Maine's land and water resources." LMF's authorizing statute states that "the future social and *economic* well-being of the citizens of this State depends upon maintaining the quality and availability of natural areas for recreation, hunting and fishing, conservation, wildlife habitat, vital ecologic functions, and scenic beauty and that the State, as the public's trustee, has a responsibility and a duty to pursue an aggressive and coordinated policy to assure that this Maine heritage is passed on to future generations" [5 MRS §6200].

Over 20 years, Maine voters have overwhelmingly approved four bonds – totaling \$117 million – supporting the LMF Program. By requiring at least a one-third match of private funds for the public funds expended, the LMF Program has successfully leveraged more than \$126 million from other sources, including private and federal dollars. Since 2000, LMF has secured a match of \$3 for every dollar expended.

To date, LMF has assisted in the acquisition of more than 530,000 acres from willing sellers, including 247,000 acres protected through conservation easements. The lands protected through the LMF Program include more than 1,000 miles of shorefront and 158 miles of rail-trails as well as valuable wildlife habitat, entire islands, and working forests and farms.

LMF stakeholders and partner groups include outdoor enthusiasts, sportsmen, fishermen and clammers, conservationists, business people, municipal officials,

and citizens throughout Maine. Key funding partners include nonprofit organizations, foundations, cooperating landowners, and federal agencies.

Land parcels are selected for LMF conservation funding through a competitive application process, for which there are concrete scoring criteria outlined in LMF's *Proposal Workbook*. Proposals are evaluated on a number of points including: the degree to which the parcel is of statewide, regional, and local significance for recreation opportunity, wildlife habitat preservation, and sustainable extractive use; and/or faces severe threat of development. In the case of farm projects, proposals are also evaluated on the significance of the farm to the local economy.

LMF and its board are interested in revising its scoring criteria to give more weight to the economic components of land conservation projects and encourage applicants to design and seek out projects that will complement these community enrichment goals. This would include adding stronger, more suggestive language so as to guide applicants through the process of identifying, explaining, and evaluating the economic contributions associated with their land conservation projects. LMF's goal is to foster dialogue and begin systematically addressing an issue that is national in scope, local in essence, and quite messy in between.

### ***B. Growing Synergies between Land Conservation and Economic Return***

In a 2004 report titled *Increasing the Return on a Sound Public Investment*<sup>1</sup> the authors noted that “natural resources have economic value beyond their potential for extraction or development. Land conservation efforts should be recognized as opportunities for economic and community development, and should enhance local and regional goals for economic development, where these exist.” The report

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<sup>1</sup> The report was written by researchers at the New England Environmental Finance Center of the Edmund S. Muskie School of Public Service, University of Southern Maine and The Margaret Chase Smith Center for Public Policy, University of Maine.

recommended that the Land for Maine's Future (LMF) Program undertake a "revision of the scoring criteria to consider how proposed projects may enhance local, regional, and state economic development goals." Modest revisions to the scoring criteria were made in response to this recommendation.

According to several conservation practitioners interviewed, in Maine in particular, economic development benefits are an inherent part of most land deals. Conservation and economic development practitioners perceive the opportunities for mutually beneficial outcomes and communities see the value of conservation to their local economies. This link becomes more apparent in the face of increasingly scarce public and private resources for conservation and economic development. Many conservation leaders understand this not as a weakening of conservation efforts, but as a critical step to keeping land conservation relevant and vital in the future.

What's more, for many rural communities in Maine, the economic development aspects of land conservation are paramount. Here, livelihoods are directly linked to the land and economic well-being is threatened by widespread changes in land valuation, use, and ownership.

Other initiatives suggest increased interest in this type of integrative project development. For example, the Wilderness Society recently launched a study of the connections between public lands conservation, the new energy economy and long-term sustainable jobs. Closer to home, Maine's working waterfront access program seeks to protect access to the coast for Maine's fishing families who make their livelihoods from the sea. Recent quality of place legislation in Maine calls for regional investment plans to protect natural and built assets and market those assets for their economic worth.

The key is to move from assessing the economic impact of land conservation after the fact to a more thoughtful, deliberate approach—one that incorporates economic considerations into the design of land conservation projects at the

outset. A more proactive approach uses land conservation as an economic development strategy and draws on economic development resources to conserve valuable land.

### ***C. Types of Economic Effects***

We want to distinguish between the two types of economic effects that conservation projects can create: direct economic impact and indirect economic benefits. Without losing sight of the indirect economic benefits, we suggest that LMF's current efforts concentrate on the direct economic impact category. While the elements of these two categories are not mutually exclusive, an attempt to contrast them follows.

The research team understands "direct economic impact" to mean the revenue-generating activities that can be linked back to, or generated from, a particular landscape in its conserved form (e.g., timber production, farming, recreation, etc.). The act of conserving the land in this case ensures the long-term opportunity for such revenue-generating activities and mitigates against a scenario in which the land is compromised and the capacity for these economic activities lost.

A typology of the direct economic impacts associated with land conservation includes, but is not limited to:

- working-landscape related jobs (forestry, guiding, hospitality, agriculture, fishing, etc.);
- revenue from the harvest and sale of farm, forest, and marine products;
- revenue from recreation or tourism (from the sale of use permits, gear, etc.);

- development of infrastructure that supports or enhances working landscapes (agricultural processing, creation of rail trails, construction of huts, etc.); and
- jobs and investment from the development of new products and services derived from conserved lands (farmers' markets, tourism businesses).

We understand the “indirect economic benefits” of land conservation to encompass primarily the quality of life indicators that lend attractive qualities to a place and to ecosystem services. In most cases, these benefits are realized in a passive sense and are enjoyed in regions that are densely populated and developed, where the presence of open space represents a direct contrast against other highly competitive, built-environment land uses.

A typology of the indirect economic benefit associated with land conservation includes but is not limited to:

- increased land and home value in surrounding areas;
- mitigation of costs associated with municipal service provision;
- storm water mitigation and retention;
- drinking water and air quality protection along with other ecosystem services;
- health benefits from increased outdoor recreation; and
- views, open space, and landscapes that make Maine distinct and attractive to tourists and new residents.

We see this category of “indirect economic benefits” as distinct from “direct economic impacts.” To realize the direct economic impacts will require an additional level of strategic planning on economic, social, and environmental levels to achieve.

Having tried to distinguish between the two categories, several study participants reminded us that these are not mutually exclusive. Land conservation projects exist along a continuum of different levels of economic opportunities. A small pocket park in an urban center may principally generate the indirect economic benefit while a rail-trail project may attract recreationists who, through their spending, stimulate or support significant economic activity. Yet other kinds of projects may “score high” on both. In the case of ecosystem services, these may also be quantifiable economic benefits such as the costs of drinking water treatment avoided through watershed conservation.

We know that both direct economic impacts and indirect economic benefits of land conservation contribute to the economic prosperity of Maine. Open spaces, recreational areas, and natural landscapes and access to them make Maine appealing to skilled workers and entrepreneurs that will fill our state’s declining workforce population. Research shows that among the factors that most influence skilled workers’ location decisions are: the variety and accessibility of natural and recreational amenities, easy access to water and water-based recreation, and high air and water quality. These elements are now seen as essential components of the total quality of place package required to attract talent and generate economic growth.<sup>2</sup>

#### ***D. Project Goals***

These two fields, economic development and land conservation, traditionally understood as separate and even, at times, in conflict, can be much more successful and relevant when undertaken together. Examples are emerging in Maine and across the country that demonstrate the possibilities.

The project’s goals are two-fold.

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<sup>2</sup> Florida, Richard. Quality of Place and the New Economy: Positioning Pittsburgh to Compete (Pittsburgh, PA: Carnegie Mellon University, 2000).

In the near term, LMF seeks to elevate economic development criteria but not overshadow traditional conservation goals. Ultimately, in the scoring of proposals, they hope to reward applicants that can demonstrate synergies with community economic development goals. LMF believes that by encouraging the inclusion of concrete economic development information in project development and proposals, it will set a precedent for future collaboration and alliances.

In the long term, LMF would like to enhance the dialogue between the Maine conservation and economic development communities. It wants to encourage the participation of land conservationists in community economic development planning efforts and promote the inclusion of land conservation activities as economic development strategies. Land conservation should not be an afterthought to economic development, rather a deliberate strategy for stimulating economic growth.

Our hope is to shed some light on what constitutes conservation-related economic development in Maine, to stimulate a deliberate dialogue between the land conservation community and economic development practitioners in the planning and implementing of such efforts, and demonstrate to Maine voters why maintaining and strengthening support for land conservation is critical to growing a healthy and sustainable economy.

## **II. Findings**

### ***A. Background***

Historically, the conservation community has focused on ecological and recreational priorities inherent in conservation work. In spite of the wealth of examples of its economic potential, land conservation has not been traditionally associated with economic development planning and implementation.

According to one interviewee, the tension between land conservation and economic development was apparent in initial efforts to preserve working forests. Over time, and project-by-project, examples demonstrated support for local economies and traditions, and today this model is common throughout Maine. The rapid acceptance of Maine's recent efforts to protect working waterfronts and ongoing work in farmland protection provides further evidence of a growing understanding of this relationship.

As skepticism and the need for aggregation of best practices still exists regarding the broader synergies between conservation and economic development, it may be useful to draw by analogy on the lessons learned in prior conservation efforts. It is now received wisdom that connectivity is an essential attribute of any successful, ecologically-focused land conservation strategy. The need of the target plant and animal communities to have access to their full range of essential habitats is now self evident. Modern conservation projects spanning whole landscapes reflect this. Similarly, human communities living on these same landscapes need access to the full range of resources to support themselves including amenities and economic opportunities. While the balance may be different from community to community and landscape to landscape, the need for the some form of land/cultural/economic interconnectivity is essential.

Maine is unique because, unlike more densely populated in New England and beyond, livelihoods are still very closely tied to the landscape economically and culturally. For this reason, Maine is ahead of the curve in thinking about this important issue. As local, regional, national and global economies continue to evolve, this issue will only gain attention as we better understand the fundamental important relationship between healthy ecosystems and healthy economic systems.



## ***B. Key Findings***

- 1. There is a difference between projects that generate economic benefits as a secondary product of their conservation objectives and those which are intentionally designed to integrate economic objectives along with traditional conservation aims.**

Traditionally, efforts to assess the contributions of land conservation come after a project is conceived. Applicants examine the economic spin-off as part of their analysis for funders. More and more, however, practitioners in both fields as well as the public sector are beginning to appreciate the opportunities in a planned intersection of conservation and economic development. In some cases, like the Downeast Lakes, when land resources were threatened, the whole community joined together to develop a strategy to protect them because they recognized that their livelihoods were tied to the availability that land. One example still underway is *The Penobscot Valley Community Greenprint: A Regional Vision for Environmental and Economic Opportunity*. It represents a bold effort to identify landscape characteristics of the Penobscot region that sustain its economic prosperity, to map these characteristics, and to prioritize strategies for their protection. Among the communities involved, there is widespread belief that this type of approach to land conservation “is key to the region’s economic vitality.”<sup>3</sup>

In the future, to be successful, land conservation must incorporate economic benefit objectives in its original design. The challenge to LMF isn’t to impose this way of thinking, but to encourage, reward, and leverage it.

- 2. Land conservation efforts are most successful when they are part of a clearly articulated, community-generated plan that recognizes their contributions to economic development, environmental**

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<sup>3</sup> [Penobscot Valley Community Greenprint Case Statement](#)

## **preservation, and community enhancement.**

We found one critical element in common for strengthening conservation projects: the community in question had both a strong vision and a concrete plan for implementing economic development, environmental protection, and community enhancement. In other words, they asked themselves, “How do we derive economic development value from land conservation projects?” The ways in which this vision and plan were manifested differed from location to location, but the connection was always strong. In some cases an advisory group skillfully crafted and refined the communal vision to include an economic future which, in part, requires land conservation. In others community and business leaders were asked to submit letters of endorsement for land conservation projects. In all cases, the upfront integration of land conservation and economic development planning contributed to gaining local, regional, and state support for the project.

A 2008 study of “best practices” for regional landscape conservation reinforced this insight with numerous examples.<sup>4</sup> Among many insightful findings, this study concludes that, “A vision that includes economic and cultural objectives helps to broaden public support [and] to achieve buy-in from stakeholders...”

### **3. Economic development and conservation efforts, traditionally understood as opposed, can be mutually beneficial and leverage scarce resources with the creation of successful partnerships.**

Despite the growing recognition of its advantages, intentionally linking land conservation and economic development planning is in its early stages.

The majority of interviewees mirrored the concern of LMF board members that any proposed changes to the scoring criteria shouldn't create an unnecessary burden on land conservation organization staff already spread thin. LMF's goal is

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<sup>4</sup> “Regional Landscape Conservation in Maine – Best Practices for Enhancing Quality of Place” Brett Richardson, State Planning Office 2008 ([link](#))

to help thoughtful applicants put words and structure to something implicit, and thus support these conservation practitioners as they strive to include their work in a larger community and economic context. The success of community-driven development projects speaks to the importance of conservation practitioners thinking and working outside traditional conservation models.

As a result, the move to this approach is necessarily incremental. For example, the Mahoosuc Initiative, using conservation as insurance for the assets that support their economy, have partnered with community economic development organizations. They work with regional economic development and community action programs to develop the region's existing natural resources through marketing and economic development strategies that preserve and enhance those resources. Such partnerships can foster the creation of long-term community development plans that include working landscapes, ultimately connecting conservation projects to a larger strategic planning mosaic.

Conservation practitioners might also consider developing plans for maximizing asset value in the early stages of project development while remaining open to unintended benefits; additional economic value is often identified as projects evolve. In the case of a Maine Coast Heritage Trust project at Aldermere Farm, what began as an effort to bring high school-aged students to the farm to build raised garden beds and grow produce eventually morphed into a program that trained students in the development of business plans. The student-designed plans aim to both sell and donate produce.

However, to accomplish this integration, the community must also possess the tools, people, and resources to carry it out. Partnering with economic development organizations, which possess the expertise and resources to evaluate economic impacts, can help leverage resources and assist with achieving land conservation goals.

While there is substantial potential for capturing and leveraging the economic

development benefits of land conservation, it is not a panacea for certain threats. In some cases the “highest and best use” value of a parcel of land will still be traditional development, while in other cases it could be “forever wild.”

While some conservationists may worry that economic development partnerships will compromise “true” conservation objectives, most practitioners now recognize that local economic health is an essential prerequisite to land conservation success and vice versa. The economic reality of a community must be recognized in land conservation proposals.

Many of the examples offered by interviewees demonstrate that incorporation of social or economic priorities into land conservation projects does not have to compromise ecological values, but rather can strengthen these mutual goals over the long term.

#### **4. New land ownership and business paradigms for working landscapes create opportunities for generating economic development through conservation.**

Several important economic sectors in Maine depend on working landscapes: tourism, fishing, farming, and forestry. As such, they offer substantial potential to generate mutual conservation and development outcomes for the communities that depend on them for their livelihoods. With this in mind, we asked interviewees to consider the economic development value of conserved landscapes for these sectors.

The change in industrial forestland ownership patterns, including the use of very large-scale conservation easements, highlights the emergence of new models of land management in Northern New England. When considered over the long-term, forestland conservation should enhance sustainability of fiber and timber production. This would be directly correlated to a healthy economy. As stated by

the Forest Society of Maine in their *Procedure for Evaluating Conservation Projects*, “Desirable forestland should contain or have the potential to contain a productive timber resource that is capable of contributing to the state’s forest products industries and the local economies. Critical masses of forest products, woods crews, infrastructure, and processing facilities benefit from economies of scale associated with large-scale, intact ownership patterns.” In fact, a recent analysis by the State Planning Office of working forest conservation easements funded through the federal Forest Legacy Program<sup>5</sup>, estimated that these conserved lands supported nearly 2,200 jobs and over \$170 million of Gross State Product.<sup>6</sup>

While tourism is one of Maine’s largest industries, it is the conserved land that is often the key asset that makes an area a tourism destination. Increased demand for active recreational and wilderness experiences boosts Maine’s nature-based tourism economy. At the same time, in some cases, the most important type of resource in a tourism project is human capital, in the form of guides and innkeepers who know more about a place than a guide book could ever tell. Land conservation practitioners should be encouraged to think about this human capital as an economic resource that is protected and leveraged through successful conservation projects.

Preserving farmland is also a growing strategy “as a means to sustaining economically viable agricultural communities.”<sup>7</sup> The Land for Maine’s Future program has supported 29 working farms and preserved 8,000 acres of farmland. The State, land trusts, communities, and farmers alike know the economic impact of local farming and are working to keep farmland in production. A recent multi-partner project resulted in the purchase of development rights that will protect

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<sup>5</sup> Many of which also received LMF funding.

<sup>6</sup> While this analysis was limited to the Legacy-funded conserved lands, it is important to note that these lands represent only a quarter of the working forest lands already conserved or in active, pending projects.

<sup>7</sup> Mission of the Farmland Protection Program of the Maine Department of Agriculture, <http://www.maine.gov/agriculture/mpd/farmland/>

83.5 acres of active coastal farmland on Merrymeeting Bay in Bowdoinham. The Kelley Farm has been farmed for more than 70 years. Since 1996, the Kelleys have leased land to a local farmer who, in turn, sublet portions of the farm in order to grow new farmers. Currently, the Kelley Farm is sublet to six different incubator farms — small, start-up agricultural businesses — that supply fruits and vegetables to inns, restaurants, and farmer’s markets from Brunswick to Portland. National movements like the growing market share of local, natural, and organic foods and increased health alerts due to food borne pathogens, have led to more people buying local foods. These trends make preserving local farmland an important economic and business development strategy in many Maine communities.

Maine’s working waterfront is the life blood of many coastal communities. According to the Maine Coastal Program, “Commercial fishing and marine trades in Maine contribute more than \$800 million annually to the state's economy and employ about 30,000 people, giving fishermen and others both a livelihood and a valued way of life.” Fishermen depend on shorefront land for access to the fishing resource. Yet, as demand for coastal property increases, fishing access is being lost. Conservation of shorefront land for piers, wharves, boat launches, and landing places has become a significant strategy in many coastal communities to preserve the jobs and business activity supported by the fishing trades. Maine’s [Working Waterfront Access Protection Program](#)<sup>8</sup> helps fishermen, co-ops, and municipalities purchase property or easements, rights-of-way, or development rights to preserve fishing access. To date, it has helped 1,000 fishing families and more than 600 fishing vessels.

**5. Communicating the economic contributions of conservation projects is critical to maintaining and increasing public support of conservation investments.**

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<sup>8</sup> Jointly administered by the Land for Maine’s Future Program and the Maine Department of Marine Resources

Job-producing projects typically enjoy broad support while land conservation may sometimes be viewed skeptically or as a luxury. Identifying and communicating how land conservation generates economic development in Maine will be critical to protecting the landscapes and natural resources that are the economic engine of the state. A common concern stressed throughout our research is that the funding for most land deals is so tight that there's no room for quantitative economic assessment. Even so, most interviewees would like to see a progression towards a greater capacity for this type of assessment and methodologies already exist that may be appropriate. In tight budget times, projects that can confidently demonstrate economic return stand a better chance of being funded and of accomplishing both economic and environmental goals.

The economic contributions of land conservation are not pie-in-the-sky. They are real, they can be documented, and they can boost rural economies in ways that traditional economic development cannot. Moving forward, land conservation professionals will need to hone both their practice and their messaging to convey this shift to legislators and voters alike.

### III. Recommendations

#### *A. Changes that can be Implemented Now*

**1. Recognize and reward projects that have purposely integrated community economic goals into their land conservation aims.**

As reiterated throughout this report, LMF's goal is to encourage its applicants to think beyond the traditional conservation paradigm and incorporate a discussion of economic development support into their applications. Looking forward, LMF can strengthen project design to encourage a deliberate integration about how a project contributes to the economic goals of the community.

This can be done by asking applicants to identify key economic sectors in their community supported by land conservation, to assess businesses that will benefit from the conserved land, and to demonstrate their understanding and support of community and regional economic development strategies. Documented support from recreational organizations, farmers, and fishing and forest interests is another method for conveying the economic value of certain land conservation projects.

We recommend that LMF provide a small bonus (5 points) in its overall project scoring to conservation groups that actively partner with economic development groups and provide details about these partnerships in their LMF applications.

**2. Develop a list of simple questions to be used in preparing Land for Maine's Future project applications that will guide applicants in demonstrating how they have integrated community economic development goals.**



We recommend that LMF develop a list of simple questions to guide applicants through the process of demonstrating commitment to economic development goals. Answers could be used to evaluate and rank applicants against one another. Interviewees seemed in agreement that, in the near term, all new information expected of applicants should be qualitative in nature, and that over the longer term, methods for quantitative assessment could be developed and implemented. Interviewees offered a number of suggestions for how these questions might be worded and organized. Some samples to include in the application materials are included in the appendix.

### **3. Encourage communication, relationships, and networks among economic developers and land conservationists.**

Formalizing partnerships with community and regional economic development organizations can help leverage collective expertise, as well as draw on resources to help move from a qualitative assessment of land conservation's economic contributions to a quantitative one. We recommend that LMF encourage applicants to reach out to trade and civic associations, local governments, and regional government councils, so that cross-pollination takes place. For example land conservationists might:

- join chambers of commerce and participate in developing their position statements;
- participate in quality of place and Mobilize Maine<sup>9</sup> initiatives around that state that strive to identify community assets and develop economic development strategies to capitalize on those assets;
- participate in community land use comprehensive planning or open

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<sup>9</sup> [Mobilize Maine](#) is a statewide initiative supported by Maine's six regional economic development districts. The initiative involves a four-step process focused on identifying and capitalizing on a region's most unique and marketable assets.

space planning meetings and boards; or

- partner with trails groups, recreation clubs, farm or forest associations, historic preservation commissions, downtown redevelopment or [Main Street Maine](#) groups, and cultural organizations to expand the scope and impact of land conservation projects.

The establishment of formal memoranda of understanding or letters of support from municipal officials, chambers of commerce, or downtown revitalization groups can also legitimize the economic development goals made possible by a land conservation project.

### ***B. Areas where More Work is Needed***

- 4. Use best practice examples to understand the synergies between conservation and economic gain and to inspire future applicants to take on conservation projects that connect conservation with community economic goals.**

LMF is uniquely poised to highlight the best examples of such projects in Maine and inspire future applicants to take on conservation projects with economic development components. We recommend that LMF collect case studies and examples of the link between conservation and economic development both in Maine and nationally, and disseminate them widely.

- 5. Explore how states, trusts, foundations, and other land conservation funders evaluate and reward economic impact in their funding decisions.**

Other funders may already have moved in the direction of incorporating economic impact of projects in their processes. We recommend that LMF

examine alternate funding criteria that are used by others to assess the economic impact of land conservation proposals and their outcomes and identify criteria that might be relevant for Maine.

**6. Identify the economic connections of previously-funded Land for Maine's Future projects. Projects that preserve working lands provide good models.**

LMF is well-placed to identify opportunities for making economic connections to land conservation. We recommend that LMF analyze a discrete group of past or existing land conservation projects and identify the range of economic impacts already encompassed but not necessarily articulated. Because of Maine's economic reliance on working lands, we recommend that one or more of these projects examined include working forest, working waterfront, farmland, or tourism-related projects.

**7. Identify opportunities for fostering economic connections in future Land for Maine's Future land conservation projects.**

By looking prospectively at some Maine examples, LMF could demonstrate how a proposal would fare in an actual scoring exercise that incorporates a project's economic impacts. We recommend that LMF work with a set of 2-3 conservation organizations to analyze pipeline conservation projects and identify opportunities for incorporating economic impact into the project design (within the constraints of a conservation organization's mission). LMF could work with these land conservation organizations to present options on how they might reframe a proposal in a way that supports an existing community economic growth strategy and to demonstrate how the proposal would look if it were prospectively connected to community economic goals versus if it were not.

**8. Help inform the national conversation that is emerging around the**

## **nexus of land conservation and economic development.**

As resources allow, we recommend that LMF advocate on the national level about this issue; informing efforts by the Land Trust Alliance and Trust for Public Lands to develop a strategy for including this issue in studies, events, and publications.

## **IV. Conclusion**

There is no doubt that the conservation field is at a crossroads: the degree to which land trusts grapple with community needs is directly related to how successful the conservation movement will be in the long term.

There is ample evidence that a major shift in the way we approach land conservation work is in order. For the first time in Gallup's 25-year history of asking Americans about the trade-off between environmental protection and economic growth, a majority now say economic growth should be given the priority, even if the environment suffers to some extent. Ingenuity will bring about recovery, but people's attitudes may not recover as quickly as the economy. We need to become comfortable with this dialogue, because it will become only more relevant.

Our biggest fear should be the fear of leaving opportunities on the table to leverage community economic development and traditional conservation goals. Emerging sociological research indicates that the extended economic growth and optimism of the past 30-40 years may not persist over longer term. If we are moving out of this phase, we may have to reconsider our cultural norms and expectations. It may not be reasonable to expect that the state will continue to fund land use projects purely for their ecological value. The reasoning we've used to build the case for conservation for the past 40 years may no longer be sufficient to support broad consensus.

Developing a deeper understanding of the ways in which land conservation generates economic activity and community well-being in Maine will be critical to the future viability and scale of such efforts. By encouraging this dialogue, we hope to open up new ways of thinking about conservation and economic development. We hope that community conservation and economic development goals become mutually supportive.

## VI. Appendices

### ***Appendix A: Questions to guide project applicants to incorporate economic impacts into LMF proposals for conservation and recreation projects***

The following questions are for LMF conservation and recreation projects only. Criteria to assess the economic contribution of farming and working waterfront projects are already included elsewhere. These questions are intended as writing prompts to proposal authors. Not all of these questions will apply to every project. The score (up to 5 pts) will be awarded based on an overall assessment of this section of the proposal.

#### General

Describe the economic activities already supported by this landscape, or conducted on this landscape, and ways in which the conservation initiative you are proposing would enhance these activities or would create opportunities for new activities.

#### Significance to State, Regional and Local Economy

How does this project provide economic development opportunities on a local, regional, or state-wide scale?

- To a large (vs. small) number of individuals?
- To some of the poorest regions of the state?
- Throughout all four seasons?

What is the economic significance of the industry supported by this project in the region? For example, to what extent does the region's economy rely on tourism or forestry (i.e. number of people employed, number of visitors, value of goods and services)?

#### Economic Contribution and Public Benefits

Please provide a list of businesses and/or private contractors (e.g. guides) that stand to benefit from this project, especially businesses that are critical cornerstones of the affected area's economy.

How does this project protect or support a critical mass of economic activity in a given area? For example:

- Does it increase foot traffic to local businesses providing services to individuals who utilize the sites?
- Does it increase the value of products or services sold by local businesses?

How important are recreation and tourism as a planned use for the land conserved by this project?

- To what extent will the project create or enhance tourist amenities?
- Is the project part of a route that is popular with tourists, or enhances the attractiveness of such a route?
- How will this land be promoted to tourists or recreationists?

How important is fiber and timber production as a planned use for the land conserved by this project? How will the land be preserved as a productive timber resource?

#### Community Planning and Economic Development Support for Project

Is this parcel part of a larger community planning effort such as a downtown redevelopment or mixed-use plan, open space or recreation plan, or comprehensive land use or economic development plan for the region?

- If so, please cite such plans and describe how the project supports those plans.
- Provide contact information for an agent who can provide additional information.
- Provide a letter of endorsement from those responsible for implementation of the plan that discusses how the proposal contributes to the plan's success.

Please provide documented support, as relevant, from recreational organizations, chambers of commerce or other business organizations, trade and civic organizations, or local and regional governments that discuss how the proposal supports the local or regional economy.

## ***Appendix B: Project scope and method***

For this project, Keith Bisson of CEI and Tim Glidden of LMF served as clients to the Berkley Scholars, a virtual think-tank of graduate students at the Yale School of Forestry and Environmental Studies on the subject of conservation finance. Keith and Tim organized an informal project advisory group composed of LMF board members, and compiled a list of Maine land conservation, natural resource, and tourism professionals to serve as potential interviewees and to provide guidance and feedback as the project progressed. These interviewees were selected for a number of reasons, including their:

- conservation experience in Maine and nationally;
- receipt of LMF funding;
- involvement in exceptional projects that highlight best practices in the synergies between conservation and economic development;
- involvement in state-level decision making about the use of conservation funds; and
- utilization of innovative project development and/or conservation financing tools.

The following list is not comprehensive<sup>10</sup>; however, time, resources, and ease of contact led us to the following individuals:

- Mark Berry, Downeast Maine Land Trust
- Paul Gallay, Maine Coast Heritage Trust
- Peter Harnick, Trust for Public Land- Center for City Park Excellence
- Rose Harvey, Yale School of Forestry McClusky Fellow (formerly of TNC)
- Bruce Hazard, Maine Mountains (former chair of Maine Tourism)

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<sup>10</sup> The authors greatly appreciate the time and thought each interview has contributed to this project. The views and recommendations expressed in this report are those of the author and not of any interviewee unless specifically noted.



Commission)

- Alan Hutchinson, Forest Society of Maine
- Tom Ireland, Maine Coast Heritage Trust
- Jonathan LaBonte, Androscoggin Land Trust
- Roger Milliken, CEO of Baskahegan Lands
- John Olsen, Maine Farm Bureau
- John Piotti, Maine Farmland Trust
- Jeff Romano, Maine Coast Heritage Trust
- Denise Schlener, Land Trust Alliance
- Alan Stearns, Bureau of Parks and Lands, Maine Department of Conservation
- Dan Stonington, Cascade Land Conservancy
- Mike Tetreault, The Nature Conservancy of Maine
- Andy Whitman, Manomet Center for Conservation Sciences

Specific research components included:

- analyzing active LMF projects and identification of the range of economic development activities they encompass;
- interviewing key stakeholders in the Maine conservation community;
- identifying the range of economic activities possible through land conservation;
- reviewing literature;
- surveying other states' efforts to address the link between conserved land and economic development and how this link has been established and measured with an emphasis on publicly supported land conservation programs; and
- developing a set of options for how LMF project application scoring can integrate economic impact in a meaningful and measurable way.

## ***Appendix C: Case sketches of Maine projects that have economic impact***

Leavitt Plantation was York County's largest contiguous block of sustainably managed forest in single ownership when it was slated for auction into more than a dozen parcels. The community mobilized to protect it, since one-third of town residents derives some portion of their livelihoods from forestry activities. Community contributions totaled \$575,000 and countless volunteer hours. Partners included a timber management company that was prepared to purchase the land and sell an easement on it, the Maine Department of Conservation, The Nature Conservancy, the Land for Maine's Future Program, the U.S. Fish and Wildlife Service, Maine's Congressional delegates via the Forest Legacy Program, and a local business, Back Country Excursions. Unique and important ecosystem features have been preserved along with access for hunters, snowmobilers, hikers, cross-country skiers and cyclists. This project is an example of the power of conservation easements to protect a critical economic market.

Lakeside Orchards generates 13,000-18,000 bushels of apples annually, which are sold through wholesale markets, the Augusta school system, Colby College, Bowdoin College, North Center Foods, and their own retail store. In 1999 the owners developed a transition plan to keep the land productive, prevent future subdivision and development, lower property values, and make the land more affordable for continued agricultural use. This process involved the sale of a conservation easement to the State with funding from the Land for Maine's Future Program and the federal [Farmland Protection Program](#). That easement allowed the apple growers who had leased the land to buy it from the original owners at a lower price – maintaining a business that will continue to enrich the regional culture and economy.

Mt. Blue State Park in Weld receives roughly 70,000 visitors each year. It is home to Tumbledown Mountain, a popular summit that was unknown to most tourists and recreationists and accessible only through the forbearance and generosity of

the private landowners. State officials negotiated with multiple landowners to acquire Tumbledown and other key lands in the vicinity, linking to and expanding Mount Blue State Park. Partners included LMF, the federal Forest Legacy program, and private foundations. The Trust for Public Land's Maine Field Office worked closely with the Tumbledown Conservation Alliance, a coalition of dedicated local groups and individuals, and the Maine Department of Conservation. Additional acquisitions associated with the deal included a 2,468-acre tract with a deer-wintering yard and multi-use trail; parcels bordering the Webb Lake Campground and East Brook; all of Jackson and Blueberry mountains; the entirety of Jackson Pond; and easements on an additional 12,030 acres in the vicinity. The combination of conservation projects stabilized the core of a landscape that is a nationally recognized hiking destination and surrounded it with a buffer of sustainably-managed, commercial forest protected by easements.

The village of Port Clyde at the tip of the St. George peninsula is perhaps best known for the ferry service to Monhegan, but to locals it is a village steeped in fishing. Located on the edges of Muscongus and Penobscot bays, the diversity of vessels in the harbor is a testament that this harbor provides key access to a myriad of fishing grounds. Under Maine's Working Waterfront Access Protection Program, the Port Clyde Fishermen's Co-op sold a covenant to the state to secure commercial fisheries access. The property currently supports the lobstering activities of the 28 co-op members. They have wharfage, landing access, and access to fuel, bait, and parking. A portion of the property is leased to a family-owned and operated bait-processing facility that provides bait to the co-op and to fishermen throughout the area. In addition, these funds will make it possible for the co-op to finance a new wharf not only to expand its capacity for lobstering, but also to address the access needs of the struggling local ground fishing fleet. This upgrade will stimulate growth in co-op membership and will provide deepwater berthing and a landing point for the largest active ground fishing fleet east of Portland.

The Land for Maine's Future Program anticipates expanding this portfolio of case sketches in both scope and substance in future phases of this research project.

## ***Appendix D: Land conservation examples outside of Maine that support economic activity***

In an effort to contrast LMF's efforts, we canvassed other voter-approved conservation finance programs across the US to see how they were dealing with this issue. This is not meant to be a comprehensive study but a snapshot. Our sense is that most states are at a similar stage as Maine, learning as they go, and planning for the future. We've also included a summary of Open Space Institute's unique approach to funding community forestry projects, as an interesting point of reference.

### **1. The Clean Ohio Conservation Program**

The following comes from the program applicant manual, administered by the Cuyahoga County Natural Resources Assistance Council. Applications that demonstrate economic benefits can receive up to ten points for those benefits, but this category is only given a "weight factor" of one, compared to two and three for social benefits and environmental benefits, respectively. The manual reads:

"Studies have shown that conservation projects can provide additional benefits besides those that are physical and natural. The existence of open space and watershed projects provides benefits to all members of society."

It directs applicants to indicate and explain the applicable benefits that are anticipated as a result of their project:

#### **ECONOMIC BENEFITS**

- Supports a priority local economic and/or community development initiative.
- Catalyzes other improvements.
- Increases the value of adjacent or nearby land.

- Reduces annual municipal service costs (e.g., public safety, public service)
- Develops or redevelops vacant, underutilized parcels/acres.
- Other economic benefits.

## 2. Florida's Working Waterfronts Program

This program requires applicants to submit a business summary that outlines “how the development and management of the project site will provide an economic benefit to the community.” Up to 10 points are awarded for this criterion.

If the site is located within the boundary of a locally-designated community redevelopment area and furthers the adopted community redevelopment plan, it is awarded up to 10 points, with up to four additional points awarded if the area is designated as a “Rural Area of Critical Economic Concern.”

Under the category of community planning, up to three points will be awarded if the project furthers local government comprehensive plan objectives and policies to provide facilities that promote and educate the public about the economic, cultural and historical heritage of Florida's traditional working waterfronts.

## 3. Open Space Institute Community Forest Fund

Recognizing that local knowledge is often the critical component of successful conservation projects that maximize land value, the Community Forest Fund “seeks to tap growing interest among local communities in conserving and capturing the economic, social and ecological benefits of forestland ownership.” Among other criteria, eligible projects must:

- preserve productive forestland at a scale that can sustain forest-based economic activity (typically, protected tracts would be at least 1,500 acres

- and preferably 5,000 or more, either in itself or combined with contiguous forested land);
- ensure community access to the economic and non-economic benefits of the forest;
  - integrate community, economic and conservation goals, e.g., create and retain jobs, conserve land at greater scale and increase local support for sustainable timber harvesting; and
  - achieve significant financial leverage.

There are also a number of state-level conservation funding programs that discuss the links to economic development at some point in their literature but, to date, have no criteria for evaluating applications based on their tangible economic development priorities. This emphasizes that there are land conservation practitioners who are hinting at the importance of this connection without creating the programmatic substance to make it relevant to their funding decisions. Two examples follow.

#### 1. New Jersey Green Acres Program

Since 1961, the Green Acres program has protected almost 640,000 acres of open space through 12 statewide ballot initiatives worth \$3 billion. Their website includes language about how state spending on landscape preservation supports other types of economic activities, including a list of the types of professions for which open space preservation creates jobs:

“Green Acres funding provides for the acquisition of land and the construction of parks throughout the State. This includes many parks that serve as cornerstones for redevelopment initiatives in our older suburbs and cities. Many technical jobs are supported by this funding, including land appraisers, surveyors, architects, engineers, planners, title searchers and contractors. Creating jobs by preserving land or building public parks that then attract businesses which also provide jobs is a successful

economic model, worthy of continuation.”

## 2. Minnesota’s Environment and Natural Resources Trust Fund

The Legislative-Citizen Commission on Minnesota’s Resources produced a six-year strategic plan that names “economic incentives for environmental sustainability” as one of five main focal areas:

“The citizens of Minnesota cherish and take pride in the abundant and varied natural resources of this place. All of these values and desires are intricately connected: continued economic prosperity depends on a healthy and sustainable environment, and vice versa.”

“Incentives to move the state and its citizens and stakeholders in a transformative direction [include] broad-scale ideas for achieving a sustainable economy specifically through natural resource policies: energy policy, agricultural policy, forestry policy, and transportation policy can be used to grow and nurture Minnesota’s economic future.”