Chapter 1

WHAT'S NEXT??

It is time for the business of protecting important open space in this country to move forward, in new directions. It is time for the business of protecting important farmland, forestland, ranchland, wildlife habitat, scenic property to move forward, in new directions.

Here is my agenda, and vision, for the next decade. Each one of these ideas is independently important, but each one of these ideas also mixes well with the others on the list. There is enormous synergy possible, and new disciplines just waiting to be created. *I discuss these ideas in greater detail in the following chapters*.

CAPITALIST CONSERVATION:

Create new techniques and new "commodities" that rely on natural values or natural assets that are inherent in land but have not yet been tapped. This will create new markets for capitalist conservation. Bring together sophisticated financial wisdom and land conservation

experience to create new investments. This will ultimately attract huge pools of institutional money.

This is first on the list because it has the most potential.

NON-TRADITIONAL "LANDOWNERS":

Reach out to non-traditional "landowners" -- government agencies, colleges and universities, religious institutions, other not-for-profits --who own and control open space that is important to our communities. Secure commitments from them to protect their most important open space acreage.

CORPORATE LANDOWNERS:

Achieve positive financial results for corporate landowners, and positive financial results for private investors, by bringing together sophisticated financial wisdom and corporate landowners to create permanently protected open space.

<u>LEVERAGE ACQUISITION DOLLARS</u>:

Where money is available to buy "something" from private landowners, be that an easement or something new and different (see "capitalist conservation", above), bring to the planning table the concept of *leveraging acquisition dollars*. This starts with asking the question, "What does the seller really really want?"

<u>HUGE NEW POOLS OF MONEY</u>:

Pull together around the country –and leverage – huge pools of money – at least hundreds of millions of dollars – to be able to "rescue" and protect otherwise endangered property that is about to change hands and change use. This is not the same as "capitalist conservation" – new markets and new techniques and transactions – although there can certainly be some overlap. This idea means a ready source of substantial cash to pluck important "endangered" property off the market and (most likely) keep the pavement off.

Bring to *this* table sophisticated financial wisdom to create brand new and possibly dramatically different land-saving transactions.

Just stop for a minute and think of the synergy, think of the multiplier effect, when we combine new types of transactions, new huge pools of money, and leveraging, to create open-space transactions for traditional, non-traditional, and corporate landowners.

TAP THE DECADES OF COLLECTIVE EXPERIENCE:

When I started work in this business more than thirty years ago, there were maybe three or four veterans (say, older than 50) who understood this work and contributed to its history in those early days. Now, there are dozens and dozens of us. My older contemporaries are the veterans, and we need to find an organized way to tap that collective experience, commitment, and passion, to help us implement the ideas on this list. This way, we can come up with even

more and better new ideas so this business can continue to grow.

MAKE CONSERVATION EASEMENT DONATIONS THIS YEAR:

Private landowners all around the country need to know that this may be the last year to take advantage of special increased income tax deductions for conservation easement donations. Get the word out now!

Why Do We Need To Do This?

For the past few decades, the growth of the open space business has been fueled primarily by two sources. The first is philanthropy: generous private landowners who have not wanted to see their land developed have donated conservation easements to protect their land in perpetuity. The second is government money, federal, state, sometimes local money, used to purchase land and purchase conservation easements.

The growth has been remarkable, but the business of open space is bumping up against three problems. First, in some few parts of the country, where there have been active conservation easement programs for many years now, we may start to see a slowdown in conservation easement giving, for a lot of different reasons. Second, we cannot continue to count on government money, which is certainly not easy to come by, or continued government designation of millions of acres of national parks and national monuments. Third, growth in the business of open space, relying on philanthropy and government resources, is simply not sustainable. And there are still millions and millions of acres of open space around the country that for a whole variety of reasons we want to see protected in their current state, not paved over, not subdivided, not turned into strip malls and shopping malls and executive office parks.

Not every bit of open space should be protected. Every acre of forestland or farmland or ranchland does not need to remain economically productive – or unproductive – in its current form. But there are still millions and millions of acres around the country that we want to protect. **We need more than just conservation easements, philanthropy, and government funding to get there**.

Pulling It All Together

Marketplaces will acknowledge, develop, and set values on natural capital. Environmental commodities will be worth money. New pools of money will become available for capitalist conservation; the terminology – environmental commodities, natural capital, conservation capitalism – is not what's important, it's the concepts that are important. Shareholders will continue to push for environmental and social accountability. Concepts of fiduciary responsibility will change. Buyers will understand how to leverage acquisition dollars. Of course, there will continue to be at least *some* government funding, and we *can* and *will* include conservation easements with this new mix. But once we begin to open our eyes and broaden our thinking, new and better ideas will come on line. Ways of thinking will change. The business of open space will grow and evolve.